

Ref.: MTL / SEC/ 2024-25 / 50

Date: 03.09.2024

To,  
The Secretary  
**BSE Limited**  
Department of Corporate Services  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001

**SCRIP Code: 511768 | Company Symbol: MASTERTR**

**Sub: SUBMISSION OF ANNUAL REPORT FOR THE FINANCIAL YEAR 2023-24 OF "MASTER TRUST LIMITED"**

Pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are hereby submitting along with this letter, the Annual Report of the Company for the financial year ended 31st March, 2024.

The above is also uploaded on the website of the Company at:

<https://master-trust-strapi.s3.ap-south-1.amazonaws.com/Annual Report 2023 24 4d19782152.pdf>

Thanking you

**For Master Trust Limited**

**Harjeet Singh Arora**  
**Managing Director**  
**DIN: 00063176**

Enclosed as above

**MASTER TRUST LIMITED**

CIN : L65991PB1985PLC006414

Regd. Office: Master Chambers, SCO 19, 3rd Floor, Feroze Gandhi Market, Ludhiana, Punjab-141 001 • Tel.: 0161-5043500

Corporate Office: 1012, 10th Floor, Arunachal Building, 19, Barakhmba Road, New Delhi -110001 • Tel.: 011-42111000

E-mail: [secretarial@mastertrust.co.in](mailto:secretarial@mastertrust.co.in) • Website: [www.mastertrust.co.in](http://www.mastertrust.co.in)

[www.mastertrust.co.in](http://www.mastertrust.co.in)

**YOUR TRUST  
OUR LEGACY**

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**mastertrust**<sup>®</sup>  
IN MASTER I TRUST



**Innovating Digitally.**  
**Growing Exponentially.**

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Master Trust Ltd | Annual Report 2023-24

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### Investor Information

Market Capitalisation (as on 31 <sup>st</sup> March, 2024)	₹ 15,652.52 million
CIN	L65991PB1985PLC006414
BSE Code	511768
AGM Date	Monday, 30 <sup>th</sup> September, 2024
AGM Venue	Ludhiana
AGM Mode	Physical

Scan this QR code to navigate  
investor-related information



### Disclaimer

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



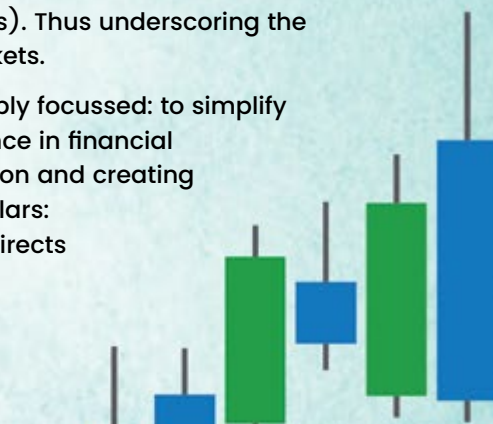
# Innovating Digitally. Growing Exponentially.

In a rapidly evolving financial landscape where change is the only constant and opportunities abound, Master Trust Ltd experienced a remarkable year marked by significant growth and transformative shifts. As the masses of the country work towards diversifying their approaches to wealth creation beyond traditional methods, mastertrust has spearheaded efforts with a deep commitment to digital innovation and client-centric strategies.

Charting a course for long-term success, the Company launched advanced technologies across its operations to streamline processes and elevate service standards. This approach lays a robust foundation for sustained growth and prosperity, reinforcing the Company's commitment to innovation and efficiency. At the forefront of this evolution are advanced digital platforms designed to customise client interactions and streamline management processes. Simultaneously, spreading financial knowledge through accessible resources and educational initiatives that empower clients to make informed decisions, the Company is ensuring that every interaction with mastertrust is not just transactional but transformational.

This past year has validated the Company's strategic foresight with a notable 47.5% increase in total income and a net worth of over ₹ 5,000 million (on a Consolidated Basis). Thus underscoring the Company's robust financial health and ability to thrive in evolving markets.

As mastertrust advances, the Company's strategic vision remains sharply focussed: to simplify the complexities of investing and establish new benchmarks of excellence in financial services. Committed to enhancing client experiences, fostering innovation and creating exceptional value, the Company's path forward is defined by its twin pillars: Innovating Digitally, Growing Exponentially. This commitment not only directs its future actions but also solidifies its role as pioneers in the financial landscape, continuously breaking new ground to meet and exceed the evolving needs of mastertrust's clients.



## Key Highlights

# Snapshot of Accomplishments and Highlights

**38+**

Years of Professional Services

**53**

Branches across India

**1,320**

Employees

Presence across

**22 States****949+**

Business Partners

**3,80,000+**

Customers



₹ **5,042.6** Million

Net Worth as on 31<sup>st</sup> March, 2024

**47.5%** YoY

Increase in Total Income

**69.9%** YoY

Increase in EBITDA

**69.8%** YoY

Increase in PBT

**64.0%** YoY

Increase in PAT

**64.0%** YoY

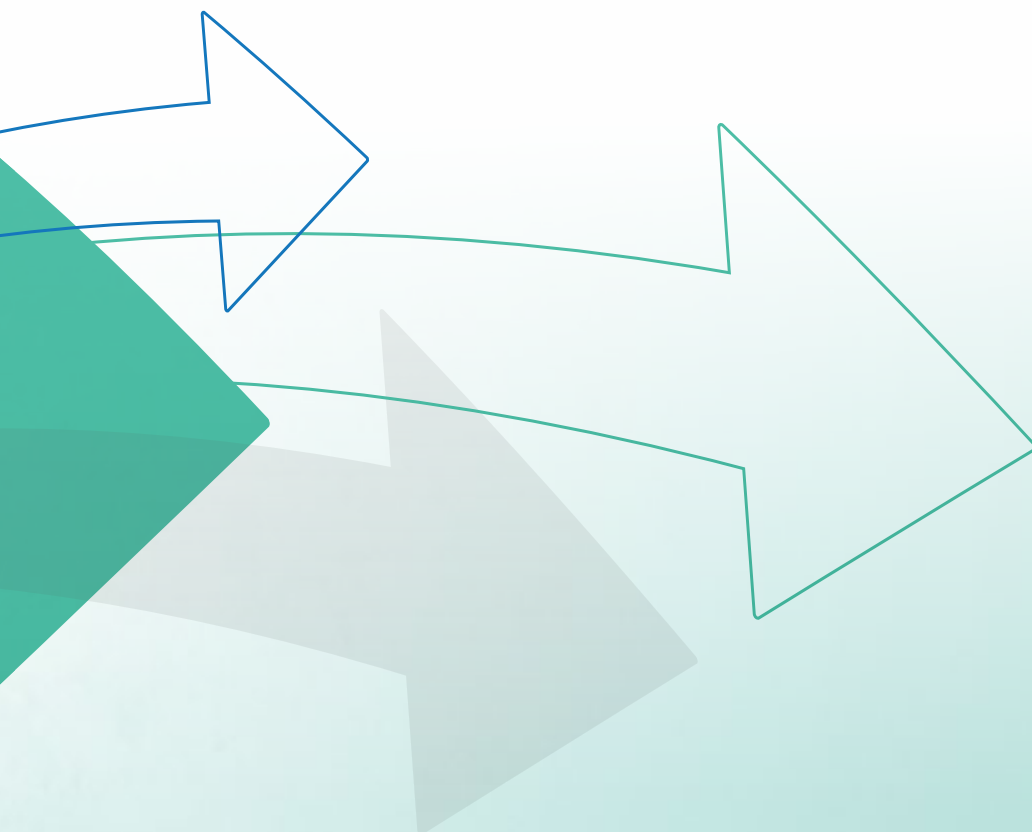
Increase in EPS

**21.43%** YoY

Return on Equity (ROE)

**33.43%** YoY

Return on Capital Employed (ROCE)



## About the Company

# Pioneering Excellence in Financial Services

With a legacy spanning over 38+ years, mastertrust has established itself as a leader in the financial services sector, serving a diverse clientele of over 380,000 individuals. Offering a comprehensive array of bespoke, research-backed trading and investment solutions – from equities and derivatives to currencies, commodities and more – the Company embodies a commitment to tailored excellence and innovation.

At mastertrust, building trust and fostering lasting partnerships are at the core of its philosophy. The Company is dedicated to offering transparent and secure advice, providing clients with tailored financial products designed to meet their unique needs. Committed to harnessing emerging technologies, mastertrust delivers innovative solutions that cater to the dynamic demands of its clients, enhancing convenience, efficiency and personalised service in the rapidly evolving finance landscape. Whether clients opt for self-directed investing via our comprehensive online platform or seek personalised guidance from our dedicated relationship managers, mastertrust guarantees a seamless service experience that honours individual investment preferences and styles.

With a dedicated research and advisory team at its core, mastertrust provides expert insights across various asset classes empowering clients to make well-informed decisions. From intra-day trading strategies to holistic investment solutions, the Company equips investors with the essential tools required to navigate the financial markets effectively.



## Vision

To always earn the right to be our clients' first choice through personal & social wealth maximisation.



## Mission

To be a well-diversified financial shop for wealth creation and be an ideal service provider in our domain of business.



## Philosophy

Becoming an expert at anything takes a strong will, unyielding determination and pure ability.

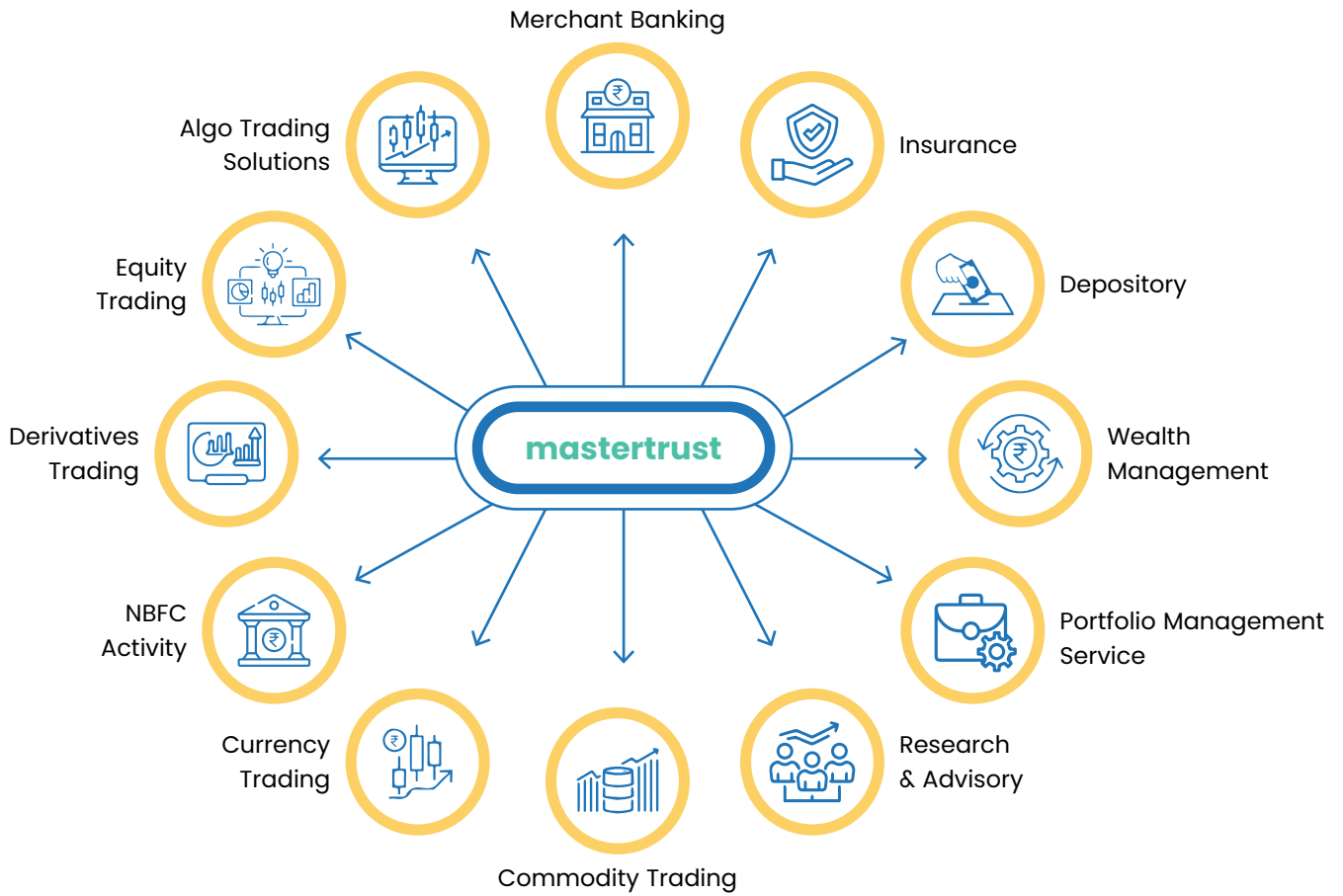


## Core Values

- Take personal responsibility towards delivering value
- Develop trust through integrity
- Apply high standards of excellence in serving our clients
- Encourage teamwork towards the common goal
- Embrace diversity as an essential component for growth and innovation

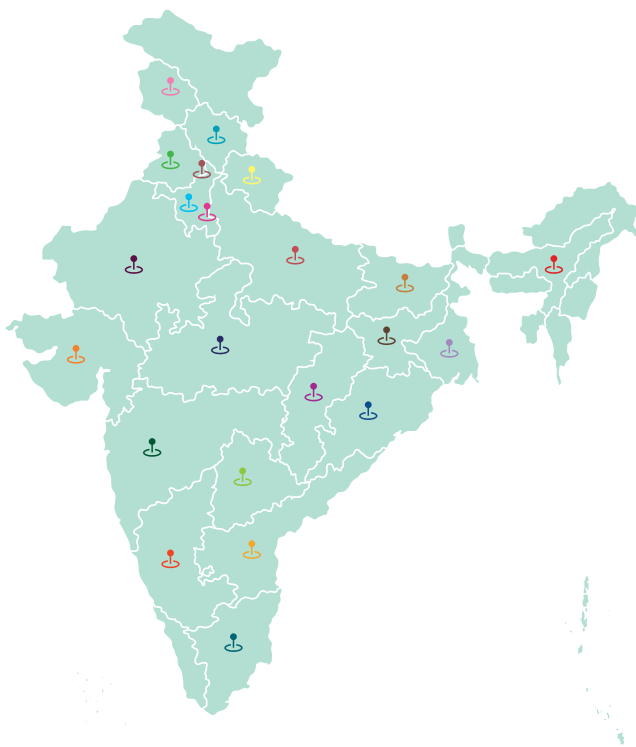


## Building a One-Stop Solution



## Footprint across the Nation

Over nearly 4 decades, the Mastertrust Group has expanded its presence across 22 states of the country. Thus ensuring its personalised services cater to the needs of individuals across all regions.



- 📍 Andhra Pradesh
- 📍 Karnataka
- 📍 Assam
- 📍 Madhya Pradesh
- 📍 Bihar
- 📍 Maharashtra
- 📍 Chandigarh
- 📍 Odisha
- 📍 Chhattisgarh
- 📍 Punjab
- 📍 Delhi
- 📍 Rajasthan
- 📍 Gujarat
- 📍 Tamil Nadu
- 📍 Haryana
- 📍 Telangana
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- 📍 Uttar Pradesh
- 📍 Jammu and Kashmir
- 📍 Uttarakhand
- 📍 Jharkhand
- 📍 West Bengal

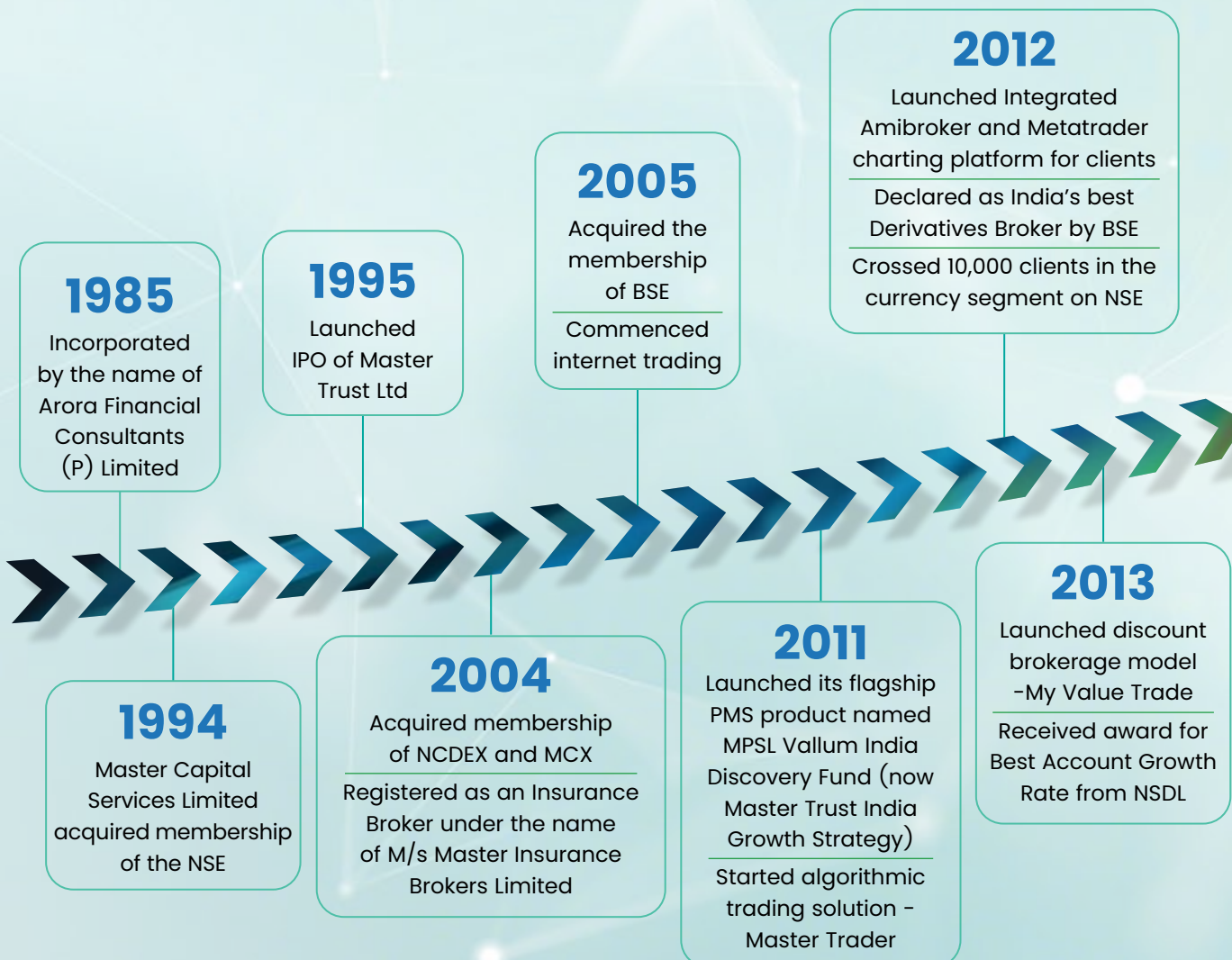
Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/ states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any connection with its accuracy or completeness.



### The Company's Milestones

# Progressing Steadily on a Visionary Journey

Through continuous innovation and a client-first philosophy, the Company has evolved from a modest firm into a leader in the industry. A commitment to research-driven excellence and technological progress has defined its journey, characterised by steady growth and lasting partnerships with clients.



## 2020

Launched its PMS product named  
MPSL iRage Absolute Return  
Strategy in October 2020

Crossed ₹ 135 Cr. In total AUM

## 2024

Crossed net worth of ₹ 5,000 million and  
PAT of ₹ 1,000 million

1,250 professionals present in the  
Company, catering to 3,80,000+ clients

Mutual Funds AUM crossed ₹ 700 Cr

## 2019

Introduced the new re-vamped  
website: [www.mastertrust.co.in](http://www.mastertrust.co.in)

Introduced paperless eKYC  
account opening

## 2023

Started catering 3,80,000+ clients

Expanded business in the Southern region  
and is now operational in 22 States

Recognised by The Economic Times  
as one of the Best BFSI Brands 2023

## 2017

Started private wealth management vertical

Accredited with the 2<sup>nd</sup> highest number of  
accounts opened award by NSDL

Received Order-of-Merit Award in SKOCH BSE  
Awards for innovation in automated portfolio  
analysis using artificial intelligence

## 2014

Launched mobile trading  
app "Master Mobile"

Started distribution of  
loans to retail clients

## 2016

Master Commodity Services Limited was  
awarded as the Regional Broker of FY 2016-17

Increased the percentage of unique clients that  
traded on mobile application by over 57% Y-o-Y

Received NDSL Star Performer Award 2016

## 2015

Increased user base for  
the discount broking  
vertical over 250% Y-o-Y

Increased turnover on  
mobile trading platform  
by 600% Y-o-Y

# Message from the Managing Director



In this globally interconnected world, change is the only thing that is constant. A company must create value and be valued in order to deliver long-term value to its customers. It has always been essential for us at mastertrust to have a coherent strategy, consistent voice, clear purpose and a long-term view, even when we evolved as the world around us changed.

It's dramatically accelerating how technology has shaped the ways business is conducted and how mastertrust has innovatively adapted to this environment to realise our vision better. I believe that mastertrust's ability to help individuals achieve better futures and build resilient economies will continue to be a success.



## Dear Shareholders,

Warm greetings to you all. It gives me immense pleasure to present to you the 39<sup>th</sup> Annual Report of the Company for the financial year 2023-24. It has been another year of steady growth. We have continued to deliver strong performance, reporting the highest-ever annual operating revenue.

India's economic landscape has seen substantial growth over the past decade. From being the world's tenth-largest, our economy has now risen to become the fifth-largest, with projections indicating a real growth rate of 6-7% over the next five years. Despite global challenges, India's economy has shown strong and steady growth, emerging as the fastest-growing G20 economy. Geopolitical tensions, global economic slowdown, and fluctuating inflation rates pose challenges, but the country's favourable demographics, increasing digitisation, and strategic investments offer significant growth opportunities.

The Indian equity market experienced substantial growth in FY 2023-24, with the Sensex and Nifty50 indices achieving impressive gains of 24.85% and 28.61%, respectively. The total market capitalisation surpassed USD 4 trillion, reinforcing India's status as a prominent global investment hub. This growth was fuelled by investments from Foreign Portfolio Investors (FPIs) and a significant increase in equity fundraising, driven by 75 new issues in the equity capital market

(ECM). The future of the India Security Brokerage Market looks promising, with projections indicating growth reaching USD 5.75 billion by FY 2028-29, at a robust CAGR of 7.89%. Technological advancements in online trading platforms, algorithmic trading, and mobile trading apps are revolutionising the brokerage industry, positioning it for significant growth.

Over the past four decades, we have navigated the complexities of the financial world with a firm commitment to our core values of integrity, innovation, and excellence. Our evolution from a traditional broking house to a hybrid model offering both traditional and discount broking services is a testament to our adaptability and forward-thinking approach. Today, our expanded services include a DIY investment portal, dedicated advisors, and a comprehensive mobile app. Through a firm focus on our clients' needs, we have consistently delivered customised solutions that help them achieve their financial goals. This journey of innovation and exponential growth has been driven by our dedication to excellence and our vision for the future.

'Innovating Digitally. Growing Exponentially.' perfectly encapsulates this journey that we have experienced at mastertrust over the past year. By wholeheartedly embracing technology and digital transformation, we have achieved remarkable results, significantly

expanding our reach across numerous states. We are aggressively enhancing our digital infrastructure to provide seamless and efficient services, ensuring that we remain competitive and relevant in the ever-evolving Indian economic landscape. Our commitment to capitalising on the opportunities and addressing the accompanying challenges in the industry leads us to diversify our business actively.



**In FY 2023-24, our Revenue witnessed an extraordinary increase of 47.50%, reaching ₹ 5,005.30 million, and Net Profit also increased by 64.04%, reaching ₹ 1,080.84 million and our Net Worth crossing ₹ 5,000 million (on consolidated basis). This remarkable growth is the culmination of several strategic initiatives and operational changes that we implemented over the past year.**

The expansion of our service offerings has been pivotal in diversifying our revenue streams and capturing new market segments. With robust progress in wealth management services and advanced trading platforms, we have effectively met the evolving needs of our clients, enhanced our competitive edge and bolstered our overall market share. Geographically, our successful footprint extension into southern, western and eastern India has granted us access to new markets, diversified our client base, and unlocked fresh growth opportunities, underpinning our long-term sustainability and resilience. Moreover, our firm commitment to digital transformation through substantial investments in technologies has modernised our operations, streamlined processes, and improved operational efficiency, enabling us to remain agile in a dynamic marketplace.

Operational excellence and customer experience remain central to our approach. Through continuous improvement initiatives, rigorous cost management strategies, and automation of routine tasks, we have enhanced our internal efficiencies and positioned ourselves for sustained growth. Our robust client support systems, personalised service offerings, and expedited query resolution mechanisms have significantly elevated client satisfaction levels and bolstered customer retention rates, reinforcing our reputation as a provider of choice in financial services. Effective marketing campaigns and targeted branding efforts have amplified our market visibility and credibility, attracting a larger customer base and solidifying our reputation as a trusted partner for financial solutions.

None of these accomplishments would have been possible without our dedicated team of professionals. We have invested significantly in talent development

and retention strategies, nurturing a skilled workforce capable of driving innovation and delivering superior service quality. Our team's commitment and expertise have been instrumental in achieving operational excellence and maintaining high standards of client satisfaction.

Beyond financial achievements, our commitment extends to continuous improvement – not only within our workforce but also within the communities we serve. We are dedicated to community development through initiatives that promote financial literacy, support social causes, and advocate sustainable practices.

Our mission through the **StreetXperts**® initiative is to democratise financial knowledge, empowering clients with tools and confidence for informed decisions and financial independence. We believe in providing accessible financial literacy for all, aiming to create an inclusive society where everyone can thrive.

Looking forward, we are committed to upholding our core values of integrity, transparency, and client centricity. We remain vigilant in identifying emerging trends and opportunities, poised to capitalise on them with agility and foresight. As we navigate the complexities of an evolving marketplace, we are confident in our ability to deliver sustained value and drive long-term growth for our shareholders, clients, and stakeholders alike. Our focus remains steadfast on expanding our digital capabilities, enhancing customer experience, and diversifying our product offerings. We will leverage advanced technologies and strengthen client relationships while upholding our commitment to transparency and integrity. These strategies are integral to sustaining our growth trajectory and creating shared value for all stakeholders over the long term.

As we conclude, I extend my heartfelt gratitude to each of you – our clients, authorised partners, bankers, team members, shareholders and other stakeholders, for your unwavering support and trust in mastertrust have been instrumental in our journey. Together, we will continue to reach new heights and contribute to the sustainable growth of our organisation and the broader financial ecosystem.

Looking ahead, we are committed to delivering innovative financial services, leveraging technology and research to stay ahead. With our focus on excellence, innovation, and integrity, I am confident we will continue to thrive and positively impact our clients and the financial services industry.

Thank you.

Best wishes,

**Harjeet Singh Arora**

**Managing Director  
Master Trust Ltd  
DIN-00063176**



**Range of Offerings**

# Offering Bespoke Financial Solutions

mastertrust takes pride in offering a wide range of services meticulously tailored to the needs of investors, traders and financial enthusiasts. Its extensive selection is crafted to deliver comprehensive financial solutions and advanced trading platforms ensuring that clients can achieve their financial objectives both efficiently and effectively. Understanding the complexities of investing and trading, mastertrust provides a suite of powerful platforms, each customised to match the unique investment goals and risk profiles of its clients.

## Trading Services

The Company provides a comprehensive suite of trading services tailored to accommodate traders of all levels, from novices to seasoned experts. Focussed on offering seamless access to various markets, the Company's trading platforms are equipped with sophisticated tools and insights to aid clients in making informed decisions. Whether trading equities, derivatives, commodities or utilising algorithmic trading solutions, clients rely on mastertrust to boost their trading efficiency and execution speed.



## Trading Platforms

### mastermobile

This is a versatile mobile trading app. It is equipped with a custom market watch for personalised tracking, real-time streaming quotes to stay updated instantly. It also facilitates portfolio tracking with comprehensive reports.

#### Features

##### Advanced Trading View Charts

- Offers advanced technical analysis tools and customisable indicators
- Empowers traders with deep market insights for informed decision-making

##### Powerful Screeners

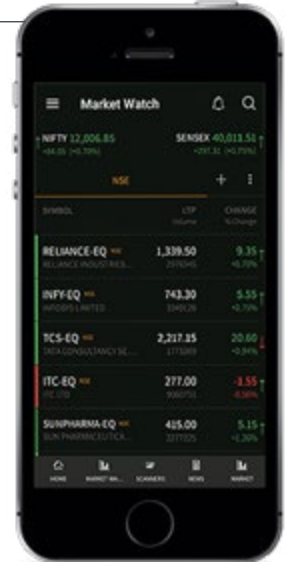
- Utilises advanced screening tools through which traders can pinpoint patterns and focus on assets that match their strategies
- Optimises decision-making and trading efficiency

##### 100+ Built-In Indicators and Strategies

- Offers extensive customisation options, parameter adjustments, and strategy optimisation tools
- Enables traders to automate trading based on unique criteria
- Enhances efficiency, consistency, and adaptability in executing algo-trading strategies

##### Readymade Option Strategies

- Offers predefined combinations of buying and selling options tailored for specific trading objectives
- Simplifies trading with standard approaches such as straddle, strangle, and spreads
- Provides clear metrics, including maximum profit and loss, break-even points, margin requirements, and details of individual buy and sell orders



### masterswift2.0

mastertrust's advanced desktop trading software features robust charting capabilities and scanners, along with comprehensive back-testing and historical data analysis functionalities. It utilises artificial intelligence and optimisation tools for enhanced decision-making and includes advanced pattern recognition capabilities to aid traders in identifying profitable opportunities efficiently.

#### Features

##### Free API Integration

- Leverages free API integrations, through which traders can access real-time market data, execute trades efficiently, and implement advanced trading strategies programmatically

##### All Order Types

- Executes orders in limit, market, stop loss, basket and bracket

##### Backtest Strategies

- Helps traders evaluate risk-reward ratios, test scenarios, and refine strategies
- Boosts confidence, consistency, and success in live trading

##### Low Latency

- Reduces latency through optimised infrastructure
- Offers proximity to exchanges and efficient data processing, enabling traders to execute trades swiftly



## masterweb

mastertrust's sleek online trading platform boasts a single-screen market watch for seamless monitoring. Additionally, it offers real-time quotes for instant updates, portfolio tracking functionalities, and in-depth research options.

### Features

#### Lightning-Fast Trading Portal

- Enhances efficiency, precision and competitiveness
- Provides a seamless trading experience for active traders seeking speed and agility in their transactions

#### Expert Guidance and Advice

- Offers valuable insights, market analysis, and expert recommendations to assist investors in making informed decisions, optimising portfolios, and confidently achieving their financial goals

#### Competitive Pricing

- Offers flexible and customised pricing options that cater to investors and traders
- Promotes a sense of value and personalisation that enhances overall customer experience and satisfaction

#### Multiple Product Offering

- Offers a diverse range of products, including stocks, bonds, and mutual funds, among others
- Tailors solutions to address various financial goals, risk profiles and investment horizons
- Provides comprehensive and customised solutions to meet diverse requirements effectively



## RestAPI

### Features

#### Free API Integration

- Leverages Free API Integrations and enables traders to gain access to real-time market data
- Helps execute trades efficiently and implement advanced trading strategies programmatically

#### Automated Strategy Execution

- Enables traders to swiftly capitalise on opportunities with precision
- Improves their ability to navigate dynamic market conditions effectively

#### Low Latency

- Optimises infrastructure, positioning closer to exchanges, and processing data efficiently thus enabling traders to execute trades swiftly by minimising latency

#### Backtest Strategies

- Helps traders evaluate risk-reward ratios, test various scenarios and refine strategies
- Boosts confidence, consistency and overall success in live trading







## Investment Services

mastertrust provides investment services tailored to support the financial aspirations of a wide range of clients, from High Net-Worth Individuals (HNIs) to everyday investors. The Company's offerings include personalised portfolio management, expert insurance guidance and assistance in selecting top-performing mutual funds. Additionally, mastertrust provides access to alternative investment funds and fixed-income products ensuring a well-rounded approach to investment. With a commitment to optimising portfolios and navigating risks, the Company's wealth management services blend expert strategies with personalised financial planning to help clients achieve their financial goals.

## mastertrust's Investment Platforms



\*Through Master Insurance Brokers Limited, U17219PB1995PLC017006, IRDA Regn. No.265

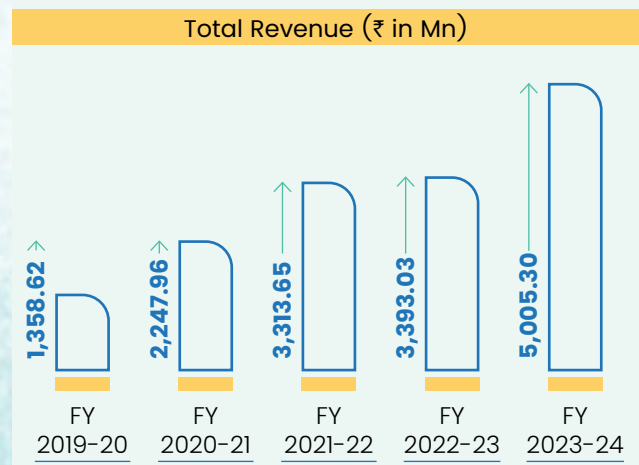
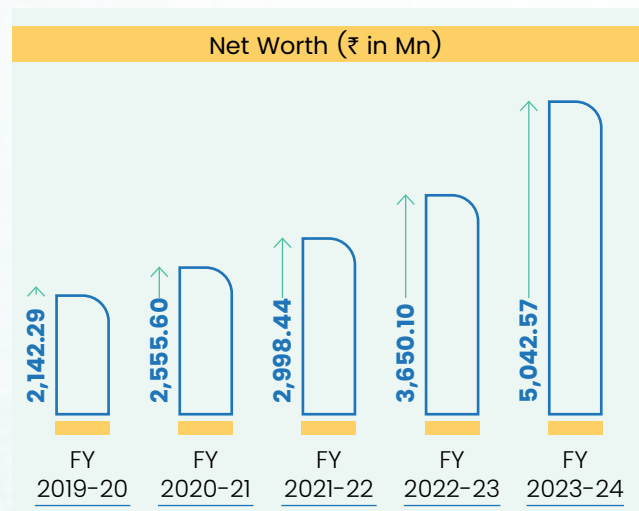


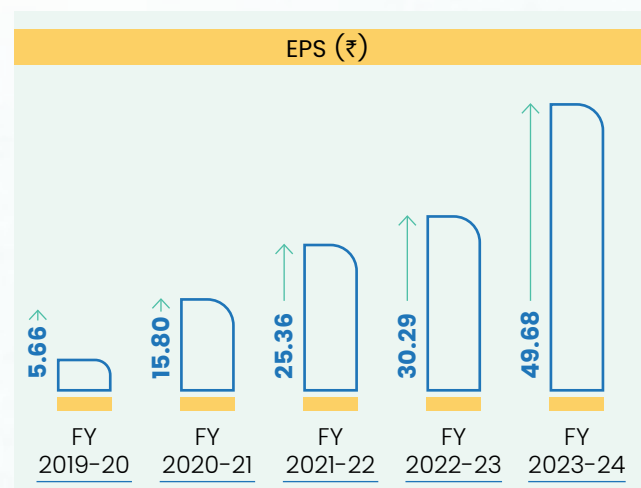
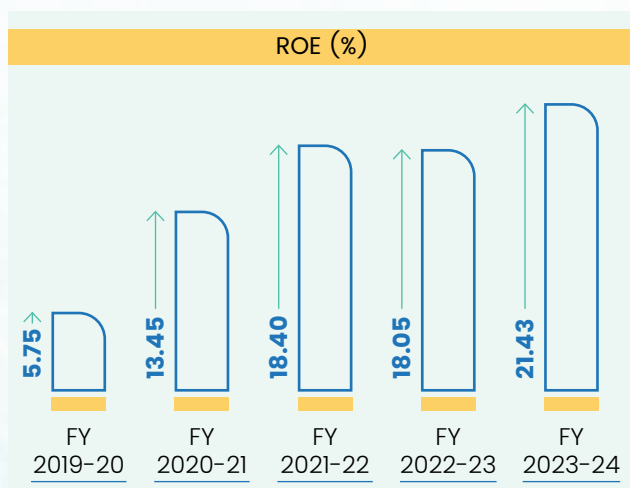
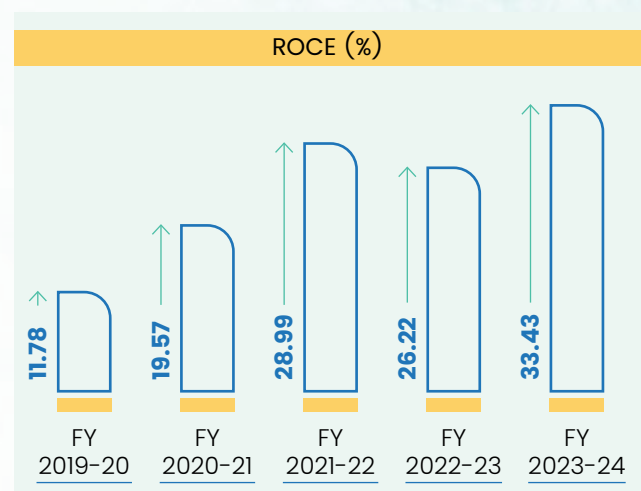
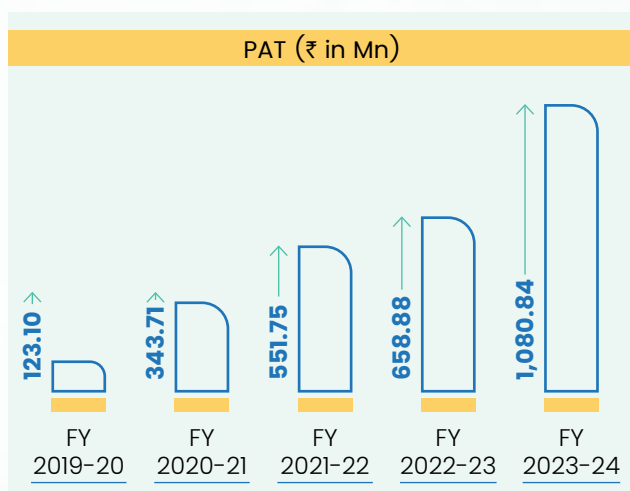
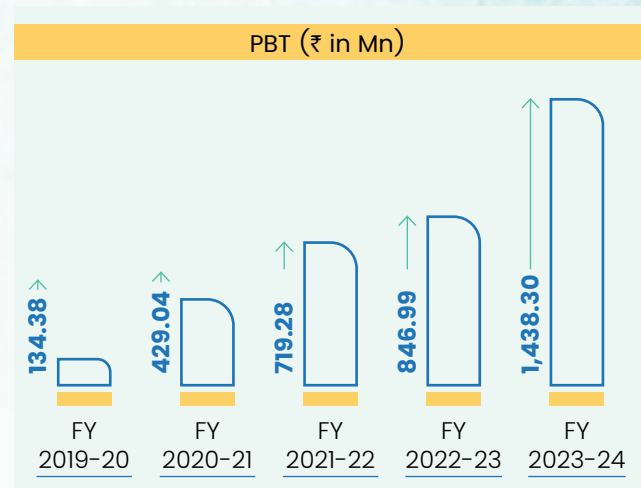
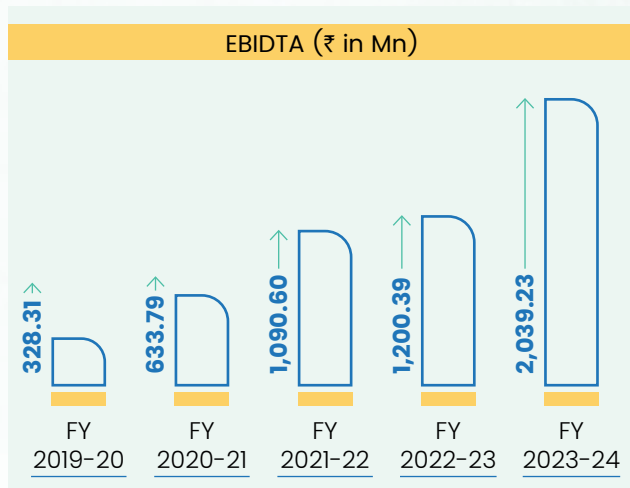
## Financial Performance

# Driving Financial Success Exponentially

By providing personalised financial planning and customised investment strategies, the Company has established strong, enduring relationships with its clients. This client-focused approach has significantly enhanced the Company's revenue and profitability. Furthermore, the high levels of client satisfaction and trust have been crucial in improving the Company's financial performance highlighting its dedication to excellence and reinforcing its leadership position in the wealth management sector.

The past year has been a milestone for mastertrust, characterised by substantial growth across critical financial indicators. This surge underscores the effectiveness of the Company's strategies and the confidence its clients have in mastertrust. The Company's progress, both financially and operationally over the years, is evident from the comprehensive performance over the last five years.





mastertrust's remarkable growth in FY 2023-24 stemmed from a well-integrated strategy. By expanding its service offerings to include advanced wealth management and trading platforms, the Company tapped into new market segments and broadened its revenue base. Significant investment in digital transformation streamlined operations and reduced costs, while enhanced customer experience through improved support and personalised services boosted satisfaction and retention. Operational efficiency was achieved through automation and effective marketing strategies increased brand visibility and market trust. Geographical expansion into new regions, especially in southern and eastern India, allowed mastertrust to access previously untapped markets. Investment in talent development ensured a skilled workforce capable of driving innovation.

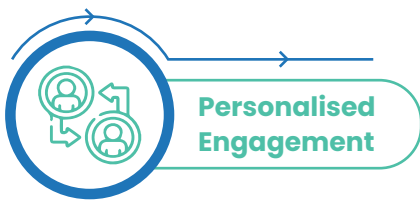
Together, these strategies have not only solidified mastertrust's position as a leading financial services provider but also set a strong foundation for future growth.

## Digitalisation in Customer Service

# Elevating Customer Experiences through Digitalisation

During FY 2023-24, mastertrust embarked on a transformative digital innovation journey. By harnessing leading technologies, the Company significantly enhanced its services, fostering more personalised and engaging client interactions. These initiatives not only improved operational efficiency and profitability but also ensured that clients enjoyed a seamless, responsive and user-friendly experience. This dedication to digital excellence has fortified mastertrust's competitive stance in the financial services industry and established a new benchmark for customer satisfaction.

The digital innovations that the Company adopted during the year were aimed at achieving the objectives of:



## Webengage: Personalised Engagement

Recognising the significance of personalised communication and engagement, the Company adopted Webengage, a comprehensive engagement automation platform. This innovation has transformed the way the Company interacts with its clients, offering numerous benefits.

### Key Highlights

- **Harmonised Communication:** Delivers consistent, timely messages across multiple channels, enhancing the client experience
- **Insightful Analytics:** Provides actionable insights from user data, driving smarter, data-driven decisions
- **Tailored Campaigns:** Enables targeted campaigns that resonate with clients, boosting satisfaction and business growth

## SinglePoint: Streamlined Operations

To streamline client servicing mastertrust introduced SinglePoint, an innovative unified web portal. This platform centralises all client interactions and updates, significantly boosting operational efficiency.

### Key Highlights

- **Centralised Interface:** Integrates all client details, modifications and activations into one platform, reducing complexity and speeding up responses
- **Enhanced Efficiency:** Minimises errors and simplifies processes, allowing for quicker, more accurate client service

## New Web Trading Portal: Enhanced Accessibility

Recognising the need for an advanced trading tool, the Company launched the new web trading Portal. This platform provides clients with real-time data and a user-friendly interface, facilitating better trading experiences.

### Key Highlights

- **Smooth Trading Experiences:** Offers real-time market data and an intuitive interface for effortless trading and informed decision-making
- **Competitive Edge:** Enhances client satisfaction and retention with advanced features, positioning the Company as a leader in modern trading solutions

## Spreading Financial Knowledge Virtually

mastertrust has launched the **StreetXperts**® initiative to empower clients with comprehensive financial education. **StreetXperts**® offers resources like immersive workshops, expert-led seminars and interactive online materials aimed at democratising financial knowledge.

This initiative has expanded the Company’s educational offerings, leveraging **StreetXperts**® expertise to deliver high-quality content to a broader audience.

**Since launching the initiative, the Company has hosted impactful webinars covering essential financial topics:**

### 1 Trading Opportunities in WTI Crude

Offered insights into commodity trading



### 2 Maximise Your Wealth with ELSS

Educated on tax-saving investment strategies

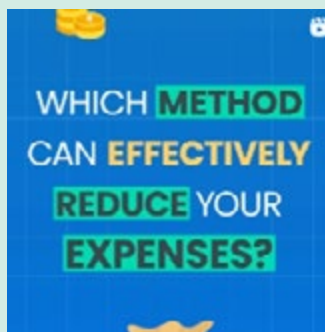


### 3 How to File Income Tax Return with ClearTax

Simplified the tax filing process



The collaboration’s success stems from a shared commitment to simplifying investing and trading complexities. The Company ensures accessible, insightful content for all clients through this initiative. In addition to this, the Company’s social media handles actively spread financial knowledge in the form of Did You Know, Quizzes and Reels, among others.



In the future, mastertrust plans to expand collaborations, develop advanced courses and foster a community of learners. This ongoing commitment ensures broad access to robust financial education empowering individuals to secure their financial futures.



## Employee Centricity

# Fostering Workforce Excellence

mastertrust regards its employees as the driver of its success. The Company deeply appreciates the spirit and hard work of its team, which has enabled the organisation to reach new milestones year after year. The Company prioritises employee empowerment, fostering a workplace culture that encourages high performance and continuous improvement.

The Company's talent management strategy focuses on identifying, cultivating, and retaining top talent, ensuring that every team member is equipped with the skills and opportunities needed to thrive. In line with this belief, the Company is dedicated to ensure that its workforce is provided with a conducive environment to excel. Through continuous learning, professional development programmes, and clear career progression paths, mastertrust empowers its employees to achieve their full potential, driving both - individual and organisational success.



## Work Culture

The Company places great emphasis on fostering a vibrant and inclusive workplace culture, where employee engagement is central to its operations. The Company recognises that a motivated and connected workforce is crucial to its success, and thus, it continually seeks to create opportunities for employees to bond, celebrate, and contribute to both the organisation and the wider community.

### Festival Celebrations and Talent Shows

During festivals like Holi and Diwali, mastertrust organises celebrations with games, talent shows, and cultural activities, fostering camaraderie and allowing employees to showcase their talents.

### Office Outings

The Company arranges office outings to help employees unwind and build stronger relationships, enhancing teamwork and a positive work environment.

### Social Responsibility Initiatives

In April 2023, the Company, through its employee volunteering programme, provided essential goods to over 550 underprivileged students at

Government School, Gyaspura in Ludhiana, demonstrating its commitment to social responsibility and community support.

### Master Premier League

In July 2023, the Company hosted the 'Master Premier League' cricket event in Ludhiana, promoting healthy competition and team spirit among employees.

### Blood Donation Camp

To mark its 38<sup>th</sup> anniversary, mastertrust held its 10<sup>th</sup> Blood Donation Camp in Chandigarh in June 2023, with employees enthusiastically participating, embodying the Company's commitment to giving back to the community.





## Group Management Team

Visionary  
Leadership Team

**Mr. Harjeet Singh  
Arora**

Managing Director -  
Master Trust Ltd and  
Master Capital Services  
Limited

Mr. Arora founded the Master Trust Group in 1985 under the name of Arora Financial Consultants Private Ltd. He holds over 41 years of experience in corporate finance, capital markets and financial advisory services. A Chartered Accountant and a Company Secretary by qualification, his vision of bringing all financial services under one roof is what has made the Group achieve so much in the last 38 years.



**Mr. Rajinder Kumar  
Singhania**

Managing Director -  
Master Capital Services  
Limited

Mr. Singhania is the co-founder of the Group with over 41 years of rich experience in finance, M&A and taxation. A Chartered Accountant by qualification, he is a calculated risk-taker with deep industry knowledge and heads the corporate strategy, finance and risk verticals of the Group.



**Mr. Gurmeet  
Singh Chawla**

Managing Director -  
Master Portfolio  
Services Limited

Mr. Chawla runs the portfolio management and merchant banking verticals for the Group. He has over 31 years of experience in capital markets and corporate finance. His expertise includes general business management and IT systems and solutions.



**Mr. Harinder  
Singh**

Whole-Time Director -  
Master Capital Services  
Limited

Mr. Singh heads the secondary market operations for the Group. He has spent over 31 years with the organisation, embracing the core values of integrity, growth, and innovation. He has ensured streamlined processes and increased business performance.

**Mr. Pavan Kumar Chhabra**

Director – Master Capital Services Limited

Mr. Chhabra is a veteran in the investment banking and institutional broking business. A qualified Chartered Accountant, he has over 33 years of rich experience in financial markets. His eye for detail comes from his interest in delving deep into data and forensic audit.

**Mr. Puneet Singhanian**

Whole-Time Director – Master Capital Services Limited

Mr. Singhanian looks after the strategic initiatives of the Group. He is a seasoned MBA and CFA® charter holder with a prior experience in equity research and proprietary trading desk. His background in equity research and proprietary trading desk experiences has equipped him with substantial energy and dedication towards his work.

**Mr. Jashanjyot Singh Arora**

Whole-Time Director – Master Capital Services Limited

Mr. Arora is involved in key decision-making for the organisation. He takes care of the sales vertical at the Company and was instrumental in developing a prop desk for the Group. In addition to his role as a Chartered Accountant, he is highly regarded by his team for also handling proxy work out on their behalf.

**Ms. Palka Arora Chopra**

Director – Master Capital Services Limited

Ms. Chopra, with over 17 years of experience in financial services is an expert in the topics of Equity Research, Brand & Communication, Customer Relationship Management, and Risk Management. She has a Masters in Finance & Investment and has shaped customer focussed strategies to enhance the Company's approach to meeting diverse financial goals.



# Corporate Information

## Managing Director

**Mr. Harjeet Singh Arora**

## Non-Executive Non-Independent Directors

**Mr. Rajinder Kumar Singhania**

**Mrs. Harneesh Kaur Arora**

**Mr. Gurmeet Singh Chawla**

## Non-Executive Independent Directors

**Mr. Pavan Kumar Chhabra**

**Mr. Ravinder Singhania**

**Mr. Ashwani Kumar**

**Mr. Rajiv Kalra**

## Company Secretary

**Mr. Vikas Gupta**

## Chief Financial Officer

**Mr. Sunil Kumar**

## Statutory Auditors

**M/s C.S. Arora & Associates**

734, Phase-II, Urban Estate  
Dugri, Ludhiana, Punjab

## Secretarial Auditors

**M/s Pooja M. Kohli & Associates**

Company Secretaries  
# 655, Street No.4, Preet Nagar, Dugri,  
Ludhiana-141013 (Punjab)

## Registrar & Share Transfer Agent

**Skyline Financial Services (P) Limited**

D-153/A, First Floor, Okhla  
Industrial Area, Phase-1, New Delhi  
Tel: 011-26812682/83/84  
Fax: 01126812681  
E-mail: admin@skylinerta.com

## Bankers

HDFC Bank Limited  
ICICI Bank Limited  
Axis Bank Limited  
DCB Bank Limited  
Federal Bank Limited

## DIRECTOR'S REPORT 2023-2024

### Dear Members,

The Board of Directors of your Company "Master Trust Ltd" (MTL) are pleased to present Thirty Ninth (39<sup>th</sup>) Annual Report of the Company along with the annual audited consolidated and standalone financial statement for the financial year ended 31<sup>st</sup> March, 2024.

### FINANCIAL HIGHLIGHTS

The summary of the consolidated and standalone financial results of the Company for the financial year ended 31<sup>st</sup> March, 2024 and the previous financial year ended 31<sup>st</sup> March, 2023 are given below:

(₹ in million)

Particulars	For the Year Ended			
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
	Consolidated		Standalone	
<b>Gross Income</b>	<b>5,005.30</b>	<b>3,393.03</b>	<b>210.02</b>	<b>108.63</b>
<b>Profit Before Depreciation, finance cost &amp; Tax</b>	<b>2,039.23</b>	<b>1,200.39</b>	<b>197.04</b>	<b>88.23</b>
Less : Depreciation	35.94	26.23	0.03	0.03
Finance cost	564.99	327.17	112.87	40.89
<b>Profit Before Tax</b>	<b>1,438.30</b>	<b>846.99</b>	<b>84.14</b>	<b>47.31</b>
Less: Provision for Tax (Tax Expenses)	357.46	188.11	1.10	(9.53)
<b>Net Profit for the year (A)</b>	<b>1,080.84</b>	<b>658.88</b>	<b>83.04</b>	<b>56.84</b>
<b>Other comprehensive income ('OCI') (B)</b>	<b>62.29</b>	<b>8.71</b>	<b>762.20</b>	<b>468.10</b>
<b>Total Comprehensive income/Profit for the year (A+B) = (C)</b>	<b>1,143.13</b>	<b>667.59</b>	<b>845.24</b>	<b>524.94</b>
<b>Balance of Profit brought forward from previous year (D)</b>	<b>2,973.17</b>	<b>2,342.42</b>	<b>237.70</b>	<b>193.06</b>
<b>Profit Available for Appropriations (A+D)</b>	<b>4,053.97</b>	<b>3,001.3</b>	<b>320.74</b>	<b>249.90</b>
<b>Appropriations</b>				
Transfer to Statutory Reserve	(15.13)	(11.37)	(16.61)	(11.37)
Transfers to Standard Assets	(1.31)	(0.83)	(1.30)	(0.83)
Adjustment during the year	0.00	(15.93)	0.00	0.00
<b>Balance Profit carried forward to balance sheet (Retained Earning)</b>	<b>4,037.53</b>	<b>2,973.17</b>	<b>302.83</b>	<b>237.70</b>
<b>EPS (Face Value of ₹ 5/- Each)</b>				
- <b>Basic</b>	<b>49.68</b>	<b>30.29</b>	<b>3.82</b>	<b>2.61</b>
- <b>Diluted</b>	<b>48.93</b>	<b>30.29</b>	<b>3.76</b>	<b>2.61</b>

### OVERVIEW OF THE FINANCIAL PERFORMANCE/STATE OF COMPANY AFFAIRS

The Company's consolidated gross revenue from operations for **FY 2023-24** was ₹ 5,005.30 million compared to ₹ 3,393.03 million in the previous year, increased by 47.52% over the previous year. The Company earned a consolidated net profit after tax of ₹ 1,080.84 million, increased by 64.04% as against a net profit after tax of ₹ 658.88 million in the previous year.

The Company's standalone gross revenue for **FY 2023-24** was ₹ 210.02 million, increased by 93.34% from the previous year's revenue of ₹ 108.63 million. The Company earned a net profit after tax of ₹ 83.04 million, increased by 46.10%, as against a net profit after tax of ₹ 56.84 million in the previous year.

The consolidated basic earnings per share for the current year increased to 49.68 per share as compared to ₹ 30.29 per share in the previous year and diluted earnings per share for the current year increased to ₹ 48.93 per share as compared to ₹ 30.29 per share in the previous year and the standalone basic earnings per share for the current year increased to ₹ 3.82 per share as compared to ₹ 2.61 per share in the previous year and diluted earnings per share for the current year increased to ₹ 3.76 per share as compared to ₹ 2.61 per share in the previous year. The face value of the shares of the Company is ₹ 5/- per equity shares.

### CHANGE IN NATURE OF BUSINESS

There were no changes in the nature of business of the Company during the financial year ended 31<sup>st</sup> March, 2024.

### FUTURE OUTLOOK

We have delivered profitable performance in FY 2023-24 despite of market headwinds. Our strategy is to be focused on core business of the Company and Subsidiaries Companies, further strengthen the business model of the Company.

Our various spheres of business is on its way to achieve scale as we continue to invest in avenues which are beneficial for our growth. Our brand is now being recognised in India. Each of our business segments offer huge headroom for growth and we are well placed to benefit from this.

### DIVIDEND

The Board of Directors has not recommended dividend for the financial year ended 31<sup>st</sup> March, 2024.

### RESERVES

During the period under review there was a net transfer of ₹ 16.61 million to Statutory Reserves.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review as required under Regulation 34 of SEBI (LODR) Regulations, 2015 is given as a separate statement forming part of the Annual Report.

### HUMAN RESOURCE DEVELOPMENT

Employees of the Company are not only considered to be the stakeholders in the corporate growth but also are the key drivers of its performance. The Company always endeavours to provide an environment that encourages talented professionals to perform to their fullest potential. The Company owes its success to its loyal and efficient human asset. The Company believes that, by effectively managing and developing human resources, it can achieve its vision. It imparts specialised and technical training to its employees at regular intervals, which enrich their knowledge, skill and competency to perform their job effectively and efficiently. This also encourages employees to shoulder more responsibilities and take part in the growth of the Company's business.

### COMMITTEES OF THE BOARD:

Currently, there are 3 Board Committees as per the provision of Companies Act, 2013 and SEBI LODR– Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the Chairman of the respective Committees. The role and composition of these Committees are provided below:

#### (i) Audit Committee

The Company has a qualified and Independent Audit Committee comprising of 3 non-executive Independent Directors viz. Mr. Rajiv Kalra, Mr. Ashwani Kumar and Mr. Ravinder Singhanian, constituted in accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee is empowered with the powers as prescribed under the said Regulation 18 and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions if any, as given by the Board from time to time.

No recommendation of the Audit Committee has been rejected by the Board of Directors of the Company during the period under review.

Mr. Rajeev Kalra is the Chairman of the Committee.

Mr. Vikas Gupta, Company Secretary of the Company act as a Secretary to Audit Committee.

The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.

## (ii) Nomination & Remuneration Committee

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 1 Non-Executive Non-Independent Director and 2 Non-Executive independent Directors viz. Mr. Rajiv Kalra, Mr. Rajinder Kumar Singhania and Mr. Pavan Kumar Chhabra, out of which Mr. Rajinder Kumar Singhania is Non-Executive Non Independent Director.

Mr. Rajeev Kalra is the Chairman of the Committee.

## (iii) Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 2 Non-Executive Non Independent Directors and 1 Non-Executive independent Directors viz. Mr. Rajinder Kumar Singhania, Mrs. Harneesh Kaur Arora and Mr. Rajiv Kalra, out of which Mr. Rajeev Kalra is Non-Executive independent Director.

Mr. Rajinder Kumar Singhania is the Chairman of the Committee.

## BOARD OF DIRECTORS/KEY MANAGEMENT PERSONNEL (KMPS)

### (A) Board of Directors

#### (i) Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mr. Rajinder Kumar Singhania, Director of the Company, retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible offer himself for re-appointment. Notice convening the Annual General Meeting includes the proposal for his re-appointment as the Director.

## (ii) Board Composition

As on the date of this report, the Company's Board consists of the following Directors:-

<b>Managing Director</b>	Mr. Harjeet Singh Arora
<b>Non-Independent Directors (Non-Executive)</b>	Mrs. Harneesh Kaur Arora
	Mr. Rajinder Kumar Singhania
	Mr. Gurmeet Singh Chawla
<b>Independent Directors</b>	Mr. Ravinder Singhania
	Mr. Ashwani Kumar
	Mr. Pavan Kumar Chhabra
	Mr. Rajiv Kalra

## CHANGE IN BOARD COMPOSITION DURING THE FINANCIAL YEAR 2023-24:

Mr. Anil Bhatia (DIN: 00254117) has resigned from the post of Independent Director and membership and chairmanship of various committees w.e.f. 4<sup>th</sup> August, 2023 (after closure of business hours). The Board is thankful to Mr. Anil Bhatia for spending such a long time with company and for his continuous guidance during his tenure as an Independent Director.

Mr. Ravinder Singhania (DIN: 00006921) has been appointed as Non-Executive and Independent Director for first term of 5 years w.e.f. 4<sup>th</sup> August, 2023 to 3<sup>rd</sup> August, 2028, not liable to retire by rotation.

### (B) KMP'S

There is no change in the KMPs during the year under review and in terms of the provisions of Section 203 of Companies Act, 2013, Mr. Harjeet Singh Arora, Managing Director, Mr. Vikas Gupta, Company Secretary and Compliance Officer and Mr. Sunil Kumar, Chief Financial Officer are the KMPs of the Company.

## STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS UNDER SECTION 149(6)

The Company has received declarations from all the Independent Directors of the Company confirming



that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTOR**

The Company has in place a familiarisation program for its Independent Directors. The objective of the program is to familiarise Independent Directors on our Board with the business of the Company, industry in which the Company operates, business model, challenges etc. through various programs which includes interaction with subject matter experts within the Company, meetings with our business leads and functional heads on a regular basis.

The familiarisation program and other disclosures as specified under the Listing Regulations is available on the Company's website at:

[https://master-trust-strap.s3.ap-south-1.amazonaws.com/FAMILIARISATION\\_PROGRAM\\_FOR\\_INDEPENDENT\\_DIRECTORS\\_202305291309320822103\\_324416c60b.pdf](https://master-trust-strap.s3.ap-south-1.amazonaws.com/FAMILIARISATION_PROGRAM_FOR_INDEPENDENT_DIRECTORS_202305291309320822103_324416c60b.pdf)

### **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND MEETING OF SHAREHOLDERS**

The Board of Directors of the Company met Seven (7) times during the year under review. The details of these Board Meetings are provided in the Report on Corporate Governance section forming part of the Annual Report. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

These **Board Meetings** were held on 26<sup>th</sup> May, 2023; 16<sup>th</sup> June, 2023; 4<sup>th</sup> August, 2023; 28<sup>th</sup> August, 2023; 10<sup>th</sup> November, 2023; 18<sup>th</sup> November, 2023; 6<sup>th</sup> February, 2024.

The separate meeting of the Independent Directors of the Company in absence of non independent Directors was also held on 10<sup>th</sup> November, 2023 other than the Board Meetings mentioned.

Annual General Meeting of the Company for the Financial Year 2022-23 was held on 30<sup>th</sup> September, 2023 and one Extra Ordinary General Meeting of the Company held on 15<sup>th</sup> December, 2023.

### **ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular no SEBI/CFD/CMD/CIR/P/2017/004 dated 5<sup>th</sup> January, 2017, the Company has devised a formal process for annual evaluation of performance of the Board, its Committees

and Individual Directors ("Performance Evaluation") which include criteria for performance evaluation of Non-Executive Directors and Executive Directors as laid down by the Nomination and Remuneration Committee and the Board of Directors of the Company. It covers the areas relevant to the functioning as Independent Directors or other Directors, Member of the Board or Committee of the Board.

The above criteria for evaluation were based on the Guidance Note issued by Securities and Exchange Board of India ('SEBI'). In a separate Meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole. They also evaluated the performance of the Managing Director taking into account the views of Non-Executive Directors. The Nomination and Remuneration Committee reviewed the performance of the Board, its Committees and of the Directors.

The Board carried out annual performance evaluation of its own performance. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees. A consolidated report was shared with the Chairman of the Board for his review and giving feedback to each Director.

### **DEPOSITS**

During the year under review, the Company did not accept any Deposit within the meaning of Section 73 of the Companies Act, 2013 ("the Act"). The Compliances as required under Chapter V of the Act is not applicable. Further the Company has no amount on account of principal or interest on deposits from the public was outstanding as on 31<sup>st</sup> March, 2024.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

The board of directors of the Company in its Board Meeting held on 18<sup>th</sup> November, 2023 and thereafter the members in Extra ordinary General Meeting of the Company held on 15<sup>th</sup> December, 2023 has approved the issue upto 28,50,000 (Twenty Eight Lakhs Fifty Thousand) convertible warrants ("**Warrants**"), at a price of ₹ 350/- (Rupees Three Hundred Fifty only) per warrant, aggregating upto ₹ 99,75,00,000/- (Rupees Ninety Nine Crore Seventy Five Lakhs Only) ("**Total Issue Size**"), with a right to the warrant holders to apply for and be allotted 1 (One) fully paid-up equity share of the Company of face value ₹ 5.00/- (Rupees Five only), each at a premium of ₹ 345/- (Rupees Three Hundred Forty Five Only) per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of Warrants, to persons / entity

(“Warrant Holder”/ “Proposed Allottees”) belonging to promoter group and non-promoter group of the Company on a preferential basis (“Preferential Issue”), out of which approx. 75% issued to promoters and approx. 25% issued to non-promoter group.

The Company didn't notice any other material changes and commitments which have its impact in the financial position of the Company occurred in the financial year ended i.e. 31<sup>st</sup> March, 2024 to which the financial statements relate.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no Significant and Material Orders passed by the Regulators or Courts or Tribunals that Impact the Going Concern Status and Company's Operations in Future for the year ended 31<sup>st</sup> March, 2024.

#### **REPORT ON CORPORATE GOVERNANCE**

Our Company prioritises maintaining high standards of Corporate Governance, recognising its role in promoting transparency, accountability, and credibility. We strictly adhere to SEBI's Corporate Governance requirements and have implemented best practices in board composition, independent directors, board committees, risk management, internal controls, ethical conduct, and stakeholder engagement.

As part of our Annual Report, we include a detailed Corporate Governance report as mandated by Regulation 34 of SEBI Listing Regulations, 2015. This Report provides insights into our governance structure, policies, and practices. Additionally, our auditors certify compliance with Corporate Governance norms, validating our adherence to prescribed standards.

We aim to foster trust, integrity, and long-term sustainability by upholding strong governance standards, creating value and maintaining strong relationships with all stakeholders.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act 2013 with respect to Directors' Responsibility Statement, the Directors hereby confirm 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 and loss of the company for that period;

- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of 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; and
- (e) The Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **LISTING / DE-LISTING OF SHARES**

The Shares of your Company are presently listed on the BSE Limited (BSE), Mumbai and the Annual Listing Fees for the year 2024-2025 has already been paid to it.

The BSE has granted In-principal approval to Company on 23<sup>rd</sup> January, 2024 for issue upto 28,50,000 (Twenty Eight Lakhs Fifty Thousand) convertible warrants (“**Warrants**”), at a price of ₹ 350/- (Rupees Three Hundred Fifty only) per warrant, aggregating upto ₹ 99,75,00,000/- (Rupees Ninety Nine Crore Seventy Five Lakhs Only) (“**Total Issue Size**”), with a right to the warrant holders to apply for and be allotted 1 (One) fully paid-up equity share of the Company of face value ₹ 5.00/- (Rupees Five only), each at a premium of ₹ 345/- (Rupees Three Hundred Forty Five Only) per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of Warrants, to persons / entity (“Warrant Holder”/ “Proposed Allottees”) belonging to promoter group and non-promoter group of the Company on a preferential basis (“Preferential Issue”), out of which approx. 75% issued to promoters and approx. 25% issued to non-promoter group.

The Board of Directors of the Company in its meeting held on 26<sup>th</sup> June, 2024 has approved allotment of 3,12,500 Equity Shares pursuant to conversion of 3,12,500 warrants to one of the allottee, on the receipt of exercise price in full and the company had already filed the application for Listing Approval of 3,12,500 Equity Shares and the Listing Approval is pending with BSE.

## SHARE CAPITAL

The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2024 was ₹ 108.77 million.

The Shareholders of the Company in the Extra Ordinary General Meeting of the Company held on 15<sup>th</sup> December, 2023 has approved the issue of 28,50,000 warrants convertible into equity shares to the proposed allottees, on a preferential basis.

Thereafter, The Board of Director of the Company in its meeting held on 6<sup>th</sup> February, 2024 has approved the allotment of 28,50,000 warrants at a price of ₹ 350/- (Rupees Three Hundred Fifty only) per warrant, aggregating upto ₹ 99,75,00,000/- (Rupees Ninety Nine Crore Seventy Five Lakhs Only) ("Total Issue Size"), to the allottees belonging to promoter group and non-promoter group of the Company, subject to conversion into equity shares with in the period of 18 months from the date of allotment upon payment of full exercise price.

Further, the Board of Directors of the Company in its meeting held on 26<sup>th</sup> June, 2024 has approved allotment of 3,12,500 Equity Shares pursuant to conversion of 3,12,500 warrants to one of the allottee, on the receipt of exercise price in full. The Company has filed the MCA E-Form PAS-3 on dated 26<sup>th</sup> June, 2024, for the allotment of 3,12,500 Equity Shares pursuant to Conversion of 3,12,500 Warrants. Post Allotment Share Capital of the Company is ₹ 11,03,28,500/-

## AUDIT AND AUDITORS

### I. Statutory Auditors and Auditors Report

In terms of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company in its 37<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2022, approved the re-appointment of M/s. C. S. Arora & Associates, Chartered Accountants (Firm Registration No.15130N) as the Statutory Auditors of the Company for an Second term of five consecutive years, i.e. from the conclusion of the 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> AGM of the Company to be held in the year 2027. The observations made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments under Section 134(3)(f) of the Act.

### II. Secretarial Auditors

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Bhambri & Associates, Company Secretary in practice, as Secretarial Auditors for conducting a Secretarial Audit of your Company and its material subsidiaries for the financial year ended 31<sup>st</sup> March, 2024.

Due to personal reasons, M/s Bhambri & Associates, Company Secretary in practice, intimated to the Company about its resignation from the post of Secretarial Auditor of the Company and its material subsidiaries for the financial year 2023-24.

The Board thereafter in its meeting held on 26<sup>th</sup> June, 2024 approved the appointment of M/s Pooja M. Kohli & Associates, Company Secretary in Practice as a Secretarial Auditor for conducting the Secretarial Audit for the financial year 2023-24 as per Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and The Company had received the Secretarial Audit Report for the financial year 2023-24 of the Company and its material subsidiaries, that are attached with this report.

Pursuant to circular No. CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019, issued by Securities and Exchange Board of India (SEBI), the Company has obtained Annual Secretarial Compliance Report for the financial year ended 31<sup>st</sup> March, 2024, from M/s Pooja M. Kohli & Associates, Company Secretary in Practice, Ludhiana as per applicable SEBI Regulations and circulars / guidelines issued there under and the copy of the same has submitted with the Stock Exchanges within the prescribed due date.

### III. Internal Auditors

Mr. Amit Sharma - Assistant Manager of the Company was appointed by the Board of Directors as Internal Auditor of the Company to assist in internal audit with the audit processes and internal audit reviews for the Company for FY 2023-24.

Mr. Amit Sharma - Assistant Manager of the Company has resigned from the post of Internal Auditor of the Company and the Board took note of such resignation in its Board Meeting held on 30<sup>th</sup> May, 2024. Further, in the same meeting M/s Romesh K. Aggarwal & Associates, Chartered Accountant (FRN: 000711N) were appointed as Internal Auditor for the FY 2024-25.

#### IV. Cost Auditors and Maintenance of Cost Records

The Company is in service sector and NBFC Company hence it is not required to maintain cost records and Cost Audit is not required as specified by the Central Government as per Section 148(1) of the Companies Act, 2013 and Rule 3 of the Companies (Cost Records and Audit) Rules, 2014.

#### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of Companies Act, 2013 related to CSR are not applicable on the Company for the financial year ended 31<sup>st</sup> March, 2024.

#### INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable materials weakness in the design or operation was observed. Internal Audit provides assurance to the Board on effectiveness of internal financial control functioning and quality.

The Company has the following subsidiaries:

1)	Master Infrastructure and Real Estate Developers Limited	(Wholly Owned Subsidiary)
2)	Master Capital Services Limited	(Wholly Owned Subsidiary)
3)	Master Insurance Brokers Limited	(Wholly Owned Subsidiary)
4)	Master Commodity Services Limited	(Step down Subsidiary)
5)	Master Portfolio Services Limited	(Step down Subsidiary)
6)	Mastertrust Wealth Private Limited	(Step down Subsidiary)

The Company however does not have any Joint Venture and associates company.

#### PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES AND ASSOCIATE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

The summary of performance of the subsidiaries of the Company is provided below:

##### 1. MASTER CAPITAL SERVICES LIMITED (MCSL)

In the current year of operations FY 2023-24, MCSL posted increase in total revenues. MCSL's total revenue during the year under review increased by 53.37% to ₹ 4,613.75 million from ₹ 3,008.32 million in the previous FY 2022-23.

MCSL's net profit, during the current year, increased by 67.80% to ₹ 929.75 million from ₹ 554.10 million in previous year.

#### DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES

The Company has 6 subsidiaries as on 31<sup>st</sup> March, 2024. A report on the performance and financial position of each subsidiary is outlined in AOC-1 which is annexed to this report. In accordance with the provisions of Section 136 of the Companies Act, 2013, and the amendments thereto, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies will be available on our website <http://www.mastertrust.co.in>.

The Company has also formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the SEBI Listing Regulations. The policy is available at the website of the Company at [https://master-trust-strapis3.ap-south-1.amazonaws.com/Policy\\_on\\_Material\\_Subsiidiaries\\_202005151433079294102\\_661a43b80a.pdf](https://master-trust-strapis3.ap-south-1.amazonaws.com/Policy_on_Material_Subsiidiaries_202005151433079294102_661a43b80a.pdf)

##### 2. MASTER COMMODITY SERVICES LIMITED (MCOMSL)

In the current year of operations FY 2023-24, MCOMSL's total revenue during the year under review increased by 25.34% to ₹ 18.20 million from ₹ 14.52 million in the previous FY 2022-23.

MCOMSL net profit, during the current year, decreased by 90.74% to ₹ 0.59 million as compared to ₹ 6.37 million in previous year.

##### 3. MASTER INFRASTRUCTURE AND REAL ESTATE DEVELOPERS LIMITED (MIREDL)

In the current year of operations FY 2023-24, MIREDL's total revenue during the year under review increased by 71.14% to ₹ 46.67 million from ₹ 27.27 million in the previous FY 2022-23.

MIREDL's net profit, during the current year increased by 167.08% to ₹ 21.50 million from ₹ 8.05 million in previous year.



#### 4. MASTER INSURANCE BROKERS LIMITED (MIBL)

In the current year of operations FY 2023-24, MIBL's total revenue during the year under review increased by 13.32% to ₹ 37.86 million from ₹ 33.41 million in the previous FY 2022-23.

MIBL's net profit during the current year also increased to ₹ 12.45 million from ₹ 10.04 million, registering an increase by 24.00%.

#### 5. MASTER PORTFOLIO SERVICES LIMITED (MPSL)

In the current year of operations FY 2023-24, MPSL's revenue during the year under review decreased by 11.21% to ₹ 208.06 million from ₹ 234.34 million in the previous FY 2022-23.

MPSL's net profit, during the current year, increased to ₹ 33.25 million from ₹ 23.10 million in previous year, registering increase by 43.94%.

#### 6. MASTERTRUST WEALTH PRIVATE LIMITED (MWPL)

In the current year of operations FY 2023-24, MWPL's total revenue during the year under review decreased by 99.66% to ₹ 0.08 million from ₹ 23.77 million in the previous FY 2022-23.

MWPL's net profit during the year decreased by 27.02% to ₹ 0.27 million during the current year as compared to loss of ₹ 0.37 million in previous year.

Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 and rules made there under, a statement containing salient features of financial statements of subsidiaries in **Form AOC-1** is attached to the Accounts. The separate audited financial statements in respect of each of the subsidiary companies including step down subsidiaries, shall be kept open for inspection at the Registered Office of the Company during working hours for a period of **21 days** before the date of the Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of each of the subsidiary companies including step down subsidiaries, are also available on the website of your Company at <https://www.mastertrust.co.in/investor-relation>.

#### PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

During the period under review, no employee of the Company received salary in excess of the limits as prescribed under the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, hence no particulars of employees are required to given.

In accordance with the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules, form part of this Boards' Report.

As per the provisions of Section 136(1) of the Act, the reports and accounts are being sent to the Members of the Company excluding the information regarding employee remuneration as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The same is available for inspection by Members at the Registered Office of the Company on all working days and through electronic means up to the date of the Thirty Ninth (39<sup>th</sup>) Annual General Meeting. Any Member interested in obtaining such information may write to the Company Secretary and the same will be furnished on such request and such particulars shall be made available by the Company within three days from the date of receipt of such request from shareholders.

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

Pursuant to Section 186(11) of the Companies Act, 2013 the investment and lending activities of a Non-Banking Financial Company in the ordinary course of its business are exempted. Further Particulars of loans given, investments made, guarantees given and securities provided are mentioned in the standalone financial statements. Loans and Guarantee Given and investment made by the Company is under its nature of business and is proposed to be utilised by the recipient for the business purpose. The Company have complied the provision of Section 186 of the Companies Act, 2013.

#### RELATED PARTY TRANSACTIONS (PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES)

Related Party Transactions entered during the year under review are on an arm's length basis and in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in form AOC-2 is not applicable.

Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature.

The Board of Directors of the Company has, on the recommendation of the Audit committee, adopted a policy to regulate transaction between the Company and its related parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under and Listing Regulations. The Company took the Approval of Audit Committee, Board and Shareholders Approval for the Related Party Transaction (RPT).

There are no materially significant Related Party Transactions entered into by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations. But the Company is taken the Shareholders Approval for the Related Party Transaction for the FY 2023-24.

The Policy as considered and approved by the Board has been uploaded on the website of the Company at [https://master-trust-strapis3.ap-south-1.amazonaws.com/Related\\_Party\\_Transaction\\_Policy\\_202305231200288435562\\_b3701950bd.pdf](https://master-trust-strapis3.ap-south-1.amazonaws.com/Related_Party_Transaction_Policy_202305231200288435562_b3701950bd.pdf)

Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone / consolidated financial statements forming part of this Annual Report.

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

The Company being engaged in the financial services activities and NBFC Activities, its operations are not energy intensive nor does it require adoption of specific technology and hence information in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not applicable to the Company. However, as a responsible corporate citizen, it continues to pursue and adopt appropriate energy conservation measures.

During the financial year ended 31<sup>st</sup> March, 2024, there is no Foreign Exchange Earnings and Outgo.

### **ANNUAL RETURN**

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-9 is uploaded on the website of the Company and it can be accessed at <https://www.mastertrust.co.in/investor-relation>

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

The Board adopted a Vigil Mechanism/Whistle Blower Policy as per SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as

amended and section 177 of the Companies Act, 2013 to report genuine concerns or grievances about unethical behaviour of employees, actual or suspected fraud or violation of the Company's code of conduct. The Company's Vigil Mechanism/Whistle Blower as approved by the board are available at the Company Website at the link:

[https://master-trust-strapis3.ap-south-1.amazonaws.com/MTL\\_Vigil\\_Mechanism\\_Whistle\\_Blower\\_Policy\\_201908071306575174343\\_f542f30f6f.pdf](https://master-trust-strapis3.ap-south-1.amazonaws.com/MTL_Vigil_Mechanism_Whistle_Blower_Policy_201908071306575174343_f542f30f6f.pdf)

Details related to the same is also described in corporate governance report as part of this report.

### **MATERIAL SUBSIDIARY COMPANY**

As defined under Regulation 16 (1) (c) of Listing Regulations, the Company had two (2) Material Subsidiaries during the financial year 2023-24 viz.

- (1) Master Capital Services Limited
- (2) Master Infrastructure and Real Estate Developers Limited

The Audit Committee reviews the financial statements of material subsidiaries of the Company. It also reviews the investments made by such subsidiaries, the statement of all significant transactions and arrangements entered into by the subsidiaries, if any, and the compliances of material subsidiaries on a periodic basis. The minutes of board meetings of all the unlisted subsidiary companies are placed before the Board. Composition of the Board of material subsidiaries is in accordance with the Regulation 24(1) of the Listing Regulations.

### **POLICY ON MATERIAL SUBSIDIARIES**

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries. The policy on Material Subsidiary is available on the website of the Company at the link:

[https://master-trust-strapis3.ap-south-1.amazonaws.com/Policy\\_on\\_Material\\_Subsidiaries\\_202005151433079294102\\_661a43b80a.pdf](https://master-trust-strapis3.ap-south-1.amazonaws.com/Policy_on_Material_Subsidiaries_202005151433079294102_661a43b80a.pdf)

### **CODE FOR PREVENTION OF INSIDER TRADING**

Trading Practices In compliance with the SEBI Regulation on Prohibition of Insider Trading, the Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders, for its Directors and Senior Management Officers. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. The Code specifies, among other

matters, that Directors and Designated Persons of the Company, as defined in the Code, can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and other material events as per the Code. The intimation of the closure of Trading Window, as per the SEBI Regulations on Prohibition of Insider Trading, is given to the Stock Exchanges before the end of every quarter with effect from the 1<sup>st</sup> day of the month immediately succeeding the end of every quarter till 48 hours after the declaration of financial results of the Company to the Stock Exchanges. The same is intimated to the Designated Persons as well. These aforementioned Codes are posted on the website of the Company at the link: [https://master-trust-strapis3.ap-south-1.amazonaws.com/Code\\_of\\_Fair\\_Disclosure\\_under\\_Insider\\_Trading\\_Regulations\\_MTL\\_201908071429529868959\\_745841e681.pdf](https://master-trust-strapis3.ap-south-1.amazonaws.com/Code_of_Fair_Disclosure_under_Insider_Trading_Regulations_MTL_201908071429529868959_745841e681.pdf)

Annual Declarations containing the annual disclosures of holding of securities have been obtained from all the Directors and the Designated Persons of the Company for the financial year ended 31<sup>st</sup> March, 2024. Besides, a declaration has also been obtained from the Managing Director of the Company ensuring compliance with Regulation 9 Sub regulations 1 and 2 of the SEBI (Prohibition of Insider Trading) Regulations, as amended.

#### **POLICY ON NOMINATION AND REMUNERATION OF DIRECTORS**

This policy on the nomination and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel have been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company. The Policy is guided by the principles and objectives as enumerated under the provisions of the Companies Act, 2013 and the Listing Regulations, to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. A Copy of the policy is uploaded on the Company's website at [https://master-trust-strapis3.ap-south-1.amazonaws.com/Nomination\\_and\\_Remuneration\\_Policy\\_202307251204033331089\\_8c97354088.pdf](https://master-trust-strapis3.ap-south-1.amazonaws.com/Nomination_and_Remuneration_Policy_202307251204033331089_8c97354088.pdf)

The statement of Disclosure of Remuneration under Section 197 (12) of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this report.

#### **RISK MANAGEMENT**

Risk Management is the process of identification, assessment and prioritisation of risks followed by coordinated efforts to minimise, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities. The Company has laid down Risk Management Policy and identified threat of such events which if occurs will adversely affect the ability of the Company to achieve its objective. The Audit Committee and/or Board reviews the risk management and minimisation procedures. In view of its importance, the Company makes efforts on an ongoing basis to strengthen the internal financial control system. The risk management policy is also reviewed periodically to ensure that the policy remains relevant to the prevailing internal and external risk. Details related to the same are also described in corporate governance report as part of this report.

A Copy of the RISK Management policy is uploaded on the Company's website at [https://master-trust-strapis3.ap-south-1.amazonaws.com/RISK\\_MANAGEMENT\\_POLICY\\_202309181635288316589\\_a55290cb7e.pdf](https://master-trust-strapis3.ap-south-1.amazonaws.com/RISK_MANAGEMENT_POLICY_202309181635288316589_a55290cb7e.pdf)

#### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

MTL remains steadfast in its commitment to fostering a safe and inclusive work environment, free from harassment or intimidation. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Master Trust Group has established a robust policy for preventing sexual harassment. Internal Complaints Committees have been instituted at all major locations to address any related complaints, ensuring transparency and fairness throughout the investigation process.

Regular awareness programs are conducted to educate employees on their rights and the provisions of the POSH Act, fostering a culture of respect and gender equality. Notably, no complaints related to sexual harassment were reported during the year, underscoring the effectiveness of our policies and awareness initiatives in maintaining a secure work environment for all stakeholders

#### **MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE**

In terms of the Listing Regulations, the certificate, as prescribed in Part B of Schedule II of the said Regulations, has been obtained from the Chief Financial Officer and Managing Director of the

Company, for the financial year 2023-24 with regard to the financial statements and other matters. The said certificate forms part of this Annual Report.

#### **DIVIDEND DISTRIBUTION POLICY**

Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') Dividend Distribution Policy is not applicable on the Company.

#### **SECRETARIAL STANDARDS OF ICSI**

The Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under Section 118(10) of the Companies Act, 2013.

#### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in this Report.

#### **EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS**

##### **Following is the event which has been happened subsequent to the date of financial statement:**

The Board has approved the allotment of 3,12,500 fully paid up equity shares in the Board Meeting held

on 26<sup>th</sup> June, 2024, to one of the Allottee pursuant to conversion of 3,12,500 warrants, as company had received full exercise amount with respect to such warrants for the Conversion.

Your director are not aware of any other circumstances not otherwise dealt with in this Report or in the financial statements of your Company, which would render any amount stated in the Accounts of the Company misleading. In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report, which would affect substantially the results, or the operations of your Company for the financial year in respect of which this report is made.

#### **APPRECIATION**

Your directors place on records their sincere appreciation for the assistance, cooperation, encouragement and guidance provided by the Government, Regulators, Stock Exchanges, Depositories, other statutory bodies and Company's Bankers to the Company.

Yours directors also gratefully acknowledge all stakeholders of the Company viz. clients, advisors, members, banks and other business associates for the excellent support received from them during the year. Our employees are instrumental in the Company to scale new heights, year after year. Their commitment and contribution is deeply acknowledged. Your involvement as members is also greatly valued. Your directors look forward to your continuing support in the Master Trust Group.

#### **For and on behalf of the Board**

Place: Ludhiana  
Date: 28<sup>th</sup> August, 2024

Sd/-  
**(Rajinder Kumar Singhania)**  
Director  
DIN-00077540

Sd/-  
**(Harjeet Singh Arora)**  
Managing Director  
DIN- 00063176



# NOMINATION AND REMUNERATION POLICY

## BACKGROUND

Master Trust Ltd (“the Company”) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term policy approach to improve the quality of governance. Towards this, the Company ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

The Company recognises the importance of Independent Directors in achieving the effectiveness of the Board and aims to have an optimum combination of Non-Independent and Independent Directors.

## NOMINATION AND REMUNERATION POLICY

Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provide that the Board of Directors on the recommendation of Nomination and Remuneration Committee has to formulate Nomination and Remuneration Policy detailing therein inter alia, the criteria for determining qualifications, positive attributes and independence of a Director; remuneration for the Directors, Key Managerial Personnel and other employees; review of performance of non-independent directors and Chairman of the Board and performance evaluation of Independent Directors.

Accordingly, the Nomination and Remuneration Policy of Master Trust Limited has been designed to keep pace with the dynamic business environment and market linked positioning. The Policy has been duly approved and adopted by the Board pursuant to recommendations of Nomination and Remuneration Committee (“NRC”) of the Company.

## APPLICABILITY

This Policy is applicable to:

- a) Directors (Executive, Non-Executive and Independent)
- b) Key Managerial Personnel (KMP)
- c) Senior Management Personnel
- d) Other employees as may be decided by the Committee (“NRC”)

## DEFINITIONS

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

### “KEY MANAGERIAL PERSONNEL” MEANS:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Company Secretary;
- iii) Chief Financial Officer; and
- iv) Such other officer as may be prescribed.

“**Nomination and Remuneration Committee**” or “Committee” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“**Policy**” or “This Policy” means, “Nomination and Remuneration Policy”.

“**Senior Management**” means the personnel of the Company who are members of its core management team and comprising all members of management one level below the Board/Executive Directors, including all the functional heads.

## OBJECTIVE

The objective of the policy is to ensure that:

- Determining qualifications, positive attributes and independence of a Director;
- Performance evaluation of Independent Directors, non independent Directors, Chairman and the Board;
- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance

objectives appropriate to the working of the Company and its goals.

#### ROLE OF THE COMMITTEE

The role of the NRC will be the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees
- Formulation of criteria for evaluation of performance of independent directors and the board of directors
- Devising a policy on diversity of board of directors
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal
- 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

#### 1. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Interview and Selection procedure.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as the M.D or Whole-time Director or a manager who has attained the age of seventy years Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

#### TERM AND TENURE

##### a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**Rotation:** Non-Executive Directors of the Company shall be liable to retire by rotation as per the provision of Companies Act, 2013.

##### b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Rotation: An Independent Director shall not be liable to retire by rotation pursuant to the provisions of sub-sections (6) and (7) of section 152 of the Companies Act, 2013.

#### EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly. Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the Independent Directors shall at its separate meeting review performance of non-independent directors, Chairperson of the Company and the Board as a whole. The performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

The evaluation will be done on following parameters:

1. Role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest

of the Company to achieve organisational successes and harmonising the Board;

2. Attendance and contribution at Board and Committee meetings;
3. Subject expertise, skills, behaviour, experience, leadership qualities, understanding of business and strategic direction to align company's values and standards;
4. Ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders;
5. Vision on Corporate Governance and Corporate Social Responsibility;
6. Ability to create a performance culture that drives value creation and a high quality of discussions;
7. Effective decision-making ability to respond positively and constructively to implement the same to encourage more transparency;
8. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity;
9. Contribution to enhance overall brand image of the Company;

Based on evaluation criteria, the Nomination & Remuneration Committee and the Board shall annually review the performance of each and every Director. Based on the rating of performance, the Board can decide to extend or continue the term of appointment or to introduce new candidate as a member of the Board or Retirement of the member based on his/her performance rating.

#### **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations.

#### **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **2. POLICY FOR REMUNERATION TO DIRECTORS / KMP / SENIOR MANAGEMENT PERSONNEL**

### **Remuneration to Managing Director /Whole-time Directors:**

- a) The Remuneration / Commission etc. to be paid to Managing Director / Whole-time Directors etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

### **Remuneration to Non-Executive/Independent Directors:**

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) if any, shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.
- d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i) The Services are rendered by such Director in his capacity as the professional; and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.



### Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's HR Policy.
- b) The Board will administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes etc. as decided from time to time.

- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management to be decided annually.

In case, where a Company has no profits or inadequate profits, Executive Directors and KMP shall be eligible to receive minimum remuneration as per limits prescribed in Schedule V of the Companies Act, 2013, as amended from time to time.

### DISCLOSURES

The Company shall make the necessary disclosures of the policy in the Board Report as required under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- a) The ratio of the remuneration of the Managing Director to the median remuneration of the employees of the Company for the financial year was 6.85:1. No other Director of the Company is being paid any remuneration.
- b) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year.

S. No.	Name of Director /KMP and Designation	% increase in Remuneration in the Financial Year 2023-24
1	Mr. Harjeet Singh Arora (Managing Director)	Nil
2	Mr. Sunil Kumar (Chief Financial Officer)	29.51%
3	Mr. Vikas Gupta (Company Secretary)	15.87%

- c) There was an increase of 22.58% in the median remuneration of employees in the financial year 2023-24 vis-a-vis financial year 2022-23.
- d) The Company had 8 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2024.
- e) Percentage decrease in the salaries of employees other than the managerial personnel in financial year 2023-24 was 10.88% due to resignation and transfer of employees to subsidiary company. Whereas the increase in the managerial remuneration for the same financial year was 5.48%.
- f) Affirmed that the remuneration is as per the remuneration policy of the Company.

### CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

**I, Harjeet Singh Arora**, Managing Director of "Master Trust Ltd" hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31<sup>st</sup> March, 2024.

Sd/-

**(Harjeet Singh Arora)**

Managing Director

DIN- 00063176

Place: Ludhiana

Date: 28<sup>th</sup> August, 2024

## MD/ CFO CERTIFICATE

Pursuant to regulation 17 (8) of SEBI (LODR) regulations, 2015, we hereby certify that:

- a. We have reviewed the financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue 'statement or omit any material fact or contain statements that might be misleading;
  - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. 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.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee:
  - I. Significant changes, if any, in internal control over financial reporting during the year;
  - II. 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
  - III. That no instances of significant fraud have come to our notice.

**For and on behalf of the Board**

Sd/-

**(Sunil Kumar)**

Chief Financial Officer

Sd/-

**(Harjeet Singh Arora)**

Managing Director

DIN- 00063176

Place: Ludhiana

Date: 28<sup>th</sup> August, 2024

# PRACTICING COMPANY SECRETARY'S CERTIFICATE

Practicing Company Secretary's Certificate on compliance with the conditions of Corporate Governance under Schedule V of the SEBI (LODR) regulations, 2015.

To  
The Members of  
**Master Trust Ltd**

I have examined the compliance of conditions of Corporate Governance by **MASTER TRUST LTD** ('the Company'), for the year ended on 31<sup>st</sup> March, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015" as amended from time to time).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR) regulations, 2015 for the year ended on 31<sup>st</sup> March, 2024.

I further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Pooja M Kohli & Associates**  
**Company Secretary in Whole Time Practice**

Sd/-

**(Pooja Mahajan Kohli)**

Proprietor

CP No. 14836

UDIN: F007255F000654924

Place: Ludhiana

Date: 2<sup>nd</sup> July, 2024



# 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  
**Master Trust Ltd**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **"Master Trust Ltd"** having CIN L65991PB1985PLC006414 and having registered office at Master Chambers, SCO 19, Feroze Gandhi Market, Ludhiana-141001 (PB) (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	HARJEET SINGH ARORA	00063176	30 <sup>th</sup> December, 1998
2	RAJINDER KUMAR SINGHANIA	00077540	1 <sup>st</sup> April, 1992
3	GURMEET SINGH CHAWLA	00087449	27 <sup>th</sup> November, 1998
4	HARNEESH KAUR ARORA	00089451	27 <sup>th</sup> November, 1998
5	PAVAN KUMAR CHHABRA	00104957	5 <sup>th</sup> January, 1994
6	ASHWANI KUMAR	00030307	31 <sup>st</sup> December, 2005
7	RAVINDER SINGHANIA	00006921	4 <sup>th</sup> August, 2023
8	RAJIV KALRA	07143336	30 <sup>th</sup> June, 2020

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

**For Pooja M Kohli & Associates**  
**Company Secretary in Whole Time Practice**

Sd/-  
**(Pooja Mahajan Kohli)**  
Proprietor

Place: Ludhiana  
Date: 2<sup>nd</sup> July, 2024

CP No. 14836  
UDIN: F007255F000654913

## FORM NO. – MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

#### [Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

**The Members**

**MASTER TRUST LTD**

(CIN: L65991PB1985PLC006414)

SCO 19, Master Chambers,

Feroze Gandhi Market, Ludhiana - 141001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MASTER TRUST LTD** (hereinafter called the **Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification, on test basis, of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, on test basis, for the financial year ended on 31<sup>st</sup> March, 2024, to the extent applicable and 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) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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) SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and amendments from time to time; **Not applicable during the period under review.**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable 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, 2021; **Not applicable during the period under review** and
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not applicable during the period under review.**

- (vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with laws relating to, inter alia:
- All labour laws;
  - Securities and Exchange Board of India (Stock Brokers) Regulations, 1992;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent of its applicability.
- (ii) The Listing Agreement entered into by the Company with the BSE Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. The Company has given direct link of Company's Website in general instead of links for each compliance.
2. The website of the Company is not updated.
3. It has been observed that, The Company had not captured the information under SDD software properly i.e. external sharing of financial information.
4. The Listed entity has submitted the Auditor's report without a valid peer review certificate.
5. The XBRL for ASCR 2022-23 was filed by the listed entity with one day delay.
6. The query raised by the BSE dated 28<sup>th</sup> September, 2023 and 12<sup>th</sup> January, 2024 was not replied to in a timely manner by the Company.

#### **We further report that**

The Board of Directors of the Company is duly constituted. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company has undertaken following specific event/ action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

- *The Shareholders of the Company in the Extra Ordinary General Meeting of the Company held on 15<sup>th</sup> December, 2023 has approved the issue of 28,50,000 warrants convertible into equity shares to the proposed allottees, on a preferential basis.*

*Thereafter, The Board of Director of the Company in its meeting held on 6<sup>th</sup> February, 2024 has approved the allotment of 28,50,000 warrants to the allottees.*



*These Warrants will get converted into equity shares with the period of 18 months from the date of allotment upon payment of exercise price.*

*Further, the Board of Directors of the Company in its meeting held on 26<sup>th</sup> June, 2024 has approved the conversion of 3,12,500 warrants allotted to one of the allottee, pursuant to receipt of exercise price in full from the said allottee.*

**For Pooja M Kohli & Associates  
Company Secretary in Whole Time Practice**

Sd/-

**(Pooja Mahajan Kohli)**

Proprietor

CP No. 14836

UDIN: F007255F000639755

Place: Ludhiana

Dated: 30<sup>th</sup> June, 2024

**Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.**

## 'ANNEXURE A'

To,  
The Members of  
**MASTER TRUST LTD,**  
SCO 19, Master Chambers,  
Feroze Gandhi Market,  
Ludhiana - 141001.  
(CIN: L65991PB1985PLC006414)

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

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as we have relied upon the Audit done by Statutory Auditors as required under Companies Act, 2013.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Pooja M Kohli & Associates**  
**Company Secretary in Whole Time Practice**

Sd/-

**(Pooja Mahajan Kohli)**

Proprietor

CP No. 14836

UDIN: F007255F000639755

Place: Ludhiana

Dated: 30<sup>th</sup> June, 2024

**OBSERVATIONS/ REMARKS OF THE PRACTICING COMPANY SECRETARY MADE IN  
SECRETARIAL AUDIT REPORT AND MANAGEMENT RESPONSE/REPLY**

There are some Observations/Remarks made in Secretarial Audit Report of Master Trust Ltd and our remarks as below:

<b>Particulars of Observations/Remarks</b>	<b>Response/Reply of the Management</b>
<b>The Company has given direct link of Company's Website in general instead of links for each compliance.</b>	All the Compliances item wise can be accessed through such direct links given by the Company in Corporate Governance report.  However, observation has been duly noted by the Company and will give separate link for each Compliance in future.
<b>The website of the Company is not updated.</b>	The website of the Company having all related information and disclosures. Further, the Company has restructured its website and include all sections in website as required by Reg. 46 of SEBI (LODR) Reg. 2015.  The website is in beta version and will come into operation in full extent soon.
<b>It has been observed that, The Company had not captured the information under SDD software properly i.e. external sharing of financial information.</b>	The Company is maintaining the SDD software properly and we are capturing all details diligently.  We further like to mention that we have already captured external sharing of financial information and as instructed will further improve the system of external sharing of financial information.
<b>The Listed entity has submitted the Auditor's report without a valid peer review certificate.</b>	It was informed by the Statutory Auditor to the Company that they were in the process of obtaining peer review certificate during period of submitting limited review reports.  ICAI has taken much time in renewal of peer review certificate and finally received renewed peer review certificate on 1 <sup>st</sup> December, 2023.
<b>The XBRL for ASCR FY 2022-23 was filed by the listed entity with one day delay.</b>	Submission of Annual Secretarial Compliance Report FY 2022-23 with delay of one day was inadvertent, due to technical issue, as BSE Listing center was not showing the file.
<b>The query raised by the BSE dated 28<sup>th</sup> September, 2023 and 12<sup>th</sup> January, 2024 was not replied to in a timely manner by the Company.</b>	The query raised by the BSE dated 28 <sup>th</sup> September, 2023 and 12 <sup>th</sup> January, 2024 have been replied with some delay due to inadvertence and the same is under the process of being approved.



**MATERIAL SUBSIDIARIES OF THE COMPANY AS MENTIONED BELOW:**

The Company have two Material Subsidiaries as on 31<sup>st</sup> March, 2024 as mentioned below:

**1. MASTER CAPITAL SERVICES LIMITED****2. MASTER INFRASTRUCTURE AND REAL ESTATE DEVELOPERS LIMITED**

Every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified as per the **Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

Pursuant to the requirements of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, the above two Companies had appointed M/s. Pooja M. Kohli & Associates, Company Secretary in Practice, Ludhiana, for conducting Secretarial Audit for FY 2023-24. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024 is part of this Annual Report.

There are some qualifications, reservations, adverse remarks or disclaimers made by Secretarial Auditors, in their Audit Report and our remarks as below:

**1. MASTER CAPITAL SERVICES LIMITED**

There is no qualification, reservations, adverse remarks or disclaimers made by the Secretarial Auditor in Secretarial Audit Report of Master Infrastructure and Real Estate Developers Limited for the financial year ended 31<sup>st</sup> March, 2024.

**2. MASTER INFRASTRUCTURE AND REAL ESTATE DEVELOPERS LIMITED**

There is no qualification, reservations, adverse remarks or disclaimers made by the Secretarial Auditor in Secretarial Audit Report of Master Infrastructure and Real Estate Developers Limited for the financial year ended 31<sup>st</sup> March, 2024.

## FORM NO. – MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

#### [Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

**MASTER CAPITAL SERVICES LIMITED**

(CIN: U67190HR1994PLC076366)

A-852-A, Basement, Sushant Lok, Phase-I,

Gurugram, Haryana, India, 122002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MASTER CAPITAL SERVICES LIMITED** (hereinafter called the **Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification, on test basis, of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, on test basis, for the financial year ended on 31<sup>st</sup> March, 2024, to the extent applicable and 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) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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; N.A.
  - (b) SEBI (Prohibition of Insider Trading) Regulations, 2015; N.A.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; N.A.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and amendments from time to time; N.A.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; N.A.
  - (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; N.A.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; N.A.
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; N.A.

- vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with laws relating to, inter alia:
- All labour laws;
  - Securities and Exchange Board of India (Stock Brokers) Regulations, 1992

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent of its applicability.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, being the Material Subsidiary of Holding Company i.e. Master Trust Ltd.

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

**We further report that**

The Board of Directors of the Company is duly constituted. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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

**For Pooja M Kohli & Associates**  
**Company Secretary in Whole Time Practice**

Sd/-

**(Pooja Mahajan Kohli)**

Proprietor

CP No. 14836

UDIN: F007255F000639733

Place: Ludhiana

Dated: 30<sup>th</sup> June, 2024

**Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.**

## 'ANNEXURE'

To,

The Members of

**MASTER CAPITAL SERVICES LIMITED**

(CIN: U67190HR1994PLC076366)

A-852-A, Basement, Sushant Lok, Phase-I,  
Gurugram, Haryana, India, 122002

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

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as we have relied upon the Audit done by Statutory Auditors as required under Companies Act, 2013.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Pooja M Kohli & Associates**  
**Company Secretary in Whole Time Practice**

Sd/-

**(Pooja Mahajan Kohli)**

Proprietor

CP No. 14836

UDIN: F007255F000639733

Place: Ludhiana

Dated: 30<sup>th</sup> June, 2024



## FORM NO. – MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

#### [Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

**MASTER INFRASTRUCTURE AND REAL ESATE DEVELOPERS LIMITED**

(CIN: U65100PB1991PLC011630)

MASTER CHAMBERS, 19,

FEROZE GANDHI MARKET, LUDHIANA - 141001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MASTER INFRASTRUCTURE AND REAL ESATE DEVELOPERS LIMITED** (hereinafter called the **Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification, on test basis, of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, on test basis, for the financial year ended on 31<sup>st</sup> March, 2024, to the extent applicable and 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) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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; **N.A.**
  - (b) SEBI (Prohibition of Insider Trading) Regulations, 2015; **N.A.**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **N.A.**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and amendments from time to time; **N.A.**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation`s, 2021; **N.A.**
  - (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; **N.A.**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **N.A.**
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **N.A.**

vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with laws relating to, inter alia:

- All labour laws;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent of its applicability.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, being Material Subsidiary of Holding Company i.e. Master Trust Ltd.

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

#### **We further report that**

The Board of Directors of the Company is duly constituted. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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

**For Pooja M Kohli & Associates**  
**Company Secretary in Whole Time Practice**

Sd/-

**(Pooja Mahajan Kohli)**

Proprietor

CP No. 14836

UDIN: F007255F000639744

Place: Ludhiana

Dated: 30<sup>th</sup> June, 2024

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

## 'ANNEXURE'

To,

The Members of

**MASTER INFRASTRUCTURE AND REAL ESATE DEVELOPERS LIMITED**

(CIN: U65100PB1991PLC011630)

MASTER CHAMBERS, 19,

FEROZE GANDHI MARKET, LUDHIANA – 141001

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

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as we have relied upon the Audit done by Statutory Auditors as required under Companies Act, 2013.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Pooja M Kohli & Associates**  
**Company Secretary in Whole Time Practice**

Sd/-

**(Pooja Mahajan Kohli)**

Proprietor

CP No. 14836

UDIN: F007255F000639744

Place: Ludhiana

Dated: 30<sup>th</sup> June, 2024

# Management Discussion and Analysis

## Global Economic Overview

In CY 2023, the global economy demonstrated robust growth, with emerging markets and developing economies maintaining an average growth rate of approximately 4.2%, aligning closely with pre-pandemic levels. However, growth was uneven, as certain European countries experienced contractions while Asian countries, particularly China, Indonesia, and India, reported significantly higher growth rates.

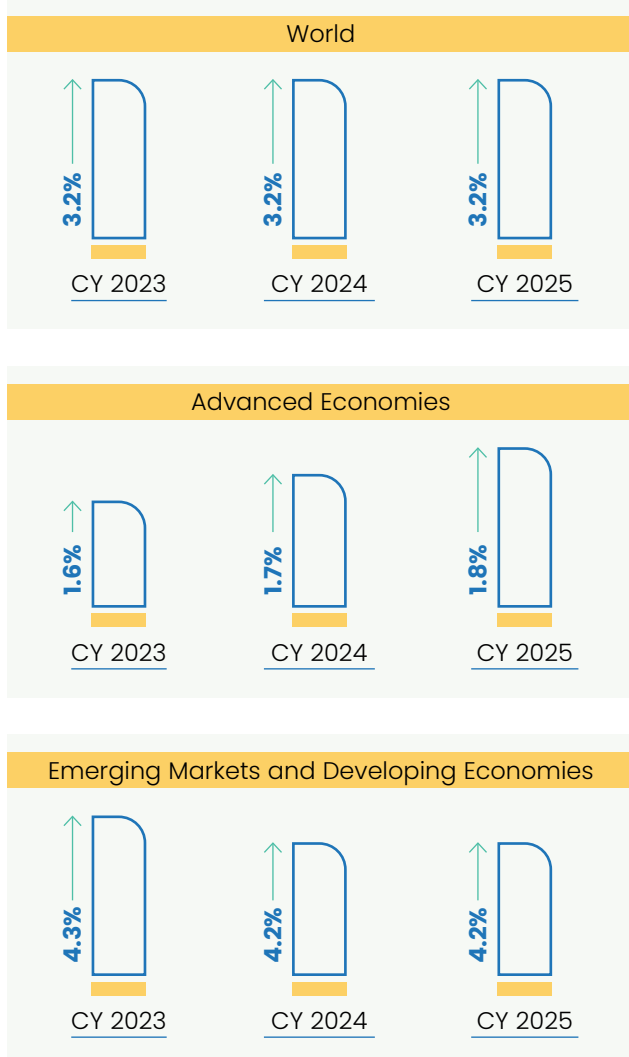
Inflation trends and monetary policy responses varied across regions. Japan continued with gradual policy tightening, European central banks initiated easing monetary measures, China’s central bank maintained an accommodative stance, and the U.S. Federal Reserve adopted a cautious approach, delaying interest rate reductions.

The manufacturing sector PMI showed promising signs of recovery in India, Indonesia, Brazil, Mexico, the U.S., and China, while the services sector PMI demonstrated consistently positive trends across major economies. Looking ahead to CY 2024, the global economic outlook appears more subdued compared to CY 2023, with expectations of a ‘soft landing’ scenario in the U.S.

Bank credit and deposits have rebounded in major economies, bolstering financial systems. The U.S. dollar has strengthened against major currencies, a trend expected to persist on the back of investor confidence in the U.S. economy. Global equity markets have seen widespread gains, though China stands out as a notable exception. Debt markets present a more complex scenario, with U.S. benchmark yields rising substantially, while European yields remain relatively steady. Looking ahead to CY 2024, the outlook for global equity markets appears cautiously subdued, particularly in advanced economies. Factors such as slowing economic growth, easing inflation rates, concerns over corporate earnings growth, and perceptions of overstretched valuations contribute to this sentiment. Potential delays in initiating rate cuts, stronger-than-expected deceleration in GDP growth and corporate earnings, as well as recent upticks in bond yields and oil prices, pose risks to market dynamics moving forward.

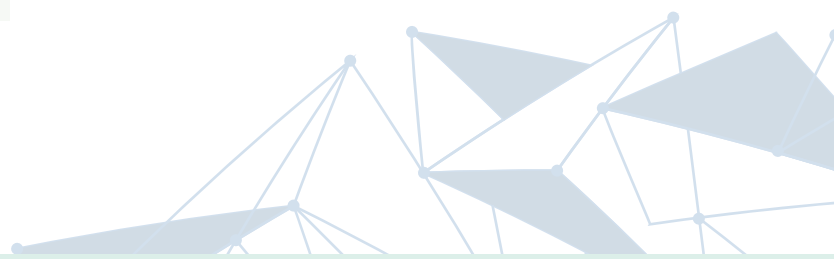
**Source:** <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

### Global Economy Growth Rate (in %)



Estimate	Projections	
CY 2023	CY 2024	CY 2025

**Source:** <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>





## Indian Economic Overview

Since CY 2015, India has consistently been among the fastest-growing major economies. Despite a significant contraction during the global pandemic, the country has swiftly reclaimed its status as a leader in global growth rates. Projections from the International Monetary Fund (IMF) indicate that the nation is poised to maintain its position as the fastest-growing major economy for the next five years, with anticipated real growth rates ranging between 6-7%.

**Source:** <https://economictimes.indiatimes.com/news/economy/indicators/imf-raises-indias-growth-projections-for-2024-fastest-among-developing-nations/video/show/109360736.cms>

## 6-7% Real GDP Growth Rate

Anticipated for the next five years by IMF

India's key economic indicators have shown resilience in recent years. The GDP growth rate has remained consistently high, rebounding notably from the contraction caused by the pandemic. Private consumption has seen significant growth, and government spending has also increased. Although investments experienced a moderate slowdown, further growth is anticipated, driven primarily by robust private consumption.

India witnessed a substantial decline in inflation rates, especially in core inflation, which covers non-food and non-fuel items. Core inflation dropped below the Reserve Bank of India's (RBI) target, marking a significant reduction in price pressures within these categories. However, overall retail inflation hovered around 5%, remaining above the RBI's target. This persistently higher rate was influenced by elevated food prices, which continued to exert upward pressure on overall inflation levels.

Despite these challenges, there is optimism that retail inflation will continue its downward trend. Projections suggest that by the second half of CY 2024, retail inflation could approach the RBI's monetary policy target of 4%. This anticipated

alignment with the target reflects expected improvements in food price stability and ongoing economic adjustments.

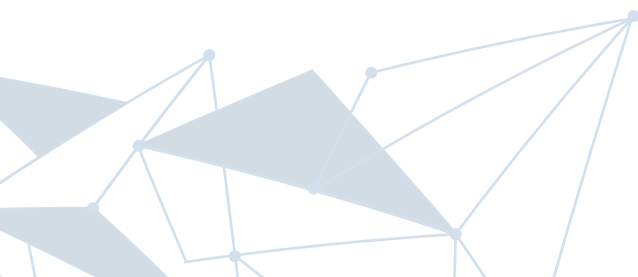
Despite robust economic growth and high retail inflation, the RBI has opted to keep the policy rate unchanged. This decision highlights the central bank's cautious stance, aiming to balance growth imperatives with the task of managing inflation expectations.

India's equity market has witnessed a significant earnings recovery since the Covid-19 pandemic, with current valuation levels approaching fair value. Despite a strong market rally, these earnings rebound justifies current price levels, providing a balanced perspective for potential investors. The alignment between market performance and earnings growth not only strengthens investor confidence but also underscores the market's resilience and potential for sustained growth.

Despite a less favourable global equity outlook over the next twelve months, the Indian equity market is poised to continue attracting positive foreign portfolio flows. This optimism stems from India's robust economic outlook, fair market valuations, healthy corporate earnings growth, and favourable domestic investment climate.

Meanwhile, the Indian bond market is primed for a favourable trajectory, benefitting from a decline in the risk-free rate that directly impacts equity discount rates. This downward trend in bond yields, driven by robust fiscal management and monetary policy measures, bodes well for reducing borrowing costs and enhancing the attractiveness of debt instruments.

India's equity market has witnessed a significant earnings recovery since the Covid-19 pandemic, with current valuation levels approaching fair value.



Given these supportive conditions in the bond market, combined with a healthy economic backdrop and solid corporate earnings growth, the outlook for the Indian equity market appears promising over the medium to long term. This scenario presents potential opportunities for investors looking to capitalise on the growth prospects within India's financial markets.

**Source:** National Stock Exchange and Acuite Ratings and Research

## Industry Overview

### Indian Financial Services Industry

The Indian financial services industry is one of the largest and fastest-growing in the world, comprising a diverse range of sectors, including banking, insurance, asset management, capital markets and fintech. Key trends, including digital banking, increased focus on financial inclusion, the increasing participation of foreign institutional investors, the growth of passive investing, the rise of alternative investment funds, the increasing participation of retail investors, the growth of the mutual fund industry, and the development of the corporate bond market, have driven this evolution, leading to substantial growth and a prominent global standing.



### Indian Equity Market Surge

In FY 2023-24, the Indian equity market experienced substantial growth, reinforcing India's status as a prominent global investment hub. As of 24<sup>th</sup> May, 2024, the Indian Stock Market achieved a significant milestone, with the combined market capitalisation of the Bombay Stock Exchange (BSE Ltd.) and the National Stock Exchange Limited (NSE) soaring from ₹ 97.9 trillion (USD 1.5 trillion) in CY 2014 to an impressive ₹ 416.57 trillion (USD 5 trillion) in CY 2024. This remarkable growth has positioned India as the world's fifth-largest market by market capitalisation, highlighting the robustness and potential of India's capital markets in its journey towards becoming a USD 5 trillion economy.



### India's Capital Market Journey



### Key Milestones and Comparative Analysis

The NSE achieved a milestone as its market capitalisation exceeded the USD 5 trillion mark, positioning India as the fifth country or region to enter the exclusive USD 5 trillion market cap club, alongside the US, China, Japan, and Hong Kong. Despite this accomplishment, the ratio of the NSE's listed companies' market capitalisation to India's GDP stood at 1.18, or 118% in CY 2023. While impressive, this ratio is lower compared to developed markets such as the United States (201%) and Japan (146.2%), indicating potential for further growth.

**Source:** [https://nsearchives.nseindia.com/web/sites/default/files/2024-05/PR\\_cc\\_23052024.pdf](https://nsearchives.nseindia.com/web/sites/default/files/2024-05/PR_cc_23052024.pdf), [https://nsearchives.nseindia.com/web/sites/default/files/2024-01/PR\\_cc\\_03122023\\_1.pdf](https://nsearchives.nseindia.com/web/sites/default/files/2024-01/PR_cc_03122023_1.pdf)  
 1 <https://posts.voronoiaapp.com/markets/US-Buffett-Indicator-Surpasses-200-in-Q1-2024-1576>  
 2 <https://www.ceicdata.com/en/indicator/japan/market-capitalization--nominal-gdp>



## Market Potential and Growth Prospects

A notable statistic is the share turnover velocity at the NSE, which was 47% in CY 2023. This figure is significantly lower than some global markets like the US, Japan, South Korea, China, and Brazil. This low percentage, along with the fact that only 0.35% of the total companies registered with the Ministry of Corporate Affairs are listed on the exchanges, highlights the immense growth potential for deepening the Indian market. There are a substantial number of companies that can potentially tap into the equity market for their funding needs, paving the way for further expansion and development of India's financial services industry.

**Source:** <https://www.nseindia.com/resources/nse-listed-companies-market-capitalization-surpass-usd-4-trillion>



## Sectoral Performance and Indices Growth

Key sectors such as real estate, state-owned banks, auto, and energy saw gains ranging from 70-135%, driving the surge in the market. The Sensex and Nifty50 indices recorded robust gains of 24.85% and 28.61%, respectively. This sectoral performance underlines the broad-based nature of growth and the diverse opportunities within the Indian market.

**Source:** <https://www.wrightresearch.in/blog/fy24-stock-market-recap-and-outlook-for-india-in-fy25/>



## Foreign and Domestic Investments

Foreign Portfolio Investors (FPIs) also saw significant growth, with their assets under management (equity and debt) increasing by 345%, from

₹ 16.1 lakh Cr. at the end of April 2014 to ₹ 71.6 lakh Cr. by the end of April 2024. Concurrently, domestic mutual fund assets under management, encompassing both equity and debt, witnessed a substantial 506% surge from ₹ 9.45 lakh Cr. in April 2014 to ₹ 57.26 lakh Cr. in April 2024. This influx of investments highlights the confidence of both foreign and domestic investors in the Indian market.

**Source:** <https://www.livemint.com/market/stock-market-news/market-capitalisation-of-nse-listed-companies-surges-to-5-trillion-from-4-trillion-in-just-6-months-stock-market-11716523589993.html>



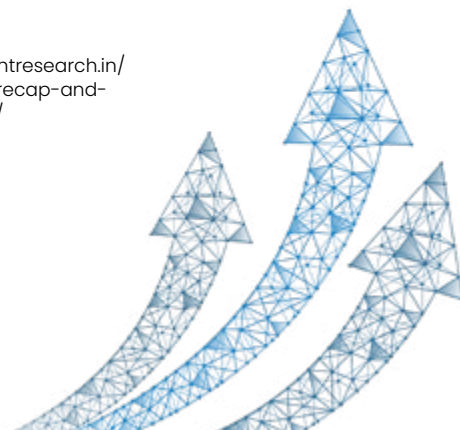
## Real Estate and Infrastructure Investments

The Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) markets have thrived, mobilising ₹ 1.3 lakh Cr. since FY 2019-20. In March 2024, an InvIT listing raised ₹ 2,500 Cr. through a public issue, drawing significant interest from foreign investors. These advancements underscore increasing interest in India's real estate and infrastructure sectors, thereby strengthening the financial services industry.

**Source:** <https://economictimes.indiatimes.com/news/economy/infrastructure/reits-invits-mobilise-rs-1-3-lakh-crore-in-four-years-rbi-data/articleshow/109562773.cms?from=mdr>

The past year witnessed substantial activity in the equity capital market (ECM), marked by 75 new issues that drove a 20% increase in equity fundraising compared to the previous year. Global investors expanded their footprint in India, particularly in sectors like technology, real estate, and healthcare, highlighting the nation's growing appeal as an investment hub. Key drivers behind this strong performance included robust domestic demand, favourable economic conditions, stable regulatory reforms, and heightened interest from global investors.

**Source:** <https://www.wrightresearch.in/blog/fy24-stock-market-recap-and-outlook-for-india-in-fy25/>



## Indian Broking Industry

The India Security Brokerage Market is projected to grow from USD 3.94 billion in FY 2023–24 to USD 5.75 billion by FY 2028–29, at a compound annual growth rate (CAGR) of 7.89% during the forecast period. A robust economy typically stimulates higher investor engagement in the securities markets. The Securities and Exchange Board of India (SEBI) oversees brokerage firms, establishing regulations that encompass licensing, compliance standards, and investor safeguards. Changes in these regulations can significantly impact brokerage operations and profitability. Technological advancements, including online trading platforms, algorithmic trading, and mobile trading apps, have revolutionised the brokerage industry in India. Firms continually invest in technology infrastructure to introduce innovative services and enhance client interactions. Intense competition among brokerage firms fuels innovation, influences pricing strategies, and shapes service offerings. Key differentiators among firms include brokerage fees, research capabilities, trading platforms, and customer support quality.

# 7.89% CAGR

Projected for the India Security Brokerage Market from FY 2023–24 to FY 2028–29

Based on SEBI data, the derivative turnover has surged from ₹ 210 lakh Cr. in FY 2017–18 to ₹ 500 lakh Cr. in FY 2023–24. The Futures and Options (F&O) segment has witnessed robust growth in retail investor involvement, climbing over 40% from 65 lakh participants in FY 2022–23 to 96 lakh participants in FY 2023–24. Individual engagement in index options has similarly surged, increasing from 2% in FY 2017–18 to 41% in FY 2023–24.

Investments by Foreign Institutional Investors (FIIs) in Indian equities saw a peak in FY 2020–21 due to excess liquidity and high market valuations. However, there was a significant decline in FY 2021–22 and FY 2022–23 due to rising US-fed rates and market volatility. In FY 2023–24, there was a notable improvement driven by the resilience of the Indian stock market, favourable US bond yields, and robust economic growth.

The industry's future looks promising with continuous technological upgrades and increased accessibility for investors. The emphasis on robust IT infrastructure and agile systems indicates a

forward-looking approach to cope with rapid market changes and enhance the customer experience. This overview highlights the key aspects of the Indian stockbroking industry, focussing on its historical background, market dynamics, technological advancements, investment trends and future prospects.

**Source:** <https://www.mordorintelligence.com/industry-reports/security-brokerage-market>, <https://www.livemint.com/market/stock-market-news/smallcap-stock-below-rs-10-penny-stock-sarveshwar-foods-hits-5-upper-circuit-11720517174396.html>

## Mutual Funds and Banking Sector Growth

India's Mutual Fund industry has witnessed remarkable growth. In May 2021, the industry surpassed 10 Cr. folios. As of February 2024, the assets under management (AUM) managed by mutual funds totalled USD 658.72 billion (₹ 54.54 trillion). By the end of FY 2023–24, the Indian mutual fund industry had achieved a significant milestone by exceeding ₹ 50 lakh Cr. in AUM for the first time. From April 2023 to February 2024, inflows into India's mutual fund schemes through systematic investment plans (SIP) reached ₹ 1.79 lakh Cr. (USD 21.73 billion). Approximately 18% of the industry's assets originated from B30 locations in February 2024. These assets grew by 41%, rising from USD 83.21 billion (₹ 6.89 lakh Cr.) in February 2023 to USD 117.27 billion (₹ 9.71 lakh Cr.) in February 2024.

By the end of FY 2023–24, the Indian mutual fund industry had achieved a significant milestone by exceeding ₹ 50 lakh Cr. in AUM for the first time.



Scheduled commercial banks (SCBs) concluded the fiscal year with robust growth in non-food bank credit, expanding by 16.3%, driven by strong demand from sectors such as agriculture, industry, and services. Public sector banks nearly tripled their net profits, and asset quality significantly improved, with non-performing assets (NPAs) decreasing to multi-decade lows of 3.9% (Gross NPAs) and 0.78% (Net NPAs). Public sector banks maintained a robust capital adequacy ratio of 15.53%, offering a solid buffer against risks and establishing a strong foundation for future growth.

**Source:** <https://www.ibef.org/industry/financial-services-presentation>

## Wealth Management Services

The Indian wealth management services market presents significant growth opportunities. This robust economic growth has led to a substantial increase in high-net-worth individuals (HNWIs) and ultra-high-net-worth individuals (UHNWIs), fuelling the demand for wealth management services. Rising financial literacy and a growing appetite for investment among Indian consumers have driven a shift in asset allocation preferences, with increased investments in equity-related assets. The rapid digitalisation of financial services and the introduction of innovative wealth management technologies are transforming the industry, enhancing accessibility and efficiency.

**Source:** <https://www.techsciresearch.com/report/india-wealth-management-market/4226.html>

## Alternative Investment Services

The Indian alternative investment market is positioned for substantial growth, with assets under management (AUM) expected to increase significantly over the next decade. Currently, alternative assets constitute only 3% of India's GDP. However, as India's GDP is projected to increase from USD 4 trillion to USD 10 trillion, the alternative asset market is estimated to grow to 6% of GDP, reaching USD 600 billion. This forecast represents a fivefold increase from current levels. From FY 2018-19 to FY 2023-24, the country's alternative asset management industry has experienced a remarkable surge in AUM, rising from USD 34.5 billion to USD 119.2 billion, highlighting the sector's rapid growth.

**Source:** Future of Alternatives Preqin Report

## Insurance Market Expansion

The insurance market has experienced substantial growth, driven by economic expansion, a growing middle class, innovation, and supportive regulations. Real growth is projected at 7.1% over the next five years (FY 2024-2028). Regulatory developments have also progressed in alignment with the Insurance Regulatory and Development Authority of India's (IRDAI) 'Insurance for All' vision for 2047. Key changes include the introduction of Know Your Customer (KYC) norms and the transition to a Use-and-File regime for general and health insurance products.

**Source:** [https://www.swissre.com/institute/research/topics-and-risk-dialogues/economy-and-insurance-outlook/india-insurance-market-growing-fast-build-resilience.html#:~:text=Economic%20growth%2C%20an%20expanding%20middle,advanced%20\(1.7%25\)%20market%20averages.](https://www.swissre.com/institute/research/topics-and-risk-dialogues/economy-and-insurance-outlook/india-insurance-market-growing-fast-build-resilience.html#:~:text=Economic%20growth%2C%20an%20expanding%20middle,advanced%20(1.7%25)%20market%20averages.)

## NBFC Industry

The Non-Banking Financial Company (NBFC) sector in India has emerged as a powerful driver of financial inclusion and economic growth, achieving a remarkable size of USD 326 billion in FY 2023-24. This impressive expansion can be attributed to several key factors, including:

**The growing middle-class in India**, coupled with positive policy interventions promoting financial inclusion, have played crucial roles in fuelling the growth of the NBFC sector. The government's commitment to strengthening the MSME and retail credit sectors, exemplified by initiatives like the Pradhan Mantri Mudra Yojana (PMMY) and the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), has significantly supported and enhanced the role of NBFCs.

**Leveraging digitisation** to offer faster and more efficient loan options, particularly to underserved MSME sectors. Utilising super apps, digital sourcing, and strategic partnerships has empowered NBFCs to deliver an enhanced customer experience. Technology, data, and analytics are set to play an increasingly pivotal role throughout the NBFC value chain, impacting credit assessment, collections, fraud management, and cybersecurity.

**Growth in key segments** like housing finance, microfinance, and consumer finance has propelled the growth of the NBFC sector. NBFCs have emerged as vital providers of financing for underserved populations, leveraging their extensive outreach, comprehensive grasp of diverse financial requirements, and rapid processing capabilities.

The rapid growth of the NBFC sector has necessitated a stricter regulatory approach. The RBI's 'Scale Based Regulation (SBR)' framework has been instrumental in implementing targeted regulations to uphold financial system stability. Additionally, digital lending guidelines have focussed on ensuring customer protection, transparency in loan terms, and inclusive lending practices, aiming to foster innovation while safeguarding customer interests. The RBI's latest guidelines on Default Loss Guarantee in Digital Lending (DLG guidelines), issued on 8<sup>th</sup> June, 2023, establish a framework for recognising NPAs and disclosing loan loss provisions. These measures support fintech lending and enhance access to formal credit for underserved segments.

India's resilient domestic demand, coupled with robust manufacturing and service sectors, is poised to drive the economy forward in the coming year. This economic vigour is anticipated to sustain strong credit demand, especially from MSMEs and the retail segment. NBFCs are strategically positioned to fulfil these credit requirements, having solidified their role as pivotal contributors to financial inclusion.

**Source:** <https://kpmg.com/in/en/home/insights/2024/02/nbfc-in-india-growth-and-stability.html>

## Corporate Overview

Founded in 1985, **Master Trust Group** (referred to as 'mastertrust' or 'the Company') stands as a stalwart in India's financial services environment. As a diversified conglomerate, the Company offers an extensive array of financial products and services tailored for both individuals and corporates. mastertrust's comprehensive offerings include equity trading, derivatives trading, currency trading, commodity trading, algo-trading systems, depository services, wealth management, insurance solutions, research & advisory services, merchant banking, and NBFC. With a significant presence spanning India, mastertrust continues to empower

clients with innovative trading and investment solutions.

mastertrust stands at the forefront of India's financial services sector, celebrated for its robust infrastructure and innovative financial solutions tailored to meet the dynamic needs of its diverse clientele. With a daily average trading turnover that reflects its strong market presence, mastertrust seamlessly integrates online and offline broking services, ensuring comprehensive coverage and accessibility for its clients. Continuously exploring growth opportunities and enhancing service delivery, mastertrust cements its reputation as a cornerstone in the financial services sector. In FY 2023-24, the Company's financial metrics underscore its stability and success. On a consolidated basis, the Company's Net Worth stood at ₹ 5,042.6 million, Total Income stood at ₹ 5,005.3 million, EBITDA amounted to ₹ 2,039.2 million, Profit before Tax recorded at ₹ 1,438.3 million, Profit after Tax achieved ₹ 1,080.8 million, with an impressive ROE of 21.23%, ROCE of 33.43%, and EPS of ₹ 49.7. mastertrust's comprehensive range of offerings caters to both novice and seasoned traders alike, providing essential tools and services that optimise investment strategies and empower clients to reach their financial goals with confidence.

## mastertrust's Comprehensive Service Solutions

- |                          |                                 |
|--------------------------|---------------------------------|
| 1 Equity Trading         | 2 Commodity Trading             |
| 3 Currency Trading       | 4 Derivatives Trading           |
| 5 Algo-Trading           | 6 NBFC Business                 |
| 7 Merchant Banking       | 8 Insurance                     |
| 9 Depository             | 10 Wealth Management            |
| 11 Research and Advisory | 12 Portfolio Management Service |

## SWOT Analysis



### Strengths

Established reputation for reliability and trustworthiness in financial services.

A wide range of financial products and services catering to diverse client needs.

Adoption of innovative technology for efficient service delivery and customer engagement.

Leadership with deep industry knowledge and experience.



### Weaknesses

Vulnerability to economic downturns and fluctuations in financial markets.

Compliance with stringent regulatory requirements impacting operational flexibility.

Concentration in the domestic market limits international expansion opportunities.

Potential challenges in brand perception compared to larger, more established competitors.



### Opportunities

Expanding digital footprint to enhance the customer experience and operational efficiency.

Tapping into growing economies and emerging markets for expansion.

Introducing new financial products and services to meet evolving customer demands.

Benefitting from economic growth and increasing disposable incomes of consumers.



### Threats

Intense competition from both traditional financial institutions and disruptive fintech start-ups.

Increasing threats of cyberattacks and data breaches compromising customer trust and regulatory compliance.

Changing regulatory landscape impacting operational processes and compliance costs.

Fluctuations in interest rates, inflation, and global economic conditions affecting financial stability.

Evolving customer preferences and expectations necessitating continuous adaptation and innovation.

## Material Developments in Human Resources/ Industrial Relations Front, including Number of People Employed

The Company has undertaken employee's development initiatives, which have very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to human resources and overall development.

## Financial Performance (on Consolidated Basis)

### Financial Review

(₹ in Mn)

	FY 2023-24	FY 2022-23
Total Revenue	5,005.30	3,393.03
Profit before Tax (PBT)	1,438.30	846.99
Profit after Tax (PAT)	1,080.84	658.88
Net Worth	5,042.57	3,650.10

## Segment-Wise and Product-Wise Performance

The segment-wise revenue and performance (on a standalone basis) is described in the Financial Statement under Note No. 30 written as Disclosure as per Ind AS 108 'Operating Segments', that is the part of Annual Report.

The segment-wise revenue and performance (on a consolidated basis) is described in the Financial Statement under Note No. 32 written as Disclosure as per Ind AS 108 'Operating Segments', that is the part of Annual Report.

## Financial Performance with Respect to Operational Performance

The financial performance of the Company for FY 2023-24 is described in the Directors' Report under the heading 'Financial Highlights'.

## Details of Significant Changes in Key Financial Ratios, along with Detailed Explanations

### On Consolidated Basis

Ratios	FY 2023-24	FY 2022-23	Variance
Operating Profit Margin	39.00%	33.58%	16%
Net Profit Margin	21.59%	19.42%	11%
Return on Capital employed	33.43%	26.22%	28%
Return on Equity Ratio	21.43%	18.05%	19%
Basic Earning per Share (in ₹)	49.68	30.29	64%
Debt-Equity Ratio (X)	0.37	0.44	(16%)
Interest Coverage Ratio (X)	3.80	3.90	(3%)
Current Ratio (X)	1.44	1.50	(4%)

### On Standalone Basis

Ratios	FY 2023-24	FY 2022-23	Variance
Capital to Risk-Weighted Assets Ratio	15%	6%	150%
Tier I CRAR	15%	6%	150%
Tier II CRAR	15%	6%	150%
Liquidity Coverage Ratio (X)	1.88	1.99	(5.53)



## Risks and Concerns

Risk management is ingrained deeply within the core operations of the Company, embodying a firm commitment to a systematic approach. At the Company's heart lies a robust framework that meticulously identifies potential risks, conducts thorough analysis of their impact, and spearheads proactive mitigation strategies. This comprehensive approach ensures that the Company remains strong in the face of challenges.

Steering this rigorous process is the Board of Directors, overseeing every facet of risk management with vigilance and foresight. By adopting a system-based approach, the Company strengthens its foundation, ensuring readiness to navigate uncertainties and uphold its commitment to operational excellence.



### Economic Risk

mastertrust has taken proactive measures to safeguard its sustained growth and stability amid potential risks. The Company acknowledges the inherent industry risks, understanding that economic or financial sector slowdowns could impact its trajectory. To counter this, mastertrust has diligently de-risked its prospects by increasing scale, expanding its product offerings, strengthening its brand, enhancing customer convenience, and improving its research capabilities.



### Regulatory Risk

The Company operates within a complex regulatory landscape, impacting its operational agility. Nevertheless, mastertrust regards regulatory compliance as a strategic advantage and remains committed to complying with guidelines established by regulatory bodies, including BSE Ltd., SEBI, RBI, IRDA, NSDL, CDSL, and FMC, among others.



### Market Risk

Market risk represents a key concern, as the Company's revenues may be affected if it fails to keep pace with the overall market growth. In response, mastertrust has enhanced its footprint in North and West India, expanded its branch network, strengthened its commodity-broking and margin funding operations, and actively developed its currency trading platform.



### Competition Risk

Competition risk is a significant factor, given the increasing number of brokerage houses that could intensify competition. To address this, mastertrust has differentiated itself by delivering efficient and customised services backed by strong research. The Company offers a comprehensive suite of financial services, enhances its brand presence, harnesses innovative IT solutions, and adopts an 'asset-lite' franchisee model to facilitate rapid scalability.



### Operational Risk

Operational risk is a critical concern, as any lapses in the Company's execution capabilities could result in business and client erosion. To mitigate this, mastertrust has made substantial investments in state-of-the-art IT infrastructure, established a strong franchise network, strengthened its back-office operations, and implemented rigorous disaster recovery measures.

## Internal Control Systems and their Adequacy

The Company maintains sufficient internal controls appropriate for its scale and operations to ensure the orderly and efficient conduct of business. mastertrust operates within the lending and financial intermediary sectors, which inherently involve managing a myriad of risks. To ensure the Company's sustainability and reliability, a comprehensive internal control system has been established.

The Board of Directors hold the primary responsibility for framing, implementing and monitoring the risk management plan. They ensure the internal control systems' effectiveness, aligning with the Company's risk management policy. At mastertrust, the internal audit division independently validates and assesses the adequacy and efficiency of these internal control systems. This division plays a crucial role in ensuring the Company's operations, financial reporting and compliance with laws and regulations are maintained.

## Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, estimates and expectations may constitute 'forward-looking' statements within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

## Details of Accounting Treatment

Accounting treatment are mentioned in Financial Statements and Auditors' Report for the year ended 31<sup>st</sup> March, 2024 that is the part of Annual Report.



# REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2024, in terms of

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

**Master Trust Ltd's** Code of Governance philosophy is to establish and manage sustainable growing businesses with the highest standards of honesty, openness, and accountability to maximise stakeholders' value while adhering to all applicable laws, rules, and regulations.

Master Trust Ltd fully realises its shareholders' entitlement to information on the Company's performance and considers itself a trustee of its shareholders. The Company provides thorough information to its shareholders on a variety of subjects impacting the Company's business and financial performance. The Company's basic corporate governance concept is to achieve business excellence and devote itself to growing long-term shareholder value while keeping all stakeholders' requirements and interests in mind. The Company is dedicated to transparency in all of its dealings and values corporate ethics.

This report complies with the Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015").

## BOARD OF DIRECTORS

### (a) Size and Composition of the Board

The Company understands that good and quality governance is a powerful competitive differentiator and critical to economic and social progress. The "Board", being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board of the Company is independent in making its decision and also capable and committed to address conflict of interest and impress upon the functionaries of the Company to focus on transparency, accountability, probity, integrity, equity and responsibility. Apart from that the Board also discharges its responsibilities / duties as mentioned under the provisions of Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred as Listing Regulations) and other applicable laws.

Our Board comprises of experts in various domains such as corporate governance, industries, legal and compliances, finance and accounts. Our Board has an appropriate mix of Executive, Non-Executive and Independent Director(s) to maintain its independence, and separate its functions of governance and management. As on 31<sup>st</sup> March, 2024 our Board comprises of Eight (8) Directors out of which one is Executive Director and seven are Non- Executive Directors out of which four are Independent Directors.

All the Independent Directors have given declaration(s) that they meet the criteria of independence as prescribed in the Listing Regulations and the Companies Act, 2013. Based on the said declaration(s), the Board of Directors is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and the Companies Act, 2013 and are independent of the management.

The composition of the Board and other directorships of Directors of the Company held as on 31<sup>st</sup> March, 2024 are provided in below Table 1

**Table 1: The Composition of the Board and other directorships held as on 31<sup>st</sup> March, 2024**

Name of the Director & DIN	Category of Directorship in the Company	Name of the Other Public Limited Companies in which Directorships held *	No of Directors-hip in other listed entities & category of Directorship	No. of Committee positions held in Other Listed Co. *	
				Member-ship	Chairman-ship
Mr. Harjeet Singh Arora (DIN: 00063176)	Promoter Managing Director	<ul style="list-style-type: none"> <li>- Prime Industries Limited</li> <li>- Master Capital Services Limited</li> <li>- Master Insurance Brokers Limited</li> <li>- Master Infrastructure And Real Estate Developers Limited</li> <li>- Master Commodity Services Limited</li> <li>- Master Portfolio Services Limited</li> </ul>	1 (Non- Executive and Non-Independent Director)	0	1
Mr. Rajinder Kumar Singhania (DIN: 00077540)	Promoter Non-Executive Director	<ul style="list-style-type: none"> <li>- Prime Industries Limited</li> <li>- Master Capital Services Limited</li> <li>- Master Insurance Brokers Limited</li> <li>- Master Infrastructure And Real Estate Developers Limited</li> <li>- Master Commodity Services Limited</li> <li>- Master Portfolio Services Limited</li> </ul>	1 (Executive and Managing Director)	0	0
Mrs. Harneesh Kaur Arora (DIN:00089451)	Promoter Non-Executive Women Director	-	0	0	0
Mr. Gurmeet Singh Chawla (DIN: 00087449)	Non-Executive Director	<ul style="list-style-type: none"> <li>- Master Capital Services Limited</li> <li>- Master Insurance Brokers Limited</li> <li>- Master Commodity Services Limited</li> <li>- Master Portfolio Services Limited</li> </ul>	0	0	0
Mr. Pavan Kumar Chhabra (DIN: 00104957)	Independent Non-Executive Director	<ul style="list-style-type: none"> <li>- Master Capital Services Limited</li> <li>- Master Insurance Brokers Limited</li> <li>- Master Infrastructure and Real Estate Developers Limited</li> <li>- Master Commodity Services Limited</li> <li>- Paawan Capital Services Limited</li> </ul>	0	0	0



Name of the Director & DIN	Category of Directorship in the Company	Name of the Other Public Limited Companies in which Directorships held *	No of Directors-hip in other listed entities & category of Directorship	No. of Committee positions held in Other Listed Co. *	
				Member-ship	Chairman-ship
Mr. Ashwani Kumar (DIN:00030307)	Independent Non-Executive Director	- Prime Industries Limited - DANDM Components Limited	1 (Non-Executive and Independent Director)	1	0
Mr. Ravinder Singhania (DIN: 00006921)	Independent Non-Executive Director	- Asian Hotels (West) Limited	1 (Non-Executive and Independent Director)	1	0
Mr. Rajiv Kalra (DIN: 07143336)	Independent Non-Executive Director	- Prime industries limited - Arisudana Industries Limited	1 (Non-Executive and Independent Director)	1	1

\*Note:

- (1) Excluding directorships in Private Limited Companies, Foreign Companies and Section 8 Companies, if any under the provision of the Companies Act, 2013;
- (2) As required by Regulation 26 of the Listing Regulations, the disclosure includes membership / chairpersonship of the audit committee and stakeholder's relationship committee in Indian listed companies;
- (3) None of the Directors (i) hold membership in more than ten public limited companies; (ii) is a member of more than ten committees or chairperson of more than five committees across all the public companies in which he/she is a Director; (iii) hold directorship in more than seven listed companies and serve as an independent director in more than seven listed companies; and (iv) hold position of independent director in more than three listed entities while serving as managing director or whole time director in a listed entity.

None of the Directors have been debarred or disqualified from being appointed or continuing as Director of companies by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. A certificate in this regard by Secretarial Auditor of the Company Mr. Rajeev Bhambri, Practicing Company Secretary, is attached and forms part of this report.

## (b) Board Meetings

The Board usually meets at least once in a quarter and the Board meeting is requisitioned whenever it is required in between the quarterly meetings. During the financial year 2023-24, the Board of Directors met Seven (7) times, i.e., on 26<sup>th</sup> May, 2023; 16<sup>th</sup> June, 2023; 4<sup>th</sup> August, 2023; 28<sup>th</sup> August, 2023; 10<sup>th</sup> November, 2023; 18<sup>th</sup> November, 2023; 6<sup>th</sup> February, 2024.

As per the Companies Act, 2013 read with the Listing Regulations, the required quorum for every meeting of the Board of Directors is one third of its total strength or three Directors, whichever is higher, including at least one Independent Director. The requisite quorum was present in the said meetings.

The details of the attendance of Directors at the Board Meetings and Annual General Meeting and Shares held are provided in below Table 2.

**Table 2: Attendance at the Board Meetings and Annual General Meeting and number of shares held during financial year 2023-24.**

Name of the Director	No. of Meetings Eligible to Attend	Attendance in Last Annual General Meeting	No. of Board Meetings Attended	% of Attendance	Number of Shares held in the Company
Mr. Harjeet Singh Arora (DIN: 00063176)	7	✓	7	100.00%	3173696 (14.59%)
Mr. Rajinder Kumar Singhanian (DIN: 00077540)	7	✓	7	100.00%	5160714 (23.72%)
Mrs. Harneesh Kaur Arora (DIN: 00089451)	7	✓	4	57.14%	2430020 (11.17%)
Mr. Gurmeet Singh Chawla (DIN: 00087449)	7	-	3	42.86%	Nil
Mr. Pavan Kumar Chhabra (DIN:000104957)	7	-	1	14.29%	Nil
Mr. Ashwani Kumar (DIN: 00030307)	7	-	1	14.29%	Nil
Mr. Anil Bhatia (DIN: 00254117) (Resigned w.e.f. 4 <sup>th</sup> August, 2023)	3	-	3	100.00%	Nil
Mr. Rajiv Kalra (DIN: 07143336)	7	✓	6	85.71%	Nil
Mr. Ravinder Singhanian (DIN: 00006921) (Appointed w.e.f. 4 <sup>th</sup> August, 2023)	4	-	3	75.00%	Nil

#### INTER-SE RELATIONSHIPS AMONG DIRECTORS

Mr. Harjeet Singh Arora is the husband of Mrs. Harneesh Kaur Arora. Except for this, none of the other Directors of the Company are inter-se related to each other.

#### ROLE OF INDEPENDENT DIRECTORS

Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. The Independent Directors are committed to act in what they believe is in the best interests of the Company and its stakeholders. The wide knowledge in their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, independent and experienced perspective. The Company benefits immensely from their inputs in achieving its strategic direction.

The Company has several subsidiaries in India. In order to leverage the experience of Independent Directors of the Company for the benefit of and for improved Corporate Governance and better reporting to the Board, some of the Independent Directors also serve on the Boards of few subsidiary companies.

The Statutory Committees of the Board viz Audit Committee and Nomination and Remuneration Committee are chaired by Mr. Rajiv Kalra an independent Director and Stakeholders Relationship Committee is chaired by a Non-Executive and Non-Independent Director Mr. Rajinder Kumar Singhanian.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and the Listing Regulations and are independent of the Management.

#### (c) Meeting of Independent Directors and familiarisation programmes

The Independent Directors of the Company met once during the financial year on 10<sup>th</sup> November, 2023 without the presence of Non-Independent Director(s) and members of the management.

The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors and the Board as a whole, assessed the quality, quantity and timeliness of flow of information between the

Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. Every Director is also familiarised with the expectation of the Board from him, the Board level committees in which he/she is expected to serve and its tasks, the fiduciary duties that come with such appointment along with accompanying liabilities and the actions that he/she should not take while functioning as such in the Company. The Directors are also regularly familiarised by way of periodic webinars and presentations at the Board and Committee meetings inter alia with respect to updates on approved projects, business opportunities and proposed projects, updates on Enterprise Risk Management, demand supply scenario, benchmarking and statutory and regulatory changes. The detail of such familiarisation programme is disclosed at the website of the Company i.e. <https://www.mastertrust.co.in/MediaGalary/docs/FAMILIARISATION%20PROGRAM%20FOR%20INDEPENDENT%20DIRECTORS-202305291309320822103.pdf>

### Board Skill Matrix

The Board of the Company comprises of eminent personalities and leaders in their respective fields. These Directors are nominated based on well-defined selection criteria. The Board and Nomination and Remuneration Committee consider, inter alia, key qualifications, skills, expertise and competencies, whilst recommending candidates for election as a Director on the Board. The criterion for appointment to the Board also includes:

- Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- Professional qualifications, expertise and experience in specific area of relevance to the Company;
- Desired age and diversity on the Board;
- Balance of skills and expertise in view of the objectives and activities of the Company;
- Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

The Board and Nomination and Remuneration Committee ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013.

### Key Board qualifications, skills, expertise and attributes

In the context of the Company's business and activities, the Board has identified that skills/expertise/competencies in the areas of General Corporate Management, Science and Innovation, Public Policy, Entrepreneurship, Business Leadership, Strategy, Finance, Economics, Technology, Banking, Financial Services, Risk and Governance and Human Resources are needed for it to function effectively.

The Company's Board is comprised of individuals who are reputed in these skills, competence and expertise that allow them to make effective contribution to the Board and its Committees. From time to time, Members of the Board have also received recognition from the Government, various Industry Bodies and Business Associations for the contribution made in their respective areas of expertise.

The specific areas of expertise/skills of an individual Board Member, associated with the Company as of 31<sup>st</sup> March, 2024 are as under:

<b>Name of Directors</b>	<b>General Corporate Management including Human Resources</b>	<b>Entrepreneurship including Strategy and Public Policy</b>	<b>Business Leadership</b>	<b>Finance, Economics, Banking, Financial Services, Risk and Governance</b>	<b>Technology, Science and Innovation</b>
Mr. Harjeet Singh Arora	✓	✓	✓	✓	✓
Mr. Rajinder Kumar Singhania	✓	✓	✓	✓	✓
Mrs. Harneesh Kaur Arora	✓	✓	✓	-	-

<b>Name of Directors</b>	<b>General Corporate Management including Human Resources</b>	<b>Entrepreneurship including Strategy and Public Policy</b>	<b>Business Leadership</b>	<b>Finance, Economics, Banking, Financial Services, Risk and Governance</b>	<b>Technology, Science and Innovation</b>
Mr. Gurmeet Singh Chawla	✓	✓	✓	✓	✓
Mr. Pavan Kumar Chhabra	✓	✓	✓	✓	✓
Mr. Ashwani Kumar	✓	✓	✓	✓	✓
Mr. Ravinder Singhania	✓	✓	✓	✓	✓
Mr. Rajiv Kalra	✓	✓	✓	✓	✓

### **Code of Conduct for the Directors and Senior Management of the Company**

The Company's Board has laid down a code of conduct for all the Board members and designated senior management of the Company. The Code of Conduct includes the code of conduct for Independent Directors and provides in detail the guidelines of professional conduct, role and functions and duties of Independent Directors.

The Code of Conduct is available on the website of the Company at <https://www.mastertrust.co.in/MediaGalary/docs/MTL%20CODE%20OF%20CONDUCT%20FOR%20BM%20&%20SM-201908071434049866535.pdf>

All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is annexed with this report.

### **CEO/ CFO certification**

The Company has no any CEO, hence MD and CFO certification of the financial statements for the financial year 2023-24 is annexed with this report.

### **Reason of resignation of Independent Director**

Mr. Anil Bhatia (DIN: 00254117) resigned from the post of Independent Director and membership and chairmanship of various committees w.e.f. 4<sup>th</sup> August, 2023 (after closure of business hours).

The resignation was purely on account of personal reason and other professional commitments and there are no other material reasons other than mentioned hereinabove.

### **Committees of the Board of Directors of the Company**

The Board of Directors of the Company has 3 Committees as on 31<sup>st</sup> March, 2024, as per the provision of Companies Act, 2013 and SEBI LODR- Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Company also constituted Committee of Directors (Legal & Banking).

The composition, constitution and functioning of these Committees meet the requirements of the Companies Act, 2013 and the Listing Regulations. The Chairman and members of these Committees are selected by the Board based on the category of Director(s) and their expertise, knowledge and experience and as per the SEBI LODR Regulations. The role and terms of reference of these Committees is approved by the Board of Directors of the Company. The Company Secretary acts as Secretary to these Committees. Below Table 3 shows composition of the Board and Committees:



**Table 3: Composition of the Board and Committees**

Name of the Director	Board	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Committee of Directors (Legal & Banking)
Mr. Harjeet Singh Arora	✓	-	-	-	✓
Mr. Rajinder Kumar Singhanian	✓	-	✓	✓	✓
Mrs. Harneesh Kaur Arora	✓	-	-	✓	✓
Mr. Gurmeet Singh Chawla	✓	-	-	-	-
Mr. Pavan Kumar Chhabra	✓	-	✓	-	-
Mr. Ashwani Kumar	✓	✓	-	-	-
Mr. Anil Bhatia (resigned w.e.f. 4 <sup>th</sup> August, 2023)	✓	✓	✓	✓	-
Mr. Rajiv Kalra	✓	✓	✓	✓	-
Mr. Ravinder Singhanian (Appointed w.e.f. 4 <sup>th</sup> August, 2023)	✓	✓	-	-	-

**Audit Committee**

Mr. Anil Bhatia was the Chairman of the Audit Committee up to 4<sup>th</sup> August, 2023.

Thereafter, Mr. Rajiv Kalra became Chairman of the Audit Committee w.e.f. 4<sup>th</sup> August, 2023.

The Audit Committee met Six (6) times during the financial year 2023-24 and the gap between two committee meetings did not exceed 120 days. The dates on which the committee meetings held were: 26<sup>th</sup> May, 2023; 10<sup>th</sup> June, 2023; 4<sup>th</sup> August, 2023; 10<sup>th</sup> November, 2023, 18<sup>th</sup> November, 2023 and 6<sup>th</sup> February, 2024. The composition as well as terms of reference of the Audit Committee are in line with the requirements of the Companies Act, 2013 and the Listing Regulations.

**Table 4: The attendance details of the Audit Committee Meetings are given as below:**

Name of the Member	Position	No. of Meetings eligible to attend	No. of Meetings attended	% of attendance
Mr. Anil Bhatia (up to 4 <sup>th</sup> August, 2023)	Chairman	3	3	100.00%
Mr. Ashwani Kumar	Member	6	1	16.67%
Mr. Rajiv Kalra (Chairman w.e.f. 4 <sup>th</sup> August, 2023 )	Chairman	6	6	100.00%
Mr. Ravinder Singhanian (w.e.f. 4 <sup>th</sup> August, 2023)	Member	3	2	66.67%

The Audit Committee of the Board of Directors comprises of qualified and independent members of the Board, who have expertise, knowledge and experience in the field of accounting and financial management and have held or hold senior positions in other reputed organisations.

The role, powers and terms of reference of the Audit Committee covers all the areas prescribed under Section 177 of the Companies Act, 2013 and Regulation 18 (3) of the Listing Regulations besides other terms as referred by the Board of Directors from time to time. The role of Audit Committee broadly includes the following:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity
- 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
- Reviewing, with the 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.)
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
- Approval or any subsequent modification of transactions of the listed entity with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the listed entity, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 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;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee
- reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 lakhs or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

The representatives of Statutory Auditors, Internal Auditors, CFO, executives from finance and secretarial departments and Managing Director and other departmental heads may attend the meeting whenever required. The Company Secretary of the Company acts as the Secretary to the Audit Committee. All the recommendations of the Audit Committee during the financial year 2023-24 were accepted by the Board of Directors.

#### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee met twice (2) during the financial year 2023-24 on 4<sup>th</sup> August, 2023 and 6<sup>th</sup> February, 2024. The compositions as well as the terms of reference of the Committee are in line with the requirements of the Companies Act, 2013 and the Listing Regulations.

**Table 5: The attendance details of the Nomination and Remuneration Committee meeting are given as below:**

<b>Name of the Member</b>	<b>Position</b>	<b>No. of Meetings eligible to attend</b>	<b>No. of Meetings attended</b>	<b>% of attendance</b>
Mr. Anil Bhatia (up to 4 <sup>th</sup> August, 2023)	Chairman	1	1	100 %
Mr. Pavan Kumar Chhabra	Member	2	0	0 %
Mr. Rajinder Kumar Singhania	Member	2	2	100 %
Mr. Rajiv Karla (from 4 <sup>th</sup> August, 2023)	Chairman	1	1	100%

The role, powers and terms of reference of the Nomination and Remuneration Committee covers all the areas prescribed under Section 178 of the Companies Act, 2013 and Regulation 19(4) of the Listing Regulations besides other terms as referred by the Board of Directors from time to time.

The role of Nomination and Remuneration Committee broadly includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees
- Formulation of criteria for evaluation of performance of independent directors and the board of directors
- Devising a policy on diversity of board of directors
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal
- 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

The Head of Human Resource department is invited to the Nomination and Remuneration Committee meetings as and when desired by the Committee. The Company Secretary of the Company acts as the Secretary of the Nomination and Remuneration Committee.

#### **Performance evaluation criteria**

The Nomination and Remuneration Committee, as part of the Nomination and Remuneration Policy, has formulated criteria and specified the manner of effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board or/and by the Committee and effective evaluation of performance of key managerial personnel and senior management; and reviews its implementation and compliance.

During the financial year 2023-24, the Directors evaluated the performance of Non-Independent Directors of the Board and post review of the performance on several criteria including attendance, participation at the meetings, qualification, experience, etc. as mentioned under Nomination and Remuneration Policy and found that their overall performance was good. The Directors appreciated the executive management for its receptiveness to the calls for strong corporate governance, internal controls and compliances.

Further, the performance evaluation of Independent Directors was done by the entire Board excluding the Directors being evaluated.

#### **Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee met once (1) during the financial year 2023-24 on 6<sup>th</sup> February, 2024. The compositions of the Stakeholders' Relationship Committee as well as its terms of reference are in line with the requirements of the Companies Act, 2013 and the Listing Regulations.

**Table 6: The attendance details of the Committee meeting are given as below:**

Name of the Member	Position	No. of Meetings eligible to attend	No. of Meetings attended	% of attendance
Mr. Rajinder Kumar Singhanian	Chairman	1	1	100%
Mrs. Harneesh Kaur Arora	Member	1	1	100%
Mr. Anil Bhatia (up to 4 <sup>th</sup> August, 2023)	Member	0	0	0
Mr. Rajiv Kalra (w.e.f. 4 <sup>th</sup> August, 2023)	Member	1	1	100%

The role, powers and terms of reference of the Stakeholders' Relationship Committee covers all the areas prescribed under Section 178 of the Companies Act, 2013 and Regulation 20(4) of the Listing Regulations besides other terms as referred by the Board of Directors from time to time. The role of Stakeholders' Relationship Committee broadly includes the following:

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

#### Compliance Officer

Mr. Vikas Gupta, Company Secretary, is the Compliance Officer, in accordance with the requirements of Listing Regulations. The Company has designated the email ID [secretarial@mastertrust.co.in](mailto:secretarial@mastertrust.co.in) to enable stakeholders to email their queries / Grievances.

#### Stakeholders Grievance Redressal

There were no shareholder complaints pending at the beginning of the year. No complaint was received during the year under review. No complaint was outstanding as on 31<sup>st</sup> March, 2024.

The Registrar and Share Transfer Agent ('RTA'), Skyline Financial Services (P) Ltd, will attend all grievances of shareholders received directly or through SEBI, Stock Exchanges or the Ministry of Corporate Affairs ('MCA').

The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving shareholder complaints/queries.

#### Particulars of senior management including the changes therein since the close of previous financial year:

Sr. no.	Name of Senior Management	Designation	Changes (if any)
1.	Mr. Harjeet Singh Arora	Managing Director	-
2.	Mr. Rajinder Kumar Singhanian	Director	-
3.	Mr. Sunil Kumar	CFO	-
4.	Mr. Vikas Gupta	Company Secretary and Compliance Officer	-



## Remuneration of Directors

### Managing Director

The Company paid remuneration to the Managing Director as recommended by the Nomination and Remuneration Committee and as approved by the members of the Company. Detail of remuneration paid to the Managing Director during the Financial Year 2023-24 is given below:-

(₹ in million p.a.)

Name of Director	Designation	Salary	Perquisites	Total
Mr. Harjeet Singh Arora	Managing Director	4.80	0.00	4.80
<b>Total</b>		<b>4.80</b>	<b>0.00</b>	<b>4.80</b>

### Non-Executive Directors

Non-Executive Directors do not have any pecuniary relationship or transactions with the Company. Non-Executive Directors have not been paid any remuneration during the financial year.

### Committee of Directors (Legal & Banking)

Two meeting of Committee of Directors (Legal & Banking) took place during the financial year 2023-24 on 15<sup>th</sup> September, 2023 and 12<sup>th</sup> October, 2023.

### General Body Meetings

#### Annual General Meetings (“AGM”)

The AGMs are generally held at the registered office of the Company. The Chairman/member(s) of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Committee of Directors (Banking & Legal) attend the AGMs to respond to the queries of the shareholders. Also, the representatives of the Statutory Auditors and Secretarial Auditors attend the AGMs to respond to the queries of shareholders, if any, with respect to audit observation / matter of emphasis or otherwise. The Scrutiniser scrutinises the voting (e-voting and physical) and provides report thereon.

**Table 8: The details of the last three Annual General Meetings (AGMs) are given as below:**

Financial Year	Meeting	Date & Venue	Time	Whether Special Resolutions passed	Summary of Special Resolutions passed
FY 2022-23	Annual General Meeting	<b>30<sup>th</sup> September, 2023</b> Hotel Silver Stone, D - Block, SCO. 14 -15, Dugri Rd, Near Libra Bus Service, Opposite Radha Swami Fatak, D-Block, Model Town Extension, Model Town, Ludhiana, Punjab 141002	11:00 A.M.	Yes	1. Approval of Loans, Investments, Guarantee or Security under section 186 of the Companies Act, 2013. 2. To Consider and approve the Appointment of Mr. Ravinder Singhania (DIN 00006921) as an Independent Director of the Company.

Financial Year	Meeting	Date & Venue	Time	Whether Special Resolutions passed	Summary of Special Resolutions passed
FY 2021-22	Annual General Meeting	<b>29<sup>th</sup> September, 2022</b> Master Chambers, SCO 19, Feroze Gandhi Market, Ludhiana - 141001, Punjab	11.00 A.M.	Yes	<ol style="list-style-type: none"> <li>Revision in overall borrowing power of the Company.</li> <li>Creation of mortgage / charge on the assets of the Company.</li> <li>Approval of loans, investments, guarantee or security under section 185 of the companies act, 2013.</li> <li>Approval of loans, investments, guarantee or security under section 186 of the companies act, 2013.</li> </ol>
FY 2020-21	Annual General Meeting	<b>29<sup>th</sup> September, 2021</b> Master Chambers, SCO 19, Feroze Gandhi Market, Ludhiana - 141001, Punjab	10.30 A.M.	No	NIL

All the resolutions were passed with required majority for passing them as a special resolution.

During the period under review, the Company has not proposed/passed any special resolution to be conducted through postal ballot.

#### **Code of Conduct to Regulate, Monitor and Report Trading by Insiders**

Trading Practices In compliance with the SEBI Regulation on Prohibition of Insider Trading, the Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders, for its Directors and Senior Management Officers. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. The Code specifies, among other matters, that Directors and Designated Persons of the Company, as defined in the Code, can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and other material events as per the Code. The intimation of the closure of Trading Window, as per the SEBI Regulations on Prohibition of Insider Trading, is given to the Stock Exchanges before the end of every quarter with effect from the 1<sup>st</sup> day of the month immediately succeeding the end of every quarter till 48 hours after the declaration of financial results of the Company to the Stock Exchanges. The same is intimated to the Designated Persons as well.

#### **Functional website of the Company as per Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

Pursuant to the requirement of Regulation 46 of the Listing Regulations, the Company maintains a functional website of the Company and website address of the Company is [www.mastertrust.co.in](http://www.mastertrust.co.in) Website of the Company provides the basic information about the Company e.g. details of its business, financial information, various policies, shareholding pattern & other details relevant to the shareholders and the Company and financial statements and details related to Subsidiaries are regularly updating the Information provided on its website.

### Share Capital & Reconciliation of Share Capital Audit

A qualified practicing Chartered Accountant has carried out Audit every quarter to reconcile the total admitted capital with National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) and the total issued and listed capital. The Audit confirms that total issued / paid up capital is in agreement with the aggregate of total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

### Risk Management

The Company has established an effective risk assessment and minimisation procedures as previously mentioned, which are reviewed by the Board periodically. There is a structure in place to identify and mitigate various risks faced by the Company from time to time. If new risks are identified then after their assessment their controls are designed, put in place with specific responsibility of the concerned person for its timely achievement.

### Disclosures

During the year, there was no significant transaction with the Directors, management, their relatives etc. that have any potential conflict with the interest of the Company at large.

- Related Parties and transactions with them as required under Accounting Standard 18 (AS-18) are furnished under Note No. 31 of the Notes to the Accounts attached with the Financial Statements for the year ended 31<sup>st</sup> March, 2024. All related party transactions are negotiated on an arms' length basis, and are intended to further the Company's interests. Most of Related Party Transaction in between the Company and Wholly Owned Subsidiaries of the Company.
- No treatment different from accounting standards prescribed by the Institute of Chartered Accountants of India, has been followed while preparing the financial statements. Indian Accounting Standards (Ind AS) prescribed under section 133 of the act read with the rules of Indian Accounting Standards, as amended from time to time have been followed in preparation of the financial statements of the Company.
- The Company has complied with the mandatory requirements of SEBI (LODR) Regulations, 2015 as amended, whichever applicable
- The Policy on dealing with related party transactions and the Policy for determining material subsidiaries as approved by the Board of Directors may be accessed on the Company's website at <https://www.mastertrust.co.in/mediagalary/docs/related%20party%20transaction%20policy-202305231200288435562.pdf>
- The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of listing regulations of SEBI LODR. The Company has submitted quarterly compliance report on Corporate Governance with Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the SEBI(LODR) Regulations, 2015
- Complaints pertaining to sexual harassment

There was no complaint received during the year in relation to the sexual Harassment of women at workplace as on 31<sup>st</sup> March, 2024.

- **Details of material Subsidiaries as on 31<sup>st</sup> March, 2024:**

Name of the Company	Name of Statutory Auditor/Firm	Date of Appointment	Date of incorporation of the Company
Master Infrastructure and Real Estate Developers Limited	M/s Manjeet Singh & Co.	28 <sup>th</sup> September, 2019	10 <sup>th</sup> September, 1991
Master Capital Services Limited	M/s Gary Jain & Associates	30 <sup>th</sup> September, 2019	25 <sup>th</sup> April, 1994

- **Corporate Governance Report for the whole of financial year 2023-24 is given in table below :**

<b>I. Disclosure on website in terms of Listing Regulations:</b>		
<b>Item</b>	<b>Compliance Status (Yes / No / NA)</b>	
Details of business	Yes	
Terms and conditions of appointment of independent directors	Yes	
Composition of various committees of board of directors	Yes	
Code of conduct of board of directors and senior management personnel	Yes	
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes	
Criteria of making payments to non-executive directors	NA	
Policy on dealing with related party transactions	Yes	
Policy for determining 'material' subsidiaries	Yes	
Details of familiarisation programmes imparted to independent directors	Yes	
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes	
E-mail address for grievance redressal and other relevant details	Yes	
Financial results	Yes	
Shareholding pattern	Yes	
Details of agreements entered into with the media companies and/or their associates	NA	
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	NA	
New name and the old name of the listed entity	NA	
Advertisements as per regulation 47 (1)	Yes	
Credit rating or revision in credit rating obtained	NA	
Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year	Yes	
Whether company has provided information under separate section on its website as per Regulation 46(2)	Yes	
Materiality Policy as per Regulation 30	Yes	
Dividend Distribution policy as per Regulation 43A (as applicable)	NA	
It is certified that these contents on the website of the listed entity are correct	Yes	
<b>II. Annual Affirmations:</b>		
<b>Item</b>	<b>Regulation Number</b>	<b>Compliance status (Yes / No / NA)</b>
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1), 17(1A) & 17(1B)	Yes
Meeting of Board of directors	17(2)	Yes
Quorum of Board meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	No
Code of Conduct	17(5)	Yes

<b>II. Annual Affirmations:</b>		
<b>Item</b>	<b>Regulation Number</b>	<b>Compliance status (Yes / No / NA)</b>
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorships	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of Nomination and Remuneration Committee	19(3A)	Yes
Composition of Stakeholder Relationship Committee	20(1), 20(2) & 20(2A)	Yes
Meeting of Stakeholders Relationship Committee	20(3A)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	NA
Meeting of Risk Management Committee	21(3A)	NA
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(1A),(5),(6), (7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	NA
Disclosure of related party transactions on consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Annual Secretarial Compliance Report	24(A)	Yes
Alternate Director to Independent Director	25(1)	NA
Maximum Tenure	25(2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarisation of independent directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
D & O Insurance for Independent Directors	25(10)	NA
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes



### Vigil Mechanism / Whistle Blower policy

The Board adopted a Vigil Mechanism/Whistle Blower Policy as Regulation 22 of the Listing Regulations & Sub-section (9 & 10) of Section 177 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended to report genuine concerns or grievances about unethical behaviour of employees, actual or suspected fraud or violation of the Company's code of conduct. The Company's Vigil Mechanism/Whistle Blower as approved by the board are available at the Company Website i.e. <https://www.mastertrust.co.in/mediagalary/docs/mtl%20vigilmechanism-whistle%20blower%20policy-201908071306575174343.pdf>. Details related to the same is also described in corporate governance report as part of this report.

### Means of Communication

- (i) **Results:** Quarterly, half yearly, nine months and Annual Financial Results are published in the Financial Express (English) / Economic Times (English) and Desh Sewak (Punjabi) newspapers, submitted to the BSE Limited (BSE) as well as uploaded on the Company's website.
- (ii) **Annual Reports:** The Annual Reports are emailed/posted to Members and others entitled to receive them. The Annual Reports are also available on the Company's website at <https://www.mastertrust.co.in/investor-relations>. In compliance with the MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report 2023- 24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories.
- (iii) **BSE Online Portal:** BSE has provided online platform viz. BSE Corporate Compliance & Listing Centre wherein the Company submits all the compliances / disclosures to the Exchange in the SEBI prescribed format.
- (iv) **Extensible Business Reporting Language (XBRL):** XBRL is a standardised and structured way of communicating business and financial data in an electronic form. XBRL provides a language containing various definitions (tags) which uniquely represent the contents of each piece of financial statements or other kinds of compliance and business reports. BSE provide XBRL based compliance reporting featuring identical and homogeneous compliance data structures between Stock Exchanges and MCA. XBRL filings are done on the BSE online portal.
- (v) **SEBI Complaints Redress System (SCORES)/SmartODR:** A centralised web-based complaints redressal system which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by the investors of actions taken on the complaint and its current status. SmartODR is a platform for resolving disputes in the Indian Securities Market using online conciliation and arbitration. You just have to login and you can use this Portal for the resolution of Disputes with Company and any Financial Intermediaries in India.
- (vi) **Website:** Comprehensive information about the Company, its business and operations and Investor information can be viewed at the Company's website [www.mastertrust.co.in](http://www.mastertrust.co.in). The Investor Relations section serves to inform the investors by providing key and timely information like Financial Results, Annual Reports, Shareholding Pattern, Corporate Announcement and Disclosures, Corporate Announcement etc.

### Audit Qualifications

The Audit qualifications pertaining to the financial results are self – explanatory and require no comments.

### General Information for Shareholders

**a. Corporate Identification No.(CIN)** : L65991PB1985PLC006414

**b. Annual General Meeting:**

The 39<sup>th</sup> Annual General Meeting of Master Trust Ltd will be held on Monday the 30<sup>th</sup> day of September 2024, at 04:30 P.M. at Hotel Silver Stone, D – Block, SCO. 14 –15, Dugri Rd, Near Libra Bus Service, Opposite Radha Swami Fatak, D-Block, Model Town Extension, Model Town, Ludhiana, Punjab 141002.

**c. Date of Book Closure** : 25<sup>th</sup> September, 2024 – 30<sup>th</sup> September, 2024 (both days inclusive)

**d. Financial Year (Tentative)** : 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025

Tentative calendar of events for the Financial Year 2024-25 are:

First Quarterly Results	:	On or Before 14 <sup>th</sup> August, 2024
Second Quarterly Results	:	On or Before 14 <sup>th</sup> November, 2024
Third Quarterly Results	:	On or Before 14 <sup>th</sup> February, 2025
Audited Results for the year 2024-25	:	On or Before 30 <sup>th</sup> May, 2025

**e. Information regarding dividend payment date:**

The Board of Directors of the Company has not recommended a dividend for the Current financial Year.

**f. Listing:** The security of the Company is listed at The BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai. The listing fee has been paid to the said Stock Exchange for FY 2024-25.

**g. Stock Code/ ISIN No.:**

The Bombay Stock Exchange Limited: **MASTERTR | 511768**

Demat International Security Identification Number (ISIN): **INE677D01029**

**h. Stock Market Data:**

The monthly high, low and closing price of Equity Shares etc. of Master Trust Ltd at The Bombay Stock Exchange Limited and BSE Sensex during the financial year 2023-24 is given below:

Month	Master Trust Ltd			BSE SENSEX		
	High Price	Low Price	Close Price	High Price	Low Price	Close Price
Apr-23	144.95	112.20	136.90	61,209.46	58,793.08	61,112.44
May-23	173.20	124.00	168.25	63,036.12	61,002.17	62,622.24
Jun-23	356.35	178.95	356.35	64,768.58	62,359.14	64,718.56
Jul-23	399.00	315.00	323.50	67,619.17	64,836.16	66,527.67
Aug-23	334.80	292.15	300.35	66,658.12	64,723.63	64,831.41
Sep-23	366.20	283.15	348.00	67,927.23	64,818.37	65,828.41
Oct-23	354.50	300.00	344.05	66,592.16	63,092.98	63,874.93
Nov-23	489.80	330.00	453.40	67,069.89	63,550.46	66,988.44
Dec-23	495.10	435.00	457.25	72,484.34	67,149.07	72,240.26
Jan-24	457.25	393.00	428.70	73,427.59	70,001.60	71,752.11
Feb-24	826.00	407.30	726.80	73,413.93	70,809.84	72,500.30
Mar-24	805.00	596.60	719.55	74,245.17	71,674.42	73,651.35

**i. Registrar and Share Transfer Agent**

Pursuant to the circular issued by the Securities & Exchange Board of India, the Company has assigned the physical and electronic share transfer work to M/s Skyline Financial Services (P) Ltd. The work related to Share Transfer Registry in terms of both physical and electronic mode is being dealt at single point with:

**Skyline Financial Services (P) Ltd.,**

D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi

**Ph:** 011-26812682 / 83 / 84, **Fax:** 011-26812681, **Email:** admin@skylinerta.com

**j. Share Transfer System**

The Shares of the Company are traded in the compulsory demat mode for all investors. Your Company has appointed a SEBI registered Registrar & Transfer Agent viz. **Skyline Financial Services (P) Ltd.** for looking after both physical and electronic share transfer work of the Company.

As per SEBI (LODR) 2015, w.e.f. 1<sup>st</sup> April, 2019 except in case of transmission or transposition of securities requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with depository.

**k. Distribution of Shareholding Pattern of the Company as on 31st March, 2024:**

Sr. No.	Category	No. of Shares	% of Shares
1	Promoters	1,62,77,424	74.83%
2	Bodies Corporate	34,23,679	15.74%
3	Other Indian Public	18,43,503	8.47%
4	NRI	1,05,768	0.49%
5	IEPF	1,02,826	0.47%
	<b>Total</b>	<b>2,17,53,200</b>	<b>100.00%</b>

**l. Break-up of Equity /Dematerialisation of Shares**

Category	No. of Shares					
	Physical	% age	Demat	% age	Total	% age
Promoters	0	0	1,62,77,424	74.83%	1,62,77,424	74.83%
Non-Promoters	2,78,250	1.28%	51,97,526	23.89%	54,75,776	25.17%
Total	2,78,250	1.28%	2,14,74,950	98.72%	2,17,53,200	100.00%

**m.** During the financial year ended on 31<sup>st</sup> March, 2024, the Company has not issued any GDRs/ADRs.

**n. Address for Correspondence:**

**Regd. Office** : Master Chambers, 3<sup>rd</sup> Floor, SCO 19, Feroze Gandhi Market, Ludhiana-141001 (PB)

**Tele. No.** : 0161-5043500, 5043513

**Designated E-mail** : secretarial@mastertrust.co.in

**o. The Company is also having office(s) in the following location (Include the presence of Subsidiary Company):**

**Delhi** – Rajinder Place

**Delhi** – Connaught Place

**Delhi** – Neta Ji Subhash Place

**Ahmedabad**

**Gurugram**

**Jaipur**

**Indore**

**Hyderabad**

**Bangalore**

**Chennai**

**Bhuvneshwar**

**Thane**

**Mumbai** – Fort

**Mumbai** – Vashi

**Mumbai** – Goregaon East

**Ludhiana**

**Chandigarh** – Sector 9

**Chandigarh** – Sector 17

**Panchkula**

**Mohali**

**Kolkata**

**Lucknow**

**Agra**

**p. Compliance Officer:** Mr. Vikas Gupta, Company Secretary.

**q. Credit ratings and revisions** – N.A.

**r. Details of utilisation of funds raised through preferential allotment:**

The Company has raised the funds through issue and allotment of convertible warrants to the person/entity belong to Promoter Group and non-promoter group of Company, on preferential basis, to meet out the working capital requirement, business expansion and other general corporate purposes of the Company.

**s. Recommendations of committee not accepted by board, which is mandatory - N.A.**

**t. Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant(s).**

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# INDEPENDENT AUDITOR'S REPORT

## ON STANDALONE FINANCIAL STATEMENTS

### To

#### The Members of

#### Master Trust Limited

#### Report on the audit of the Standalone Financial Statements

### OPINION

We have audited the accompanying standalone financial statements of **Master Trust Limited** ("the Company") which comprises the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss, including other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is no key audit matter to communicate in our report.

### INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone IND AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone IND AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Since the other information has not been made available to us, we shall not be able to comment on this aspect.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in



## INDEPENDENT AUDITOR'S REPORT (Contd.)

accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the company's financial reporting process.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF STANDALONE FINANCIAL STATEMENT**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended 31<sup>st</sup> March, 2024, as applicable 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

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, we report that:
  - 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.
  - 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.
  - The standalone Balance Sheet, the Statement of Profit and Loss including statement of other comprehensive income, the Cash Flow Statement and statement of changes in equity dealt with by this report are in agreement with the books of account.
  - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (i)(viii) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - With respect to the adequacy of the Internal Financial Control with reference to these standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) read with Schedule V of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 29 to the standalone financial statements;
  - ii) The Company did not have any long-term contracts including derivative contracts as at 31<sup>st</sup> March, 2024 for which there were any material foreseeable losses.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - v) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
  - vi) Based on such audit procedures as 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) (iv) and (i) (v) contain any material misstatement.
  - vii) The Company has neither declared nor paid any dividend during the year.
  - viii) Based on our examination which included test checks, the Company has used accounting Softwares for maintaining its books of account, which

## INDEPENDENT AUDITOR'S REPORT (Contd.)

have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For **C.S. Arora & Associates**

Chartered Accountants

FRN: 015130N

**sd/-**

**Chanchal Singh**

Partner

Membership No.: 090835

UDIN: 24090835BKFFAO6785

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (B) The Company is not having Intangible Assets. Accordingly paragraph 3(i)(a)(B) of the Order is not applicable.
- (b) Property, plant and equipment have been physically verified by the management during the year at reasonable intervals and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (d) 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 revalued its Property, plant and equipment during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory which are held in dematerialized/physical form, has been verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification that were 10% or more in the aggregate for each class of inventory.
- (b) 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 been sanctioned working capital limits, from banks or Financial Institutions on the basis of security of current assets.
- (iii) (a) 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 made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.
- (a) The Company is registered Non-Banking Finance Company whose principal business is to provide loans. Accordingly paragraph 3(iii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) The Company is registered Non-Banking Finance Company whose principal business is to provide loans. Accordingly paragraph 3(iii)(e) of the Order is not applicable.
- (f) 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 given any loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company is registered Non-Banking Finance Company to which the provisions of Section 185



## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

and 186 of the Act are not applicable. Accordingly paragraph 3(iv) of the Order is not applicable.

- (v) The company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed there under. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other Tribunal. Accordingly paragraph 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly paragraph 3(vi) of the Order is not applicable.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the record of the

Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Service Tax, cess and any other statutory dues applicable to it. We are informed that the provisions of Sales Tax, Service Tax, Value Added Tax, duty of Custom and duty of Excise are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, Goods and Service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it were in arrears as at 31 March, 2024 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute except following:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Unpaid (Rs. In Million)	Amount Deposited/ Adjusted (Rs. In Million)
Income Tax Act, 1961	Income Tax	ITAT	AY 2015-16	Nil	17.90

- (viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowing or in the payment of Interest thereon to any lender.
- (b) 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 been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix) (c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been utilized for long term purposes by the Company. Accordingly, clause 3(ix) (d) of the Order is not applicable.
- (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 as defined

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

- under the Companies Act, 2013. Accordingly, clause 3(ix) (e) of the Order is not applicable.
- (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, joint ventures or associate companies as defined under the Companies Act, 2013. Accordingly, clause 3(ix) (f) of the Order is not applicable.
- (x) (a) 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 raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x) (a) of the Order is not applicable.
- (b) 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 made preferential allotment of Convertible Warrants during the year and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with. Further, the funds raised have been used for the purposes for which the funds were raised.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints, if any, received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit, if any.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us and based on our examination of the records of the company, the company is required and duly registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (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 the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi) (d) are not applicable.

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We

further state that our reporting is based on the facts up to 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **C.S. Arora & Associates**

Chartered Accountants

FRN: 015130N

**sd/-**

**Chanchal Singh**

Partner

Membership No.: 090835

UDIN: 24090835BKFFAO6785

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Master Trust Ltd ('the Company') as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March 2024, based on the internal financial controls 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").

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants

of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal

financial controls over financial reporting were operating effectively as at 31 March, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **C.S. Arora & Associates**

Chartered Accountants

FRN: 015130N

**sd/-**

**Chanchal Singh**

Partner

Membership No.: 090835

UDIN: 24090835BKFFAO6785

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024



# Standalone Balance Sheet

 as at 31<sup>st</sup> March, 2024

(₹ in million)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>I ASSETS</b>			
<b>Financial Assets</b>			
a) Cash and cash equivalents	3	0.05	0.26
b) Bank balances other than Cash and cash equivalents	4	257.71	20.21
c) Loans and Advances	5	1,228.30	780.10
d) Investments	6	3,340.40	2,533.14
e) Other financial assets	7	4.92	0.51
<b>Total financial assets</b>		<b>4,831.38</b>	<b>3,334.22</b>
<b>Non financial Assets</b>			
a) Inventories	8	77.47	84.48
b) Property, Plant and Equipment	9	1.30	1.33
c) Investment Property	10	6.58	8.46
d) Deferred tax assets	11	25.12	44.28
e) Other non-financial assets	12	36.73	22.64
<b>Total non financial assets</b>		<b>147.20</b>	<b>161.19</b>
<b>Total Assets</b>		<b>4,978.58</b>	<b>3,495.41</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
a) Payables			
(i) Trade Payables			
(ii) total outstanding dues of micro enterprises and small enterprises		-	-
(iii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
b) Borrowings	13	821.67	417.55
c) Other financial liabilities	14	1.98	15.02
<b>Total financial liabilities</b>		<b>823.65</b>	<b>432.57</b>
<b>Non Financial liabilities</b>			
a) Provisions	15	3.16	3.50
b) Other non-financial liabilities	16	9.04	11.23
<b>Total non financial liabilities</b>		<b>12.20</b>	<b>14.73</b>
<b>Equity</b>			
a) Equity share capital	17	109.22	109.22
b) Other equity	18	4,033.51	2,938.89
<b>Total equity</b>		<b>4,142.73</b>	<b>3,048.11</b>
<b>Total Liabilities and Equity</b>		<b>4,978.58</b>	<b>3,495.41</b>

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For C.S. Arora & Associates**

Chartered Accountants

FRN 015130N

Sd/-

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

 Date: 30<sup>th</sup> May, 2024

Sd/-

**Rajinder Kumar Singhania**

Director

DIN-00077540

Sd/-

**Sunil Kumar**

Chief Financial Officer

**For and on behalf of the Board**

Sd/-

**Harjeet Singh Arora**

Managing Director

DIN-00063176

Sd/-

**Vikas Gupta**

Company Secretary

# Standalone Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2024

(₹ in million)

	Note No.	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Revenue from operations</b>			
Interest Income	19	183.10	118.25
Dividend Income	20	0.32	0.46
Income From Dealing In Securities/Land	21	15.07	(18.26)
Rental Income	22	0.46	1.10
Other Income	23	11.07	7.08
<b>Total Income</b>		<b>210.02</b>	<b>108.63</b>
<b>Expenses:</b>			
Employee benefits expense	24	9.97	10.16
Finance Costs	25	112.87	40.89
Depreciation and amortisation expense	9	0.03	0.03
Other expenses	26	3.01	10.24
<b>Total Expenses</b>		<b>125.88</b>	<b>61.32</b>
<b>Profit before exceptional Items and Tax</b>		<b>84.14</b>	<b>47.31</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>84.14</b>	<b>47.31</b>
Tax Expenses			
- Current tax expense for current year		0.82	0.40
- Deferred tax		0.23	(10.10)
- Current tax expense relating to prior years		0.05	0.17
<b>Profit after tax</b>		<b>83.04</b>	<b>56.84</b>
<b>Other Comprehensive Income/(Loss)</b>			
(A) (i) Items that will not be reclassified to profit or loss		1,057.72	590.72
(ii) Income tax relating to items that will not be reclassified to profit or loss		(313.44)	(123.14)
<b>Subtotal(A)</b>		<b>744.28</b>	<b>467.58</b>
(B) (i) Items that will be reclassified to profit or loss		23.27	1.10
(ii) Income tax relating to items that will be reclassified to profit or loss		(5.35)	(0.58)
<b>Subtotal(B)</b>		<b>17.92</b>	<b>0.52</b>
<b>Other Comprehensive Income (A+B)</b>		<b>762.20</b>	<b>468.10</b>
<b>Total Comprehensive Income for the year</b>		<b>845.24</b>	<b>524.94</b>
<b>Earnings per equity share (face value ₹ 5 each)</b>	27		
- Basic		3.82	2.61
- Diluted		3.76	2.61

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For C.S. Arora & Associates**

Chartered Accountants

FRN 015130N

Sd/-

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

Sd/-

**Rajinder Kumar Singhania**

Director

DIN-00077540

Sd/-

**Sunil Kumar**

Chief Financial Officer

**For and on behalf of the Board**

Sd/-

**Harjeet Singh Arora**

Managing Director

DIN-00063176

Sd/-

**Vikas Gupta**

Company Secretary

# Statement Of Changes in Equity

For the year ended 31<sup>st</sup> March, 2024

## A. EQUITY SHARE CAPITAL

(₹ in million)

Particulars	Amount
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>109.22</b>
Changes in Equity Share Capital during the year	-
Balance as at 31 <sup>st</sup> March, 2023	109.22
Changes in Equity Share Capital during the year	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>109.22</b>

## B. OTHER EQUITY

(₹ in million)

Particulars	Reserves & Surplus						Other Comprehensive Income	Money Received against Share Warrants	Total
	Statutory reserves as per Section 45-IC of the RBI Act, 1934	Capital Reserve	Securities Premium	Contingent Provision Against Standard Assets	General Reserve	Retained Earning			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>51.87</b>	<b>48.24</b>	<b>448.38</b>	<b>0.94</b>	<b>10.00</b>	<b>193.06</b>	<b>1,661.46</b>	<b>-</b>	<b>2,413.95</b>
Profit/(loss) for the year	-	-	-	-	-	56.84	-	-	56.84
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	-	468.10	-	468.10
<b>Total</b>	<b>51.87</b>	<b>48.24</b>	<b>448.38</b>	<b>0.94</b>	<b>10.00</b>	<b>249.90</b>	<b>2,129.56</b>	<b>-</b>	<b>2,938.89</b>
Transfers to Statutory reserves	11.37	-	-	-	-	(11.37)	-	-	-
Transfers to Contingent Provision Against Standard Assets	-	-	-	0.83	-	(0.83)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>63.24</b>	<b>48.24</b>	<b>448.38</b>	<b>1.77</b>	<b>10.00</b>	<b>237.70</b>	<b>2,129.56</b>	<b>-</b>	<b>2,938.89</b>
Profit/(loss) for the year	-	-	-	-	-	83.04	-	-	83.04
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	-	762.20	-	762.20
Money Received against Share Warrants	-	-	-	-	-	-	-	249.38	249.38
<b>Total</b>	<b>63.24</b>	<b>48.24</b>	<b>448.38</b>	<b>1.77</b>	<b>10.00</b>	<b>320.74</b>	<b>2,891.76</b>	<b>249.38</b>	<b>4,033.51</b>
Transfers to Statutory reserves	16.61	-	-	-	-	(16.61)	-	-	-
Transfers to Contingent Provision Against Standard Assets	-	-	-	1.30	-	(1.30)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>79.85</b>	<b>48.24</b>	<b>448.38</b>	<b>3.07</b>	<b>10.00</b>	<b>302.83</b>	<b>2,891.76</b>	<b>249.38</b>	<b>4,033.51</b>

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For C.S. Arora & Associates**

Chartered Accountants

FRN 015130N

Sd/-

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

Sd/-

**Rajinder Kumar Singhania**

Director

DIN-00077540

Sd/-

**Sunil Kumar**

Chief Financial Officer

**For and on behalf of the Board**

Sd/-

**Harjeet Singh Arora**

Managing Director

DIN-00063176

Sd/-

**Vikas Gupta**

Company Secretary

# Standalone Cash Flow Statement

for the year ended 31st March, 2024

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024		For the year ended 31 <sup>st</sup> March, 2023	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		84.14		47.31
Net Profit before tax and extraordinary items				
<i>Adjustments for:</i>				
Depreciation and amortisation	0.03		0.03	
Provision for Gratuity	(0.13)		0.07	
Profit on sale of Fixed Asset	-		(0.06)	
Profit on sale of Investment	(3.92)		(4.78)	
Provision for Non Performing Assets	0.00		(1.39)	
		(4.02)		(6.13)
Operating profit/(loss) before working capital changes		80.12		41.18
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	8.90		12.20	
Loans and Advances	(448.20)		(225.94)	
Other Non Financial Asset	(14.09)		(13.43)	
Other Financial Asset	(4.32)		1.75	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Other Financial liabilities	(13.04)		13.39	
Other Non Financial liabilities	(2.19)		6.49	
Borrowings	404.12		149.05	
		(68.82)		(56.49)
Operating profit/(loss) before extraordinary items		11.30		(15.31)
Cash flow from extraordinary items		-		-
Cash generated from/(used in) operations		11.30		(15.31)
Net income tax (paid)/ Refund		(0.86)		(0.57)
<b>Net cash flow from/ (used in) operating activities (A)</b>		<b>10.44</b>		<b>(15.88)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale of fixed assets		-		0.09
Purchase of Investment		(52.56)		(269.83)
Sale of Investment		30.03		42.32
Bank balances other than Cash and cash equivalent		(237.50)		243.50
<b>Net cash flow from/(used in) investing activities (B)</b>		<b>(260.03)</b>		<b>16.08</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Money Received against Share Warrants		249.38		-
<b>Net cash flow from financing activities (C)</b>		<b>249.38</b>		<b>-</b>
<b>Net Increase/ (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(0.21)</b>		<b>0.20</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>0.26</b>		<b>0.06</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>0.05</b>		<b>0.26</b>

**Standalone Cash Flow Statement  
for the year ended 31st March, 2024 (Contd.)**
**1. Cash and cash equivalents consists of :**

Particulars	(₹ in million)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Cash on hand	0.01	0.02
Balances with banks		
- In current accounts	0.04	0.24
<b>Total</b>	<b>0.05</b>	<b>0.26</b>

As per our Report of even date

**For C.S. Arora & Associates**

Chartered Accountants

FRN 015130N

Sd/-

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

 Date: 30<sup>th</sup> May, 2024

**For and on behalf of the Board**

Sd/-

**Rajinder Kumar Singhania**

Director

DIN-00077540

Sd/-

**Sunil Kumar**

Chief Financial Officer

Sd/-

**Harjeet Singh Arora**

Managing Director

DIN-00063176

Sd/-

**Vikas Gupta**

Company Secretary



# Notes forming part of financial statements

for the year ended 31<sup>st</sup> March, 2024

## 1. CORPORATE INFORMATION

Master Trust Ltd ('the Company') is a public limited company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI'). Its shares are listed on Bombay Stock Exchange (BSE) in India. The Company is mainly in the business of lending, sale/purchase of securities and lands.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the 2013 Act and the Master Direction-Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, issued by RBI.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements have been prepared on a going concern basis. The Company presents its Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss and disclosures are presented in the format prescribed under Division III of Schedule III of the Companies Act, as amended from time to time that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### Rounding of amounts

These financial statements are presented in Indian Rupees (INR)/ (₹), which is also its

functional currency and all values are rounded to the nearest Rupees.

### b. Presentation of financial statements

The Company presents its Balance Sheet in order of liquidity. The Company prepares and present its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature. The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those based on management's estimates.

### c. Revenue Recognition

#### Recognition of interest income on loans

The Company follows the mercantile system of accounting and recognised Profit/Loss on that basis. Interest income is recognised on the time proportionate basis starting from the date of disbursement of loan. In case of Non-Performing Assets, interest income is recognised on receipt basis, as per NBFC Prudential norms.

#### Rental Income

Income from operating leases is recognised in the Statement of profit and loss as per contractual rentals unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished.

## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

### Fee and commission income

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

### Dividend and interest income on investments

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

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

### Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established.

### d. Property, Plant and Equipment (PPE)

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

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

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

Buildings	60 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Computer	3 years
Vehicles	8 years

Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

### e. Inventories

Inventories are valued at the lower of cost and the net realisable value.

### f. Investment property

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

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of property is recognised in the Statement of profit and Loss in the same period.

### g. Investments in subsidiaries and associates

Investments in subsidiaries and associate are measured at fair value, if any.

### h. Financial instruments

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

### Financial assets

#### i Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets and financial liabilities are initially measured at fair

## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

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

### ii Subsequent measurement

Financial assets are classified into the following specified categories: amortised cost, financial assets at fair value through profit and loss (FVTPL), Fair value through other comprehensive income (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

#### Debt Instrument

##### Amortised Cost

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

##### Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets
- b. The asset's contractual cash flows represent solely payments of principal and interest. Debt instruments included

within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss.

##### Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

##### Equity investments

The Company measures its equity investments at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to statement of profit and loss.

##### Derivative financial instruments

Derivative financial instruments are classified and measured at fair value through profit and loss.

### iii Derecognition of financial assets

A financial asset is derecognised only when

- i) The Company has transferred the rights to receive cash flows from the asset or the rights have expired

## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

- ii) The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

### **Impairment of financial assets**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### **Significant increase in credit risk**

The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than twelve-months ECL.

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.

ECL is calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (dpd) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

### **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 under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

### **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. 30 days past due 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 is considered as default for

## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

classifying a financial instrument as credit impaired. If an event (for e.g. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

As required by RBI Circular reference no. RBI/2019-20/170 DOR (NBFC).CC.pd.no. 109/22.10.106/ FY 2019-20 dated 13<sup>th</sup> March, 2020; where impairment allowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc., the Company shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'.

In line with Reserve Bank of India Master Circular on prudential norms on Income Recognition, Asset Classification and provisioning pertaining to Advances and Clarifications dated 12<sup>th</sup> November, 2021, borrower accounts shall be flagged as overdue as part of the day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as Non-performing Asset / Stage 3 shall be done as part of day-end process for the relevant date i.e. more than 90 days overdue and NPA/Stage 3 classification date shall be the calendar date for which the day end process is run. In other words, the date of non-performing Asset / Stage 3 shall reflect the asset classification status of an account at the day-end of that calendar date.

Upgradation of accounts classified as Stage 3/ non-performing assets (NPA) - The Company upgrades loan accounts classified as Stage 3/ NPA to 'standard' asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the Company in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

The Company's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed

not to have had a significant increase in credit risk. As a result, the Company monitors all financial assets that are subject to impairment for significant increase in credit risk.

### Write-off

Loans and debt securities are written-off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off.

### Presentation of allowance for ECL in the Balance Sheet

Loss allowances for ECL are presented in the Balance Sheet as follows:

- For financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- For debt instruments measured at FVTOCI: no loss allowance is recognised in the Balance Sheet as the carrying amount is at fair value.

### Financial liabilities and equity instruments

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

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments. Net Gain/ loss on fair value changes includes the



## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

effect of financial instruments held at fair value through Profit or loss (FVTPL) for continuing and discontinuing portfolio.

### Financial liabilities

#### i Classification

Financial liabilities are recognised when Company becomes party to contractual provisions of the instrument. The Company determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss. The Company classifies all financial liabilities at amortised cost or fair value through profit or loss.

#### ii Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- i) Financial liabilities measured at amortised cost
- ii) Financial liabilities measured at FVTPL (fair value through profit or loss)

#### i) Financial liabilities measured at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

#### ii) Financial liabilities measured at fair value through profit or loss

After initial recognition financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised

in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included in finance costs in the statement of profit and loss.

#### iii De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### iv Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in FY 2022-23 and until the year ended 31<sup>st</sup> March, 2024.

#### i. Employee benefits

##### Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

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

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

### Contribution to provident fund and ESIC

Company's contribution paid/payable during the year to provident fund and ESIC is recognised in the Statement of profit and loss.

### Gratuity

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognised at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.

### Re-measurement gains/losses -

Re-measurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Re-measurements are not reclassified to Statement of profit and loss in the subsequent period.

#### j. Finance costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowings.

#### k. Taxation - Current and deferred tax

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

##### Current tax

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

enacted by the end of the reporting period.

##### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

#### l. Provisions and contingent liabilities

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **m. Leases**

#### **Where the Company is the lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of profit and loss.

#### **Where the Company is the lessor**

Lease income is recognised in the Statement of profit and loss as per contractual rental unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished.

### **n. Cash and cash equivalents**

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

### **o. Earning Per Share**

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

### **p. Exceptional items**

In certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, Such income or expenses are classified as an exceptional item and accordingly, disclosed in the financial statements.

### **q. Significant accounting judgements, estimates and assumptions**

In the application of the Company's accounting policies, which are described as stated above, the Directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

#### **Key sources of uncertainty**

In the application of the Company accounting policies, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

### a. Useful lives of depreciable tangible assets

Management reviews the useful lives of depreciable/amortisable assets at each reporting date.

### b. Fair Value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes.

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

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

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

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

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

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

**Level 1 financial instruments** - Those financial instruments 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 financial instruments 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 financial instruments 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 reporting period.

### c. Contingent Liability

In ordinary course of business, the Company faces claims by various parties. The Company annually assesses such claims and monitors the legal environment

## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

### d. Impairment testing

Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered or on more detailed reviews of individually significant balances. Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

### **Impairment of non-financial assets, wherever applicable**

The Company assesses at each balance sheet date whether there is any indication that non-financial asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable

amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

### e. Tax

The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognised.



Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

### NOTE 3 – CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash on hand	0.01	0.02
Balances with banks		
-In current accounts	0.04	0.24
<b>Total</b>	<b>0.05</b>	<b>0.26</b>

### NOTE 4 – BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks		
- In deposit accounts*	257.50	20.00
In earmarked accounts		
- Unpaid dividend accounts	0.21	0.21
<b>Total</b>	<b>257.71</b>	<b>20.21</b>

\*FDR pledged against overdraft facility.

### NOTE 5 – LOANS AND ADVANCES

(₹ in million)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Loans and advances to related parties	529.72	74.19
Loans and advances to others*	698.58	705.91
<b>Total</b>	<b>1,228.30</b>	<b>780.10</b>

\* Includes Secured Loans amounting to ₹ 25.67 million (Year ended 31st March, 2023 : ₹ 36.23 million).

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

#### As at 31st March, 2024

(₹ in million)

Particulars	Stage-1	Stage-2	Stage-3	Total
High Grade	1,228.30	-	-	1,228.30
Standard Grade	-	-	-	-
Sub Standard Grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non-performing	-	-	-	-
<b>Total</b>	<b>1,228.30</b>	<b>-</b>	<b>-</b>	<b>1,228.30</b>

#### As at 31st March, 2023

(₹ in million)

Particulars	Stage-1	Stage-2	Stage-3	Total
High Grade	780.10	-	-	780.10
Standard Grade	-	-	-	-
Sub Standard Grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non-performing	-	-	-	-
<b>Total</b>	<b>780.10</b>	<b>-</b>	<b>-</b>	<b>780.10</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

There have been no transfers between different stages during the current and previous year.

The Company's internal credit rating grades on days past due (dpd) basis:

Internal rating grade	Internal rating description
Performing	
High Grade	0 dpd
Standard Grade	1 to 30 dpd
Sub Standard Grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non-performing	90 +dpd

**NOTE 6 - INVESTMENTS**

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
<b>Equity instruments</b>						
<b>(a) Subsidiaries</b>						
59,00,000 (As at 31 <sup>st</sup> March, 2023: 59,00,000) shares of ₹ 10 each fully paid up in Master Capital Services Limited	2,623.53	-	2,623.53	1,914.38	-	1,914.38
2,00,000 (As at 31 <sup>st</sup> March, 2023: 2,00,000) shares of ₹ 10 each fully paid up in Master Infrastructure & Real Estate Developers Limited	322.66	-	322.66	300.64	-	300.64
7,50,000 (As at 31 <sup>st</sup> March, 2023: 7,50,000) shares of ₹ 10 each fully paid up in Master Insurance Brokers Limited	51.08	-	51.08	42.19	-	42.19
<b>(b) Associates</b>						
Nil (As at 31 <sup>st</sup> March, 2023: 1,300) shares of ₹ 100 each fully paid up in H A Share & Stock Brokers Private Limited	-	-	-	1.83	-	1.83
<b>(c) Other Group Companies</b>						
4 (As at 31 <sup>st</sup> March, 2023: 4) shares of ₹ 5000 each fully paid up in Master Projects Private Limited	-	1.42	1.42	-	1.42	1.42
1,07,276 (As at 31 <sup>st</sup> March, 2023: 1,07,276) shares of ₹ 5 each fully paid up in Prime Industries Limited	23.05	-	23.05	1.35	-	1.35
<b>(d) Others</b>						
1,340 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Ami Organics Limited	1.47	-	1.47	-	-	-
450 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Astec Lifesciences Limited	0.48	-	0.48	-	-	-
35,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Dhruv Consultancy Services Limited	4.13	-	4.13	-	-	-

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
12,585 (As at 31 <sup>st</sup> March, 2023: 8,085) shares of ₹ 10 each fully paid up in Equitas Small Finance Bank Limited	1.12	-	1.12	0.53	-	0.53
1,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Federal-Mogul Goetze (India) Limited	0.33	-	0.33	-	-	-
65 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Force Motors Limited	0.47	-	0.47	-	-	-
3,900 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Nocil Limited	0.98	-	0.98	-	-	-
23,600 (As at 31 <sup>st</sup> March, 2023: 23,600) shares of ₹ 10 each fully paid up in R R Financial Consultants Limited	0.32	-	0.32	0.14	-	0.14
10,020 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in SG Finserve Limited	4.30	-	4.30	-	-	-
220 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Shriram Pistons and Rings Limited	0.42	-	0.42	-	-	-
1,453 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in S.J.S Enterprises Limited	0.90	-	0.90	-	-	-
3,335 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Shyam Metalics and Energy Limited	1.92	-	1.92	-	-	-
490 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Tanfac Industries Limited	0.97	-	0.97	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 40) shares of ₹ 10 each fully paid up in Tata Elxsi Limited	-	-	-	0.22	-	0.22
580 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Technocraft Industries (India) Limited	1.13	-	1.13	-	-	-
3,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Uttam Sugar Mills Limited	0.97	-	0.97	-	-	-
1,100 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Godawari Power and Ispat Limited	0.80	-	0.80	-	-	-
1,268 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Gokaldas Exports Limited	0.91	-	0.91	-	-	-
1,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Nahar Spinning Mills Limited	0.27	-	0.27	-	-	-

Notes forming part of financial statements  
 for the year ended 31st March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
1,970 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Pearl Global Industries Limited	1.06	-	1.06	-	-	-
1,350 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Bharat Forge Limited	1.48	-	1.48	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 400) shares of ₹ 2 each fully paid up in Cummins Limited	-	-	-	0.62	-	0.62
14,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in EFC (I) Limited	4.61	-	4.61	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 25,000) shares of ₹ 2 each fully paid up in ISMT Limited	-	-	-	1.82	-	1.82
85,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Jaiprakash Associates Limited	1.57	-	1.57	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 1,000) shares of ₹ 2 each fully paid up in KPIT Technologies Limited	-	-	-	0.89	-	0.89
340 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Lupin Limited	0.52	-	0.52	-	-	-
48,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Peninsula Land Limited	2.26	-	2.26	-	-	-
220 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Sansera Engineering Limited	0.22	-	0.22	-	-	-
1,700 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Sudarshan Chemical Industries Limited	1.03	-	1.03	-	-	-
550 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in United Spirits Limited	0.61	-	0.61	-	-	-
375 (As at 31 <sup>st</sup> March, 2023: 955) shares of ₹ 2 each fully paid up in Vardhman Textiles Limited	0.16	-	0.16	0.28	-	0.28
50,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in Alliance Integrated Metaliks Limited	2.54	-	2.54	-	-	-
2,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in Exide Industries Limited	0.60	-	0.60	-	-	-

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
6,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in Sterling And Wilson Renewable Energy Limited	3.01	-	3.01	-	-	-
1,700 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in Triveni Engineering and Industries Limited	0.52	-	0.52	-	-	-
<b>Investment through Portfolio Management Services (PMS)</b>						
2,312 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Aditya Birla Fashion And Retail Limited	0.48	-	0.48	-	-	-
553 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in CARE Ratings Limited	0.62	-	0.62	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 1,745) shares of ₹ 10 each fully paid up in Den Networks Limited	-	-	-	0.05	-	0.05
Nil (As at 31 <sup>st</sup> March, 2023: 170) shares of ₹ 10 each fully paid up in Escorts Kubota Limited	-	-	-	0.32	-	0.32
Nil (As at 31 <sup>st</sup> March, 2023: 296) shares of ₹ 10 each fully paid up in Federal-Mogul Goetze (India) Limited	-	-	-	0.09	-	0.09
Nil (As at 31 <sup>st</sup> March, 2023: 526) shares of ₹ 10 each fully paid up in Fortis Healthcare Limited	-	-	-	0.14	-	0.14
Nil (As at 31 <sup>st</sup> March, 2023: 1,926) shares of ₹ 10 each fully paid up in Hemisphere Properties India Limited	-	-	-	0.16	-	0.16
872 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in ICICI Prudential Life Insurance Company Limited	0.53	-	0.53	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 1,097) shares of ₹ 10 each fully paid up in IDFC Limited	-	-	-	0.09	-	0.09
Nil (As at 31 <sup>st</sup> March, 2023: 769) shares of ₹ 10 each fully paid up in Music Broadcast Pref 19JN26	-	-	-	0.08	-	0.08
Nil (As at 31 <sup>st</sup> March, 2023: 423) shares of ₹ 10 each fully paid up in Nucleus Software Exports Limited	-	-	-	0.27	-	0.27



Notes forming part of financial statements  
 for the year ended 31st March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
Nil (As at 31 <sup>st</sup> March, 2023: 2,089) shares of ₹ 10 each fully paid up in Piramal Pharma Limited	-	-	-	0.14	-	0.14
Nil (As at 31 <sup>st</sup> March, 2023: 610) shares of ₹ 10 each fully paid up in Religare Enterprises Limited	-	-	-	0.09	-	0.09
Nil (As at 31 <sup>st</sup> March, 2023: 104) shares of ₹ 10 each fully paid up in Sona BLW Precision Forgings Limited	-	-	-	0.04	-	0.04
763 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Sun TV Network Limited	0.46	-	0.46	-	-	-
422 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Tech Mahindra Limited	0.53	-	0.53	-	-	-
2,355 (As at 31 <sup>st</sup> March, 2023: 1,070) shares of ₹ 2 each fully paid up in Epl Limited	0.42	-	0.42	0.17	-	0.17
Nil (As at 31 <sup>st</sup> March, 2023: 77) shares of ₹ 2 each fully paid up in Housing Development Finance Corporation Limited	-	-	-	0.20	-	0.20
621 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in ICICI Bank Limited	0.68	-	0.68	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 4,184) shares of ₹ 2 each fully paid up in Indiabulls Real Estate Limited	-	-	-	0.20	-	0.20
230 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Larsen and Toubro Limited	0.86	-	0.86	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 9,854) shares of ₹ 2 each fully paid up in Music Broadcast Limited	-	-	-	0.11	-	0.11
Nil (As at 31 <sup>st</sup> March, 2023: 580) shares of ₹ 2 each fully paid up in Natco Pharma Limited	-	-	-	0.32	-	0.32
Nil (As at 31 <sup>st</sup> March, 2023: 383) shares of ₹ 2 each fully paid up in PB Fintech Limited	-	-	-	0.24	-	0.24
Nil (As at 31 <sup>st</sup> March, 2023: 371) shares of ₹ 2 each fully paid up in Piramal Enterprises Limited	-	-	-	0.25	-	0.25

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
Nil (As at 31 <sup>st</sup> March, 2023: 666) shares of ₹ 2 each fully paid up in Sagar Cements Limited	-	-	-	0.13	-	0.13
Nil (As at 31 <sup>st</sup> March, 2023: 1,054) shares of ₹ 2 each fully paid up in Shalimar Paints Limited	-	-	-	0.14	-	0.14
Nil (As at 31 <sup>st</sup> March, 2023: 1,345) shares of ₹ 2 each fully paid up in Tata Motors Limited Eq New Npp Fv ₹ 2 Class A	-	-	-	0.28	-	0.28
Nil (As at 31 <sup>st</sup> March, 2023: 1,071) shares of ₹ 1 each fully paid up in Delta Corp Limited	-	-	-	0.19	-	0.19
Nil (As at 31 <sup>st</sup> March, 2023: 4,235) shares of ₹ 1 each fully paid up in Edelweiss Financial Services Limited	-	-	-	0.22	-	0.22
901 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in EID-Parry India Limited	0.49	-	0.49	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 343) shares of ₹ 1 each fully paid up in Godrej Industries Limited	-	-	-	0.14	-	0.14
368 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in HDFC Bank Limited	0.53	-	0.53	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 1,889) shares of ₹ 1 each fully paid up in Zee Entertainment Enterprises Limited	-	-	-	0.40	-	0.40
28,791 (As at 31 <sup>st</sup> March, 2023: Nil) units in Kotak Liquid - Growth - Direct	0.14	-	0.14	-	-	-
<b>Compulsory Convertible Cumulative Preference shares</b>						
60 (As at 31 <sup>st</sup> March, 2023: 60) shares of ₹ 10 each fully paid up in Quantinsti Quantitative Learning Private Limited	-	2.57	2.57	-	2.57	2.57
<b>Non-cumulative Compulsory Redeemable Preference shares (NCRPS)</b>						
Nil (As at 31 <sup>st</sup> March, 2023: 10,000) shares of ₹ 100 each fully paid up in Adam Financial Marts Private Limited	-	-	-	-	1.00	1.00
Nil (As at 31 <sup>st</sup> March, 2023: 35,000) shares of ₹ 100 each fully paid up in Yaksh Impex Private Limited	-	-	-	-	3.50	3.50
Nil (As at 31 <sup>st</sup> March, 2023: 40,000) shares of ₹ 100 each fully paid up in Himachal Knit Exports Private Limited	-	-	-	-	4.00	4.00

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
<b>Debentures/Bonds</b>						
<b>(a) Subsidiaries</b>						
536 (As at 31 <sup>st</sup> March, 2023: 538) Deep Discount Bonds of ₹ 10,000 each fully paid up in Master Capital Services Limited	267.27	-	267.27	250.30	-	250.30
<b>(b) Others</b>						
1,000 (As at 31 <sup>st</sup> March, 2023: 1,000) Debentures of ₹ 1,000 each fully paid up in Wepay Finance Private Limited	-	1.00	1.00	-	1.00	1.00
<b>TOTAL-GROSS (A)</b>	3,335.41	4.99	3,340.40	2,519.65	13.49	2,533.14
i) Investments outside India	-	-	-	-	-	-
ii) Investments in India	3,335.41	4.99	3,340.40	2,519.65	13.49	2,533.14
<b>Less: Allowance for Impairment loss (B)</b>	-	-	-	-	-	-
<b>Total-Net C (A-B)</b>	3,335.41	4.99	3,340.40	2,519.65	13.49	2,533.14

**NOTE 7 – OTHER FINANCIAL ASSETS**

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Security deposits	0.14	0.14
Others	4.78	0.37
<b>Total</b>	<b>4.92</b>	<b>0.51</b>

**NOTE 8 – INVENTORIES**

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Acquired For Trading	77.47	84.48
<b>Total</b>	<b>77.47</b>	<b>84.48</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

#### NOTE 9 – PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Buildings	Furniture and Fixtures	Office Equipments	Computer	Vehicles	Total
<b>GROSS CARRYING AMOUNT</b>						
Balance as at 1 <sup>st</sup> April, 2022	1.80	1.88	3.82	1.70	1.92	11.12
Additions during the year	-	-	-	-	-	-
Disposals during the year	-	-	-	-	0.69	0.69
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1.80</b>	<b>1.88</b>	<b>3.82</b>	<b>1.70</b>	<b>1.23</b>	<b>10.43</b>
Additions during the year	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>1.80</b>	<b>1.88</b>	<b>3.82</b>	<b>1.70</b>	<b>1.23</b>	<b>10.43</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES</b>						
Balance as at 1 <sup>st</sup> April, 2022	0.58	1.87	3.74	1.68	1.85	9.72
Additions during the year	0.03	-	-	-	-	0.03
Disposals during the year	-	-	-	-	0.65	0.65
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>0.61</b>	<b>1.87</b>	<b>3.74</b>	<b>1.68</b>	<b>1.20</b>	<b>9.10</b>
Additions during the year	0.03	-	-	-	-	0.03
Disposals during the year	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>0.64</b>	<b>1.87</b>	<b>3.74</b>	<b>1.68</b>	<b>1.20</b>	<b>9.13</b>
<b>NET CARRYING AMOUNT</b>						
<b>As at 31<sup>st</sup> March, 2023</b>	<b>1.19</b>	<b>0.01</b>	<b>0.08</b>	<b>0.02</b>	<b>0.03</b>	<b>1.33</b>
<b>As at 31<sup>st</sup> March, 2024</b>	<b>1.16</b>	<b>0.01</b>	<b>0.08</b>	<b>0.02</b>	<b>0.03</b>	<b>1.30</b>

#### NOTE 10 – INVESTMENT PROPERTY

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Investment in Property	6.58	8.46
<b>Total</b>	<b>6.58</b>	<b>8.46</b>

Reconciliation of Investment in Property outstanding at the beginning and at the end of the reporting year:

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balance as at the beginning of the year	8.46	14.79
Additions during the year	-	1.88
Disposals/Transfer during the year	1.88	8.21
<b>Balance as at the end of the year</b>	<b>6.58</b>	<b>8.46</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

#### NOTE 11 – DEFERRED TAX ASSETS

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Deferred tax Assets</b>		
Investment in Equity/Debt/Mutual Fund	-	0.07
Brought Forward Losses	24.50	44.72
Others	0.79	-
	25.29	44.79
<b>Deferred tax Liabilities</b>		
Related to fixed assets	0.11	0.08
Investment in Equity/Debt/Mutual Fund	0.06	-
Others	-	0.43
	0.17	0.51
<b>Net</b>	<b>25.12</b>	<b>44.28</b>

#### NOTE 12 – OTHER NON FINANCIAL ASSETS

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Advance income tax (net of provision for tax)*	36.23	22.61
Others	0.50	0.03
<b>Total</b>	<b>36.73</b>	<b>22.64</b>

\*Includes amount deposited on account of dispute amounting to ₹ 17.90 million (Year ended 31<sup>st</sup> March, 2023 : ₹ 14.35 million).

#### NOTE 13 – BORROWINGS

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Loans repayable on demand</b>		
From banks		
Secured against FDR*	48.02	-
<b>Loans and advances from related parties</b>		
Unsecured	187.48	310.21
<b>Other loans and advances</b>		
Unsecured	586.17	107.34
<b>Total</b>	<b>821.67</b>	<b>417.55</b>

\* This OD limit is a combination of various limits secured against FDR from HDFC Bank Limited. The ROI is 1% over and above FDR rate.



Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

#### NOTE 14 – OTHER FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Unclaimed dividends	0.21	0.21
Cheque Issued	-	11.89
Others	1.77	2.92
<b>Total</b>	<b>1.98</b>	<b>15.02</b>

#### NOTE 15 – PROVISIONS

(₹ in million)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Provision for gratuity	3.16	3.50
<b>Total</b>	<b>3.16</b>	<b>3.50</b>

#### NOTE 16 – OTHER NON FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Statutory dues	8.45	3.12
Others	0.59	8.11
<b>Total</b>	<b>9.04</b>	<b>11.23</b>

#### NOTE 17 – EQUITY SHARE CAPITAL

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number	Amount (₹)	Number	Amount (₹)
<b>Authorised</b>				
Equity shares of ₹ 5/- each (Par value)	2,60,00,000	130.00	2,20,00,000	110.00
	<b>2,60,00,000</b>	<b>130.00</b>	<b>2,20,00,000</b>	<b>110.00</b>
<b>Issued</b>				
Equity shares of ₹ 5/- each (Par value)	2,19,50,800	109.75	2,19,50,800	109.75
	<b>2,19,50,800</b>	<b>109.75</b>	<b>2,19,50,800</b>	<b>109.75</b>
<b>Subscribed and fully paid up</b>				
Equity shares of ₹ 5/- each (Par value)	2,17,53,200	108.76	2,17,53,200	108.76
Forfeited Shares	-	0.46	-	0.46
	<b>2,17,53,200</b>	<b>109.22</b>	<b>2,17,53,200</b>	<b>109.22</b>

During the year the authorised share capital has been increased to 2,60,00,000 equity shares of ₹ 5/- each.

#### (a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

(₹ in million)

Particulars	Share Capital		Share Capital	
	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number	Amount (₹)	Number	Amount (₹)
i) Issued, Subscribed and paid up equity shares				
Outstanding at the beginning of the year	2,17,53,200	108.76	2,17,53,200	108.76
Additions: Shares issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>2,17,53,200</b>	<b>108.76</b>	<b>2,17,53,200</b>	<b>108.76</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

**(b) Terms/rights attached to equity shares**

The Company has one class of shares referred to as Equity Shares having a par value of ₹ 5/- each. Each holder of equity shares is entitled to one vote per share.

**(c) Shares held by holding company or ultimate holding company or subsidiaries or associates of the holding company or the ultimate holding company.**

There is no holding or ultimate holding company of the Company.

**(d) The details of shareholder holding more than 5% shares.**

(₹ in million)

Particulars	Equity Share Capital		Equity Share Capital	
	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Harjeet Singh Arora	31,73,696	14.59	31,73,696	14.59
Harneesh Kaur Arora	24,30,020	11.17	24,30,020	11.17
Rajinder Kumar Singhanian	51,60,714	23.72	51,60,714	23.72
Jashanjyot Singh Arora	19,85,000	9.13	14,92,000	6.86
Parveen Singhanian	19,81,000	9.11	19,81,000	9.11
G S Auto Leasing Limited	26,71,698	12.28	31,71,698	14.58

**(e) Shares held by promoters at the end of the year**

(₹ in million)

Particulars	Equity Share Capital			Equity Share Capital		
	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	No. of Shares	% of holding	% Change during the year	No. of Shares	% of holding	% Change during the year
Harjeet Singh Arora	31,73,696	14.59	-	31,73,696	14.59	-
Harneesh Kaur Arora	24,30,020	11.17	-	24,30,020	11.17	-
Rajinder Kumar Singhanian	51,60,714	23.72	-	51,60,714	23.72	-
Jashanjyot Singh Arora	19,85,000	9.13	33.04%	14,92,000	6.86	3.63%
Parveen Singhanian	19,81,000	9.11	-	19,81,000	9.11	-
Prime Industries Ltd	-	-	(100%)	10,83,916	4.98	(8.81%)
Palka Arora	5,00,000	2.30	-	5,00,000	2.30	-
Puneet Singhanian	7,94,994	3.65	210.55%	2,55,994	1.18	25.53%
Chirag Singhanian	1,10,000	0.51	-	1,10,000	0.51	-
Priyanka Thukral Arora	50,000	0.23	100%	-	-	-
Rohila Singhanian	92,000	0.42	-	92,000	0.42	-

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

## NOTE 18 - OTHER EQUITY

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Statutory reserves as per Section 45-IC of the RBI Act, 1934	79.85	63.24
Capital Reserve	48.24	48.24
Securities Premium	448.38	448.38
Contingent Provision Against Standard Assets	3.07	1.77
General Reserve	10.00	10.00
Retained Earning	302.83	237.70
Other Comprehensive Income	2,891.76	2,129.56
Money Received against Share Warrants*	249.38	-
<b>Total</b>	<b>4,033.51</b>	<b>2,938.89</b>

\*During the year the Company has issued 28,50,000 Convertible Share Warrants at price of ₹ 350/- each with a right to the warrant holders to apply for and be allotted 1 (One) fully paid-up equity share of the Company of face value ₹ 5.00/- (Rupees Five only), each at a premium of ₹ 345/- per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of Warrants.

A Warrant subscription price equivalent to 25% of the issue price was paid at the time of subscription to the Warrants, as prescribed by Regulation 169 of the SEBI ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Equity Shares. A Warrant exercise price equivalent to the 75% of the issue price of the Equity Shares shall be payable by the Warrant holder(s) at the time of exercising the Warrants.

### B. OTHER EQUITY

(₹ in million)

Particulars	Reserves & Surplus						Other Compre- hensive Income	Money Received against Share Warrants	Total
	Statutory reserves as per Section 45-IC of the RBI Act, 1934	Capital Reserve	Securities Premium	Contingent Provision Against Standard Assets	General Reserve	Retained Earning			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>51.87</b>	<b>48.24</b>	<b>448.38</b>	<b>0.94</b>	<b>10.00</b>	<b>193.06</b>	<b>1,661.46</b>	<b>-</b>	<b>2,413.95</b>
Profit/(loss) for the year	-	-	-	-	-	56.84	-	-	56.84
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	-	468.10	-	468.10
<b>Total</b>	<b>51.87</b>	<b>48.24</b>	<b>448.38</b>	<b>0.94</b>	<b>10.00</b>	<b>249.90</b>	<b>2,129.56</b>	<b>-</b>	<b>2,938.89</b>
Transfers to Statutory reserves	11.37	-	-	-	-	(11.37)	-	-	-
Transfers to Contingent Provision Against Standard Assets	-	-	-	0.83	-	(0.83)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>63.24</b>	<b>48.24</b>	<b>448.38</b>	<b>1.77</b>	<b>10.00</b>	<b>237.70</b>	<b>2,129.56</b>	<b>-</b>	<b>2,938.89</b>
Profit/(loss) for the year	-	-	-	-	-	83.04	-	-	83.04
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	-	762.20	-	762.20
Money Received against Share Warrants	-	-	-	-	-	-	-	249.38	249.38
<b>Total</b>	<b>63.24</b>	<b>48.24</b>	<b>448.38</b>	<b>1.77</b>	<b>10.00</b>	<b>320.74</b>	<b>2,891.76</b>	<b>249.38</b>	<b>4,033.51</b>
Transfers to Statutory reserves	16.61	-	-	-	-	(16.61)	-	-	-
Transfers to Contingent Provision Against Standard Assets	-	-	-	1.30	-	(1.30)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>79.85</b>	<b>48.24</b>	<b>448.38</b>	<b>3.07</b>	<b>10.00</b>	<b>302.83</b>	<b>2,891.76</b>	<b>249.38</b>	<b>4,033.51</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

#### NOTE 19 - INTEREST INCOME

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Interest</b>		
Interest on Loans and Advances	177.38	107.94
Interest on Fixed Deposits	5.72	10.31
<b>Total</b>	<b>183.10</b>	<b>118.25</b>

#### NOTE 20 - DIVIDEND INCOME

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Dividend Income	0.32	0.46
<b>Total</b>	<b>0.32</b>	<b>0.46</b>

#### NOTE 21 - INCOME FROM DEALING IN SECURITIES/LAND

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Profit/(Loss) from dealing in Securities/Land	15.07	(18.26)
<b>Total</b>	<b>15.07</b>	<b>(18.26)</b>

#### NOTE 22 - RENTAL INCOME

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Rent Income	0.46	1.10
<b>Total</b>	<b>0.46</b>	<b>1.10</b>

#### NOTE 23 - OTHER INCOME

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Profit from sale of investment	3.92	4.77
Other Income	7.15	2.31
<b>Total</b>	<b>11.07</b>	<b>7.08</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

#### NOTE 24 – EMPLOYEE BENEFITS EXPENSE

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Salaries and wages	9.95	10.08
Contribution to provident and other funds	0.01	0.02
Staff welfare expenses	0.01	0.06
<b>Total</b>	<b>9.97</b>	<b>10.16</b>

\* Includes Gratuity amounting to ₹ 0.36 million (Year ended March 31<sup>st</sup>, 2023 : ₹ 0.35 million).

#### NOTE 25 – FINANCE COSTS

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest expense	112.86	40.88
Bank charges	0.01	0.01
<b>Total</b>	<b>112.87</b>	<b>40.89</b>

#### NOTE 26 – OTHER EXPENSES

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Printing & Stationery	0.05	0.11
Postage, Telegram & Telephone	0.03	0.04
Rent	-	-
Fees & Taxes	1.82	0.54
Directors Travelling	-	-
Legal & Professional Charges	0.20	0.53
Travelling & Conveyance	0.05	0.04
Payments to auditors		
As Auditors – Statutory Audit	0.06	0.04
Certification Work And Other Matters	0.02	0.01
Office Maintenance	0.49	0.49
General Expenses	0.23	0.14
Advertisement Expenses	0.06	0.06
Bad Debt	-	9.63
Provision for Non Performing Assets	-	(1.39)
<b>Total</b>	<b>3.01</b>	<b>10.24</b>



**NOTE 27 – COMPUTATION OF EARNING PER SHARE (EPS)**

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
A) Basic		
(i) Net Profit attributable to shareholders (₹ in million)	83.04	56.84
(ii) Adjusted weighted average equity shares	2,17,53,200	2,17,53,200
Basic EPS (₹)	3.82	2.61
B) Diluted		
(i) Net Profit attributable to shareholders (₹ in million)	83.04	56.84
(ii) Adjusted weighted average equity shares	2,20,90,162	2,17,53,200
Diluted EPS (₹)	3.76	2.61

**NOTE 28 – DISCLOSURE AS REQUIRED BY MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
(a) Amount remaining unpaid to suppliers as at the end of year		
- Principal amount	-	-
- Interest due thereon	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: The amounts have been determined to the extent micro and small enterprises have been identified on the basis of information available with the Company.

**NOTE 29 – CONTINGENT LIABILITIES**

- a. The Company has given Corporate Guarantee to Banks for securing the sanctioned Bank Guarantees limits of ₹ 5,700.00 million out of which availed ₹ 4,729.25 million (As at 31<sup>st</sup> March, 2023: ₹ 4,850.00 million out of which availed ₹ 3,849.25 million) on behalf of Master Capital Services Limited a wholly owned subsidiary company.

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

- b. The Company has other small litigations which have arisen in ordinary course of business with the clients. The Company has reviewed the impact of all such litigations on Financial Position. In view of the management and the legal advice sought, no provision is required to be made in case of litigation against/by the Company. Therefore, provision for the same has not been provided in books of accounts.
- c. Claims against the Company, not acknowledged as debts in respect of income tax matters amounted to ₹ 17.55 million (As at 31st March, 2023: ₹ 17.55 million), out of which ₹ 17.55 million (As at 31st March, 2023: ₹ 14.35 million) has been deposited/adjusted with the refunds by the income tax department.

**NOTE 30 – DISCLOSURE AS PER INDIAN ACCOUNTING STANDARD (IND AS) 108 “OPERATING SEGMENTS”**

**a) Operating Segments**

Management currently identifies the Company's two service lines as its Operating Segments as follows:-

- (i) Segment – Interest  
(ii) Segment – Investment/Trading in Securities & others

**b) Segment Revenue & Expenses**

Revenue & Expenses directly attributable to the segment is considered as “Segment Revenue & “Segment Expenses”

**c) Segment Assets & Liabilities**

Segment Assets & Liabilities include the respective directly identifiable to each of the segments.

These Operating Segments are monitored by the Company's chief operating decision maker and strategic decisions are made on the basis of segment Operating Results. Segment performance is evaluated based on the profit of each segment.

**The following tables present Revenue and Profit Information and certain Assets and Liabilities information regarding the Company's reportable segments for the years ended 31st March, 2024 and 31st March, 2023.**

(₹ in million)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>1. Segment Revenue</b>		
(net sale/income from each segment should be disclosed under this head)		
(a) Segment – Interest	189.35	118.25
(b) Segment– Investment/Trading in Securities & others	20.67	(9.62)
<b>Total</b>	<b>210.02</b>	<b>108.63</b>
Less: Inter Segment Revenue	-	-
<b>Net sales/Income From Operations</b>	<b>210.02</b>	<b>108.63</b>
<b>2. Segment Results (Profit)(+)/ Loss (-) before tax from Each segment)</b>		
(a) Segment – Interest	63.50	56.98
(b) Segment – Investment/Trading in Securities & others	20.67	(9.62)
<b>Total</b>	<b>84.17</b>	<b>47.36</b>
Less: (i) Other Un-allocable Expenditure net off	0.03	0.05
(ii) Un-allocable income	-	-
<b>Total Profit Before Tax</b>	<b>84.14</b>	<b>47.31</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

(₹ in million)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>3. Capital Employed</b>		
1) Segment Assets		
(a) Segment – Interest	1,446.28	739.40
(b) Segment– Investment/Trading in Securities & others	3,469.44	2,687.58
<b>Total</b>	<b>4,915.72</b>	<b>3,426.98</b>
2) Unallocated Corporate Assets	37.74	24.15
3) Deferred Tax Assets	25.12	44.28
<b>4) Total Assets</b>	<b>4,978.58</b>	<b>3,495.41</b>
5) Segment Liabilities		
(a) Segment – Interest	835.64	438.99
(b) Segment– Investment/Trading in Securities & others	-	8.10
<b>Total</b>	<b>835.64</b>	<b>447.09</b>
6) Unallocated Liabilities	0.21	0.21
<b>7) Total Liabilities</b>	<b>835.85</b>	<b>447.30</b>
8) Share Holder's Fund	4,142.73	3,048.11

**NOTE 31 – RELATED PARTY TRANSACTIONS**

Subsidiaries	Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives	Key Management Personnel and their Relatives
<b>Subsidiaries :-</b>	H.A. Share & Stock Brokers Private Limited	<b>KMP</b>
Master Capital Services Limited	Prime Industries Limited	Mr. Harjeet Singh Arora
Master Infrastructure & Real Estate Developers Limited	Master Share & Stock Brokers Private Limited	Mr. Rajinder Kumar Singhanian
Master Insurance Brokers Limited	H.K Arora Real Estate Service Private Limited	Mr. Sunil Kumar
	Big Build Real Estate Private Limited	Mr. Vikas Gupta
<b>Step down subsidiaries :-</b>	Matria Estate Developers Private Limited	
Master Commodity Services Limited	Arora Financial Services Private Limited	<b>Relatives of KMP</b>
Master Portfolio Services Limited	Saintco India Private Limited	Mrs. Harneesh Kaur Arora
Master Trust Wealth Private Limited	Sanawar Agri Private Limited	Mrs. Parveen Singhanian
	Eminent Buildwell Private Limited	Mr. Puneet Singhanian
	Master Projects Private Limited	Mr. Chirag Singhanian
	Irage Mastertrust Investment Managers LLP	Mrs. Palka A Chopra
	Master Insurance Brokers	Mr. Jashanjyot Singh Arora
	H. Arora & Co.	Mrs. Priyanka Thukral

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

<b>Subsidiaries</b>	<b>Associates/Enterprises owned or significantly influenced by the Key Management Persons or their Relatives</b>	<b>Key Management Personnel and their Relatives</b>
	R Bhai & Co	Mrs. Rohila Singhania
	Crescent Investments	Mrs. Isha Singhania
	Rajinder Kumar Singhania HUF	
	Harjeet Singh Arora HUF	
	Puneet Singhania HUF	
	Jashanjyot Singh Arora HUF	

**Transactions with related parties**

<b>Transactions with related parties</b>		<b>Subsidiaries</b>	<b>Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives</b>	<b>Key Management Personnel and their Relatives</b>	<b>Total</b>
Purchases	Year ended 31 <sup>st</sup> March, 2024	-	-	-	-
	Year ended 31 <sup>st</sup> March, 2023	251.71	-	-	251.71
Sale	Year ended 31 <sup>st</sup> March, 2024	-	1.04	-	1.04
	Year ended 31 <sup>st</sup> March, 2023	12.17	2.30	-	14.46
Brokerage Paid	Year ended 31 <sup>st</sup> March, 2024	0.02	-	-	0.02
	Year ended 31 <sup>st</sup> March, 2023	0.01	-	-	0.01
Interest Paid	Year ended 31 <sup>st</sup> March, 2024	16.30	25.84	2.20	44.34
	Year ended 31 <sup>st</sup> March, 2023	16.47	4.00	1.04	21.51
Interest Received	Year ended 31 <sup>st</sup> March, 2024	74.37	1.22	-	75.59
	Year ended 31 <sup>st</sup> March, 2023	16.11	0.49	-	16.60
Professional Income	Year ended 31 <sup>st</sup> March, 2024	0.90	-	-	0.90
	Year ended 31 <sup>st</sup> March, 2023	2.25	-	-	2.25
Rent Paid / Other Charges	Year ended 31 <sup>st</sup> March, 2024	-	0.01	-	0.01
	Year ended 31 <sup>st</sup> March, 2023	-	0.01	-	0.01
Remuneration	Year ended 31 <sup>st</sup> March, 2024	-	-	6.69	6.69
	Year ended 31 <sup>st</sup> March, 2023	-	-	6.34	6.34
Loan & Advances Given	As at 31 <sup>st</sup> March, 2024	500.00	28.38	-	528.38
	As at 31 <sup>st</sup> March, 2023	0.42	73.76	-	74.18
Loan & Advances Taken	As at 31 <sup>st</sup> March, 2024	95.23	27.58	64.67	187.49
	As at 31 <sup>st</sup> March, 2023	269.51	15.66	25.03	310.20
Corporate Guarantees given	As at 31 <sup>st</sup> March, 2024	5,700.00	-	-	5,700.00
	As at 31 <sup>st</sup> March, 2023	4,850.00	-	-	4,850.00
Amount Receivable outstanding at the end of the year	As at 31 <sup>st</sup> March, 2024	501.24	28.48	-	529.72
	As at 31 <sup>st</sup> March, 2023	0.42	73.76	-	74.18
Amount Payable outstanding at the end of the year	As at 31 <sup>st</sup> March, 2024	95.23	27.58	64.67	187.49
	As at 31 <sup>st</sup> March, 2023	269.51	15.66	25.03	310.20

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

**NOTE 32 – EMPLOYEE BENEFITS**

The Company provides for the gratuity, covering qualifying employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under The Payment of Gratuity Act, 1972.

Details of defined benefit plans as per actuarial valuation are as follows:

**Expense recognised in the statement of Profit and Loss:**

Particulars	(₹ in million)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest cost	0.26	0.24
Current service cost	0.10	0.11
Past Service Cost	-	-
Expected return on plan asset	-	-
<b>Expenses to be recognised in P&amp;L</b>	<b>0.36</b>	<b>0.35</b>

**Other comprehensive (income) / expenses (Remeasurement)**

Particulars	(₹ in million)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cumulative unrecognised actuarial (gain)/loss opening B/F	(1.69)	(1.76)
Actuarial (gain)/loss - obligation	(0.22)	0.07
Actuarial (gain)/loss - plan assets	-	-
Total Actuarial (gain)/loss	(0.22)	0.07
<b>Cumulative total actuarial (gain)/loss. C/F</b>	<b>(1.91)</b>	<b>(1.69)</b>

**The amount to be recognised in the Balance Sheet:**

Particulars	(₹ in million)	
	As at 31st March, 2024	As at 31st March, 2023
Present value of the obligation at the end of the year	3.16	3.50
Fair value of plan assets at end of year	-	-
<b>Net liability/(asset) recognised in Balance Sheet and related analysis</b>	<b>3.16</b>	<b>3.50</b>
Funded Status - Surplus/ (Deficit)	(3.16)	(3.50)

**Table Showing Changes in Present Value of Obligations:**

Particulars	(₹ in million)	
	As at 31st March, 2024	As at 31st March, 2023
Present value of the obligation at the beginning of the year	3.50	3.43
Interest cost	0.26	0.24
Current service cost	0.10	0.11
Past Service Cost	-	-
Benefits paid (if any)	(0.48)	(0.35)
Actuarial (gain)/loss	(0.22)	0.07
<b>Present value of the obligation at the end of the year</b>	<b>3.16</b>	<b>3.50</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As at 31 <sup>st</sup> March, 2024
Defined Benefit Obligation (Base)	31,57,952 @ Salary Increase Rate : 7%, and discount rate : 7%
Liability with x% increase in Discount Rate	30,95,182; x=1.00% [Change (2)%]
Liability with x% decrease in Discount Rate	32,31,193; x=1.00% [Change 2%]
Liability with x% increase in Salary Growth Rate	32,30,462; x=1.00% [Change 2%]
Liability with x% decrease in Salary Growth Rate	30,94,624; x=1.00% [Change (2)%]
Liability with x% increase in Withdrawal Rate	31,56,987; x=1.00% [Change 0%]
Liability with x% decrease in Withdrawal Rate	31,58,936; x=1.00% [Change 0%]

**Maturity Profile of Defined Benefit Obligation: Maturity analysis of benefit obligations.**

1 <sup>st</sup> April, 2024 to 31 <sup>st</sup> March, 2025	2.43
1 <sup>st</sup> April, 2025 to 31 <sup>st</sup> March, 2026	0.02
1 <sup>st</sup> April, 2026 to 31 <sup>st</sup> March, 2027	0.17
1 <sup>st</sup> April, 2027 to 31 <sup>st</sup> March, 2028	0.01
1 <sup>st</sup> April, 2028 to 31 <sup>st</sup> March, 2029	0.01
1 <sup>st</sup> April, 2029 Onwards	0.51

**NOTE 33**

**As required in terms of paragraph 31 of Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023**

(₹ in million)

Particulars	Amount outstanding	Amount overdue
<b>Liabilities side :</b>		
<b>(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:</b>		
(a) Debentures : Secured	NIL	NIL
: Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate loans and borrowing	773.65	NIL
(e) Commercial Paper	NIL	NIL
(f) Public Deposits *	NIL	NIL
(g) Other Loans		
Bank overdraft (secured against Fixed Deposits)	48.02	NIL
* Please see Note 1 below		
<b>(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :</b>		
(a) In the form of Unsecured debentures		
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		
(c) Other public deposits		
* Please see Note 1 below		



Notes forming part of financial statements  
 for the year ended 31st March, 2024 (Contd.)

(₹ in million)

<b>Assets side :</b>	<b>Amount outstanding</b>
<b>(3) Break-up of Loans and Advances including bills receivables</b>	
<b>[other than those included in (4) below]:</b>	
(a) Secured	25.67
(b) Unsecured	1,202.63
<b>(4) Break up of Leased Assets and stock on hire and other assets counting towards Asset Finance activities</b>	
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	NIL
(b) Operating lease	NIL
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	NIL
(b) Repossessed Assets	NIL
(iii) Other loans counting towards Asset Finance activities	
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	NIL
<b>(5) Break-up of Investments:</b>	
Current Investments :	
1. Quoted	
(i) Shares	
(a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others	NIL
2. Unquoted	
(i) Shares	
(a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others	NIL
Long Term investments :	
1. Quoted :	
(i) Shares :	
(a) Equity	70.73
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	0.14
(iv) Government Securities	NIL
(v) Others ( Please specify)	NIL
2. Unquoted :	
(i) Shares :	
(a) Equity	2,998.68
(b) Preference	2.57

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

(ii) Debentures and Bonds	268.27
(iii) Units of mutual funds	-
(iv) Government Securities	NIL
(v) Others ( Please specify)	
- Investment in Property	6.58
<b>TOTAL</b>	<b>3,346.97</b>

(6) Borrower group-wise classification of assets financed as in (3) and (4) above : Please see Note 2 below	Amount net of provisions		
	Secured	Unsecured	Total
<b>Category</b>			
1. Related Parties			
(a) Subsidiaries	NIL	501.24	501.24
(b) Companies in the same group	NIL	28.48	28.48
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	25.67	672.91	698.58
<b>Total</b>	<b>25.67</b>	<b>1,202.63</b>	<b>1,228.30</b>

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
Please see note 3 below		
<b>Category</b>		
1. Related Parties		
(a) Subsidiaries	3,264.53	3,264.53
(b) Companies in the same group	24.47	24.47
(c) Other related parties	-	-
2. Other than related parties	51.39	51.39
<b>Total</b>	<b>3,340.39</b>	<b>3,340.39</b>

**(8) Other information**

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(ii) Net Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

**Notes:**

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

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

#### NOTE 34 - RATIOS

Ratios	Numerator	Denominator	Current year	Previous year
(a) Capital to risk-weighted assets ratio (CRAR)	Paid up capital, statutory reserves and other free reserves as reduced by equity investments in subsidiary	Risk Weighted Assets	15%	6%
(b) Tier I CRAR	Paid up capital, statutory reserves and other free reserves as reduced by equity investments in subsidiary	Risk Weighted Assets	15%	6%
(c) Tier II CRAR	Paid up capital, statutory reserves and other free reserves as reduced by equity investments in subsidiary	Risk Weighted Assets	15%	6%
(d) Liquidity Coverage Ratio	Current Asset	Current Liability	1.88	1.99

#### NOTE 35 - TAX EXPENSE

##### 35.1 Deferred tax Assets (Net)

Financial year ended 31<sup>st</sup> March, 2024

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
<b>Deferred tax Assets</b>				
Investment in Equity/Debt/Mutual Fund	0.07	-	(0.07)	-
Brought Forward Losses	44.72	-	(20.22)	24.50
Others	-	-	0.79	0.79
<b>Gross deferred tax assets (A)</b>	<b>44.79</b>	<b>-</b>	<b>(19.50)</b>	<b>25.29</b>
<b>Deferred tax Liabilities</b>				
Related to fixed assets	0.08	0.03	-	0.11
Investment in Equity/Debt/Mutual Fund	-	-	0.06	0.06
Others	0.43	0.20	(0.63)	-
<b>Gross deferred tax liabilities (B)</b>	<b>0.51</b>	<b>0.23</b>	<b>(0.57)</b>	<b>0.17</b>
<b>Deferred tax Assets (Net) (A-B)</b>	<b>44.28</b>	<b>(0.23)</b>	<b>(18.93)</b>	<b>25.12</b>

Financial year ended 31<sup>st</sup> March, 2023

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
<b>Deferred tax Assets</b>				
Investment in Equity/Debt/Mutual Fund	0.03	-	0.04	0.07
Brought Forward Losses	34.58	10.14	-	44.72
Provision for doubtful debt/advances	0.35	-	(0.35)	-
<b>Gross deferred tax assets (A)</b>	<b>34.96</b>	<b>10.14</b>	<b>(0.31)</b>	<b>44.79</b>
<b>Deferred tax Liabilities</b>				
Related to fixed assets	0.04	0.04	-	0.08
Others	0.44	-	(0.01)	0.43
<b>Gross deferred tax liabilities (B)</b>	<b>0.48</b>	<b>0.04</b>	<b>(0.01)</b>	<b>0.51</b>
<b>Deferred tax Assets (Net) (A-B)</b>	<b>34.48</b>	<b>10.10</b>	<b>(0.30)</b>	<b>44.28</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

### 35.2 Tax expense recognised in profit or loss

(₹ in million)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax	0.82	0.40
Deferred tax	0.23	(10.10)
Current tax expense relating to prior years	0.05	0.17
<b>Total Tax expense recognised</b>	<b>1.10</b>	<b>(9.53)</b>

### 35.3 Reconciliation of tax expense and the accounting profit multiplied by statutory tax rate:

(₹ in million)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit before tax	84.14	47.31
Tax at the Indian Tax Rate of 25.168%	21.17	11.91
Effect of income that is taxable at lower rates	(20.30)	(20.40)
Effect of expenses that are non-deductible in determining taxable profit	0.23	(0.17)
Effect of expenses that are deductible in determining taxable profit	-	-
Effect of income that is exempt from taxation	-	(0.87)
<b>Total tax expense recognised in profit or loss</b>	<b>1.10</b>	<b>(9.53)</b>

### 35.4 Tax expense recognised in other comprehensive income

(₹ in million)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Gain/(loss) on Fair Valuation of Equity instruments carried at FVOCI	299.00	123.37
Brought Forward Losses	20.22	-
Provision for doubtful debt/advances	-	0.35
Others	(0.43)	-
<b>Total</b>	<b>318.79</b>	<b>123.72</b>

## NOTE 36 - EXPOSURE

### 1.1. Exposure to real estate sector

(₹ in million)

Category	Current year	Previous Year
<b>i) Direct exposure</b>		
a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	-	-
b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

(₹ in million)		
<b>Category</b>	<b>Current year</b>	<b>Previous Year</b>
c) Investments in Mortgage-Backed Securities (MBS) and other securitised exposures –	-	-
i. Residential		
ii. Commercial Real Estate		
<b>ii) Indirect Exposure</b>		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>-</b>	<b>-</b>

## 1.2. Exposure to capital market

(₹ in million)		
<b>Particulars</b>	<b>Current year</b>	<b>Previous Year</b>
i) Direct investment in equity shares, convertible bonds, convertible debentures, other investments and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	3,340.40	2,533.14
ii) Advances against shares/bonds/debentures or other securities or on clean basis for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	653.58	591.46
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii) Bridge loans to companies against expected equity flows / issues	-	-
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) Financing to stockbrokers for margin trading	-	-
x) All exposures to Alternative Investment Funds:	-	-
(i) Category I		
(ii) Category II		
(iii) Category III		
<b>Total exposure to capital market</b>	<b>3,993.98</b>	<b>3,124.60</b>

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

### 1.3. Sectoral exposure

Sectors	Current Year			Previous Year		
	Total Exposure	Gross NPAs	% of Gross NPAs to total exposure in that sector	Total Exposure	Gross NPAs	% of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans	-	-	-	-	-	-
5. Others	1,228.30	-	-	780.10	-	-

### 1.4. Intra-group exposures

Particulars	Current Year	Previous Year
Total amount of intra-group exposures	529.72	74.19
Total amount of top 20 intra-group exposures	529.72	74.19
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	43%	10%

1.5. There were no unhedged foreign currency transactions for the year ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

### NOTE 37 - DISCLOSURE OF COMPLAINTS

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

Particulars	Current year	Previous Year
Complaints received by the NBFC from its customers		
1. Number of complaints pending at beginning of the year	-	-
2. Number of complaints received during the year	-	-
3. Number of complaints disposed during the year	-	-
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. Number of complaints pending at the end of the year	-	-
<b>Maintainable complaints received by the NBFC from Office of Ombudsman</b>		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
5.2 Of 5, number of complaints resolved through conciliation/mediation /advisories issued by Office of Ombudsman	-	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-



Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

## NOTE 38 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

### 38.1 Classification of Financial instruments

Particulars	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
<b>Financial Assets</b>						
Cash and cash equivalents	0.05	-	-	0.26	-	-
Bank balances other than Cash and cash equivalents	257.71	-	-	20.21	-	-
Loans and Advances	1,228.30	-	-	780.10	-	-
Investments	-	3,340.40	-	-	2,533.14	-
Other financial assets	4.92	-	-	0.51	-	-
<b>Total</b>	<b>1,490.98</b>	<b>3,340.40</b>	<b>-</b>	<b>801.08</b>	<b>2,533.14</b>	<b>-</b>
<b>Financial Liabilities</b>						
Payables	-	-	-	-	-	-
Borrowings	821.67	-	-	417.55	-	-
Other financial liabilities	1.98	-	-	15.02	-	-
<b>Total</b>	<b>823.65</b>	<b>-</b>	<b>-</b>	<b>432.57</b>	<b>-</b>	<b>-</b>

The management assessed that cash and cash equivalents and bank balances, loans and advances, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

### 38.2 Fair value hierarchy

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

#### Level 1:

Quoted prices in an active market: This level of hierarchy includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical instruments.

#### Level 2:

Valuation techniques with observable inputs: This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

#### Level 3:

Valuation techniques with unobservable inputs: This level of hierarchy includes instruments measured using inputs that are not based on observable market data (unobservable inputs). Fair value is 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 instruments nor based on available market data.

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

**The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:**

**As at 31<sup>st</sup> March, 2024**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in quoted equity instruments	70.87	-	-	<b>70.87</b>
Investments in unquoted equity instruments	-	-	2,998.69	<b>2,998.69</b>
Investments in quoted mutual funds	-	-	-	<b>-</b>
Investments in unquoted debentures/other funds	-	-	269.84	<b>269.84</b>
	70.87	-	3,268.53	<b>3,339.40</b>

**As at 31<sup>st</sup> March, 2023**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in quoted equity instruments	10.31	-	-	<b>10.31</b>
Investments in unquoted equity instruments	-	-	2,260.46	<b>2,260.46</b>
Investments in quoted mutual funds	-	-	-	<b>-</b>
Investments in unquoted debentures/other funds	-	-	261.37	<b>261.37</b>
	10.31	-	2,521.83	<b>2,532.14</b>

The following methods and assumptions were used to estimate the fair values:

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of net asset value approach, in this approach the net asset value is used to capture the fair value of these investments.

Quoted mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for mutual fund declared by mutual fund house.

Unquoted debentures/other funds: Fair value is determined by reference to quotes from fund houses/portfolio management services companies/on market basis.

### 38.3 Financial Risk Management

This note explains the risk which company is exposed to and policies and framework adopted by the Company to manage these risks.

The Company's activities expose it mainly to the market risk, credit risk and liquidity risk.

The monitoring and management of such risks is undertaken by the senior management of the Company. There are appropriate policies and procedures in place through which such financial risks are identified, measured and managed by the Company. The Audit Committee and the Board are regularly apprised of these risks and measures used to mitigation these risks.

#### a. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse changes in market rates and prices such as currency risk, interest rate risk, other price risk etc.

##### (i) Currency Risk

Currently company does not have transaction in foreign currencies and hence the Company is not exposed to currency risk.

##### (ii) Interest rate risk

Since the Company does not have any significant financial assets or financial liabilities bearing floating interest rates, any change in interest rates would not have any significant impact on the

## Notes forming part of financial statements for the year ended 31st March, 2024 (Contd.)

financial statements of the Company.

### (iii) Price Risk

The Company is exposed to price risk arising from investments held by the Company and classified in the balance sheet either as at fair value through profit or loss or at fair value through other comprehensive income. To manage its price risk arising from investments, the Company diversifies its portfolio in equity, debt, money market and other instruments (including through funds). The Company also has strategic asset allocation benchmarks and risk limits.

#### Sensitivity analysis

The paragraph below summaries the impact of increase/decrease in the prices of investments held at the end of the year on the Company's profit and other comprehensive income for the year. The analysis is based on the assumption that prices of investments are increased or decreased by 5% with all other variables held constant:

- (i) In respect of investments measured at fair value through other comprehensive income, other comprehensive income for the year ended 31<sup>st</sup> March, 2024 would have been increased/decreased by ₹ 167.02 million (31<sup>st</sup> March, 2023: 126.66 million) as a result of the changes in prices of investments.

### b. Credit Risk

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

Financial instruments that are subject to concentrations of credit risk principally consist of receivables, cash and cash equivalents, bank deposits, investments in debentures, mutual funds & other funds and other financial assets.

The maximum exposure to credit risk was ₹ 1,761.82 million and ₹ 1,063.45 million, as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 respectively, being the total carrying value of loans and advances, cash and cash equivalents, balances with bank, investments (excluding equity investments) and other financial assets.

To manage the credit risk, the credit worthiness of the receivables is evaluated on an ongoing basis and investment is made only after considering counterparty risks based on multiple criteria including Tier I capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and deposit base of banks and financial institutions etc. These risks are monitored regularly as per its risk management program.

As at the end of the reporting period, all the investments have been fair valued and receivables, bank balances and other financial assets are considered to be good.

### c. Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Group consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at :

Financial Liabilities	As at 31 <sup>st</sup> March, 2024			
	Amount	Less than 1 year	1-5 years	More than 5 years
Borrowings	821.67	821.67	-	-
Other financial liabilities	1.98	1.98	-	-
	<b>823.65</b>	<b>823.65</b>	-	-

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

Financial Liabilities	As at 31 <sup>st</sup> March, 2023			
	Amount	Less than 1 year	1-5 years	More than 5 years
Borrowings	417.55	417.55	-	-
Other financial liabilities	15.02	15.02	-	-
	<b>432.57</b>	<b>432.57</b>	-	-

**NOTE 39 – MATURITY PATTERN OF ASSETS AND LIABILITIES**

Particulars	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>						
Cash and cash equivalents	0.05	-	0.05	0.26	-	0.26
Bank balances other than Cash and cash equivalents	257.71	-	257.71	20.21	-	20.21
Loans and Advances	1,228.30	-	1,228.30	780.10	-	780.10
Investments	-	3,340.40	3,340.40	-	2,533.14	2,533.14
Other financial assets	4.92	-	4.92	0.51	-	0.51
	<b>1,490.98</b>	<b>3,340.40</b>	<b>4,831.38</b>	<b>801.08</b>	<b>2,533.14</b>	<b>3,334.22</b>
<b>Non financial Assets</b>						
Inventories	77.47	-	77.47	84.48	-	84.48
Property, Plant and Equipment	-	1.30	1.30	-	1.33	1.33
Investment Property	-	6.58	6.58	-	8.46	8.46
Deferred tax assets	-	25.12	25.12	-	44.28	44.28
Other non-financial assets	0.50	36.23	36.73	0.03	22.61	22.64
	<b>77.97</b>	<b>69.23</b>	<b>147.20</b>	<b>84.51</b>	<b>76.68</b>	<b>161.19</b>
<b>Total Assets</b>	<b>1,568.95</b>	<b>3,409.63</b>	<b>4,978.58</b>	<b>885.59</b>	<b>2,609.82</b>	<b>3,495.41</b>
<b>Financial liabilities</b>						
Payables						
(i) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises						
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises						
Borrowings	821.67	-	821.67	417.55	-	417.55
Other financial liabilities	1.98	-	1.98	15.02	-	15.02
	<b>823.65</b>	<b>-</b>	<b>823.65</b>	<b>432.57</b>	<b>-</b>	<b>432.57</b>
<b>Non Financial liabilities</b>						
Provisions	2.43	0.73	3.16	2.90	0.60	3.50
Other non-financial liabilities	9.04	-	9.04	11.23	-	11.23
	<b>11.47</b>	<b>0.73</b>	<b>12.20</b>	<b>14.13</b>	<b>0.60</b>	<b>14.73</b>
<b>Total Liabilities</b>	<b>835.12</b>	<b>0.73</b>	<b>835.85</b>	<b>446.70</b>	<b>0.60</b>	<b>447.30</b>

**NOTE 40 – ADDITIONAL REGULATORY INFORMATION AS PER DIVISION III SCHEDULE III OF COMPANIES ACT, 2013**

- a) No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes forming part of financial statements  
for the year ended 31st March, 2024 (Contd.)

- b) No funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- e) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- f) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- g) During the year, the Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- h) There are no transactions which have not been recorded in the books of accounts and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- i) During the current year the Company has not traded or invested in Crypto currency or Virtual Currency.
- j) Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility is not applicable to the Company.

**NOTE 41**

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

As per our Report of even date

**For C.S. Arora & Associates**

Chartered Accountants

FRN 015130N

Sd/-

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

**For and on behalf of the Board**

Sd/-

**Harjeet Singh Arora**

Managing Director

DIN-00063176

Sd/-

**Vikas Gupta**

Company Secretary

Sd/-

**Rajinder Kumar Singhania**

Director

DIN-00077540

Sd/-

**Sunil Kumar**

Chief Financial Officer

# INDEPENDENT AUDITOR'S REPORT

## ON CONSOLIDATED FINANCIAL STATEMENTS

To  
**The Members of  
Master Trust Limited**

**Report on the audit of the Consolidated Financial Statements**

### OPINION

We have audited the accompanying consolidated financial statements of **Master Trust Limited** (hereinafter referred to as the "Holding Company") and subsidiaries companies (Holding Company, and its subsidiaries companies together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2024, the consolidated statement of Profit and Loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2024, of consolidated profit, total comprehensive income, the consolidated changes in equity and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. 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 consolidated financial statements for the year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is no key audit matter to communicate in our report.

### INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Since the other information has not been made available to us, we shall not be able to comment on this aspect.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with



## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements for the year ended 31<sup>st</sup> March 2024, as applicable and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### OTHER MATTERS

We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of Rs.17625.92mn (before consolidation adjustments) as at 31<sup>st</sup> March, 2024, total revenues

of Rs.4528.80mn (before consolidation adjustments) and net cash flows amounting to Rs.4924.63mn for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- As required by Section 143(3) of the Act based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matters' paragraph we report, to the extent applicable, that:
  - We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated statement of Changes in Equity, and the Consolidated Cash Flow Statement dealt with by this Report are

**INDEPENDENT AUDITOR'S REPORT  
ON CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (i)(viii) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of Internal Financial Control with reference to the Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A of this report.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) read with Schedule V of the Act.
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as

amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note 30 to the consolidated financial statements.
- ii. The Group, did not have any material foreseeable losses as at 31<sup>st</sup> March, 2024 on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
- iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lender invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall directly or

## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

- indirectly, lender invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- vi. Based on such audit procedures as 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) (iv) and (i) (v) contain any material misstatement.
- vii. The Company and its Subsidiaries has neither declared nor paid dividend during the year.
- viii. Based on our examination which included test checks, and as communicated by the respective auditors of the subsidiaries, the Holding company and its subsidiary companies have used accounting Softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.
- ix. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.
- ix. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by the respective auditors of subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **C.S. Arora & Associates**

Chartered Accountants

FRN: 015130N

**sd/-**

**Chanchal Singh**

Partner

Membership No.: 090835

UDIN: 24090835BKFFAP9556

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls over financial reporting of Master Trust Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and its subsidiary companies have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March 2024, based on the internal financial controls 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").

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI

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

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

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

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

In our opinion, the Holding Company and its subsidiaries companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024 based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **C.S. Arora & Associates**

Chartered Accountants

FRN: 015130N

**sd/-**

**Chanchal Singh**

Partner

Membership No.: 090835

UDIN: 24090835BKFFAP9556

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024



# Consolidated Balance Sheet

as at 31<sup>st</sup> March, 2024

(₹ in million)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>I ASSETS</b>			
<b>Financial Assets</b>			
a) Cash and cash equivalents	3	96.89	194.77
b) Bank balances other than Cash and cash equivalents	4	14,830.11	9,954.25
c) Trade receivables	5	1,249.75	496.09
d) Loans and Advances	6	728.06	811.10
e) Investments	7	146.24	60.94
f) Other financial assets	8	262.14	315.55
<b>Total Financial Assets</b>		<b>17,313.19</b>	<b>11,832.70</b>
<b>Non-financial Assets</b>			
a) Inventories	9	228.11	168.89
b) Deferred tax assets	10	24.20	43.11
c) Property, Plant and Equipment	11	153.00	138.22
d) Investment Property	12	64.75	83.64
e) Other non financial assets	13	64.05	61.14
<b>Total Non-Financial Assets</b>		<b>534.11</b>	<b>495.00</b>
<b>Total Assets</b>		<b>17,847.30</b>	<b>12,327.70</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
a) Payable	14		
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		10,329.82	6,665.55
b) Borrowings	15	1,874.19	1,622.26
c) Other financial liabilities	16	420.75	318.67
<b>Total Financial Liabilities</b>		<b>12,624.76</b>	<b>8,606.48</b>
<b>Non Financial liabilities</b>			
a) Provisions	17	89.63	9.53
b) Other non-financial liabilities	18	74.00	45.29
<b>Total Non-Financial liabilities</b>		<b>163.63</b>	<b>54.82</b>
<b>Equity</b>			
a) Equity share capital	19	109.22	109.22
b) Other equity	20	4,933.35	3,540.88
<b>Equity attributable to owners of the Company</b>		<b>5,042.57</b>	<b>3,650.10</b>
Non-controlling interests		16.34	16.30
<b>Total Equity</b>		<b>5,058.91</b>	<b>3,666.40</b>
<b>Total Liabilities and Equity</b>		<b>17,847.30</b>	<b>12,327.70</b>

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For C.S. Arora & Associates**

Chartered Accountants

FRN 015130N

**Sd/-**

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

**Sd/-**

**Rajinder Kumar Singhania**

Director

DIN-00077540

**Sd/-**

**Sunil Kumar**

Chief Financial Officer

**For and on behalf of the Board**

**Sd/-**

**Harjeet Singh Arora**

Managing Director

DIN-00063176

**Sd/-**

**Vikas Gupta**

Company Secretary

# Consolidated Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2024

(₹ in million)

	Note No.	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>REVENUE FROM OPERATIONS</b>			
Interest Income	21	1,259.22	786.68
Dividend Income	22	1.12	1.33
Income from dealing in Securities/Land	23	1,871.46	1,083.49
Rental Income	24	0.72	1.45
Fees and commission Income	25	1,853.69	1,496.32
Other Income	26	19.09	23.76
<b>Total Revenue</b>		<b>5,005.30</b>	<b>3,393.03</b>
<b>EXPENSES:</b>			
Employee benefits expense	27	862.09	564.43
Finance Costs	28	564.99	327.17
Depreciation and amortisation expense	11	35.94	26.23
Other expenses	29	2,103.98	1,628.21
<b>Total Expenses</b>		<b>3,567.00</b>	<b>2,546.04</b>
<b>Profit before tax</b>		<b>1,438.30</b>	<b>846.99</b>
<b>TAX EXPENSES</b>			
- Current tax expense for current year		356.04	197.27
- Deferred tax		(0.02)	(9.85)
- Current tax expense relating to prior years		1.44	0.69
<b>Profit after tax before adjustment for Minority Interest</b>		<b>1,080.84</b>	<b>658.88</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
(A) (i) Items that will not be reclassified to profit or loss		53.04	(4.03)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(25.27)	0.60
<b>Subtotal(A)</b>		<b>27.77</b>	<b>(3.43)</b>
(B) (i) Items that will be reclassified to profit or loss		43.88	16.16
(ii) Income tax relating to items that will be reclassified to profit or loss		(9.36)	(4.02)
<b>Subtotal(B)</b>		<b>34.52</b>	<b>12.14</b>
<b>Other Comprehensive Income (A+B)</b>		<b>62.29</b>	<b>8.71</b>
<b>Total Comprehensive Income for the year</b>		<b>1,143.13</b>	<b>667.59</b>
<b>Profit after tax attributable to:</b>			
Owners of the Company		1,080.80	658.87
Non-controlling interests		0.04	0.01
		<b>1,080.84</b>	<b>658.88</b>
<b>Other Comprehensive Income for the year attributable to:</b>			
Owners of the Company		62.29	8.71
Non-controlling interests		-	-
		<b>62.29</b>	<b>8.71</b>
<b>Total Comprehensive Income for the year attributable to:</b>			
Owners of the Company		1,143.09	667.58
Non-controlling interests		0.04	0.01
		<b>1,143.13</b>	<b>667.59</b>
<b>Earnings per equity share (face value ₹ 5 each)</b>			
- Basic	30	49.68	30.29
- Diluted		48.93	30.29

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For C.S. Arora & Associates**

Chartered Accountants

FRN 015130N

**Sd/-**

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

**Sd/-**

**Rajinder Kumar Singhania**

Director

DIN-00077540

**Sd/-**

**Sunil Kumar**

Chief Financial Officer

**For and on behalf of the Board**

**Sd/-**

**Harjeet Singh Arora**

Managing Director

DIN-00063176

**Sd/-**

**Vikas Gupta**

Company Secretary

# Consolidated Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2024

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024		For the year ended 31 <sup>st</sup> March, 2023	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES :</b>				
<b>Net Profit before tax</b>		<b>1,438.30</b>		<b>846.99</b>
Adjustment for:				
Depreciation/amortisation	35.95		26.23	
Profit on sale of Fixed Asset	(0.88)		(0.75)	
Provision for Gratuity	0.27		2.12	
Profit on sale of Investment	(18.22)		(46.31)	
Provision for contingent liabilities	52.00		(1.39)	
		69.12		(20.10)
<b>Operating profit before working capital changes</b>		<b>1,507.42</b>		<b>826.89</b>
Adjustments for (Increase)/decrease in operating assets				
Trade receivables	(753.66)		61.04	
Loans and advances	83.04		(260.92)	
Other financial assets	53.50		(140.93)	
Other Non financial assets	(2.90)		(17.10)	
Inventories	(57.34)		146.88	
<b>Total</b>	<b>(677.36)</b>		<b>(211.03)</b>	
Adjustments for Increase/(decrease) in operating liabilities				
Trade payables	3,664.26		646.70	
Borrowings	282.97		623.96	
Other financial liabilities	102.08		76.24	
Other Non financial liabilities	28.71		3.58	
<b>Total</b>	<b>4,078.02</b>	<b>3,400.66</b>	<b>1,350.48</b>	<b>1,139.45</b>
<b>Cash generated from operations</b>		<b>4,908.08</b>		<b>1,966.34</b>
Income Tax Paid (Net)		(329.43)		(198.18)
<b>Net cash from Operating activities (A)</b>		<b>4,578.65</b>		<b>1,768.16</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of fixed assets	(50.74)		(46.76)	
Sale of fixed assets	0.90		1.81	
Purchase of Investment	(68.87)		(858.61)	
Sale of Investment	68.66		929.13	
Bank balances other than Cash and cash equivalent	(4,875.86)		(1,665.16)	
<b>Net cash used in Investing activities (B)</b>		<b>(4,925.91)</b>		<b>(1,639.59)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Money Received against Share Warrants	249.38		-	
<b>Net cash from financing activities (C)</b>		<b>249.38</b>		<b>-</b>
Net increase in cash and cash equivalents (A+B+C)		(97.88)		128.57
Opening Balance Cash and cash equivalents		194.77		66.20
<b>Closing Balance Cash and cash equivalents</b>		<b>96.89</b>		<b>194.77</b>

## Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2024 (Contd.)

### 1. Cash and cash equivalents consists of :

Particulars	(₹ in million)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Cash on hand	1.08	0.97
Balances with banks		
- In current accounts	95.81	193.80
<b>Total</b>	<b>96.89</b>	<b>194.77</b>

As per our Report of even date

#### For C.S. Arora & Associates

Chartered Accountants

FRN 015130N

**Sd/-**

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

#### For and on behalf of the Board

**Sd/-**

**Rajinder Kumar Singhania**

Director

DIN-00077540

**Sd/-**

**Sunil Kumar**

Chief Financial Officer

**Sd/-**

**Harjeet Singh Arora**

Managing Director

DIN-00063176

**Sd/-**

**Vikas Gupta**

Company Secretary

# Consolidated Statement Of Changes in Equity

For the year ended 31<sup>st</sup> March, 2024

## A. EQUITY SHARE CAPITAL

(₹ in million)

Particulars	Amount
Issued, Subscribed and fully paid up:	
<b>Balance as at 1<sup>st</sup> April, 2022</b>	109.22
Changes during the year:	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	109.22
Changes during the year:	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>109.22</b>

## B. OTHER EQUITY

(₹ in million)

Particulars	Reserves & Surplus						Other Comprehensive Income	Money Received against Share Warrants	Total
	Statutory reserves as per Section 45-IC of the RBI Act, 1934	Capital Reserve	Securities Premium	Contingent Provision Against Standard Assets	General Reserve	Retained Earning			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>51.89</b>	<b>49.09</b>	<b>460.38</b>	<b>0.94</b>	<b>21.97</b>	<b>2,342.42</b>	<b>(37.47)</b>	<b>-</b>	<b>2,889.22</b>
Profit/(loss) for the year	-	-	-	-	-	658.88	-	-	658.88
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	-	8.71	-	8.71
<b>Total</b>	<b>51.89</b>	<b>49.09</b>	<b>460.38</b>	<b>0.94</b>	<b>21.97</b>	<b>3,001.30</b>	<b>(28.76)</b>	<b>-</b>	<b>3,556.81</b>
Transfers to Statutory reserves	11.37	-	-	-	-	(11.37)	-	-	-
Transfers to Contingent Provision Against Standard Assets	-	-	-	0.83	-	(0.83)	-	-	-
Adjustment during the year	-	-	-	-	-	(15.93)	-	-	(15.93)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>63.26</b>	<b>49.09</b>	<b>460.38</b>	<b>1.77</b>	<b>21.97</b>	<b>2,973.17</b>	<b>(28.76)</b>	<b>-</b>	<b>3,540.88</b>
Profit/(loss) for the year	-	-	-	-	-	1,080.80	-	-	1,080.80
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	-	62.29	-	62.29
Money Received against Share Warrants	-	-	-	-	-	-	-	249.38	249.38
<b>Total</b>	<b>63.26</b>	<b>49.09</b>	<b>460.38</b>	<b>1.77</b>	<b>21.97</b>	<b>4,053.97</b>	<b>33.53</b>	<b>249.38</b>	<b>4,933.35</b>
Transfers to Statutory reserves	15.13	-	-	-	-	(15.13)	-	-	-
Transfers to Contingent Provision Against Standard Assets	-	-	-	1.31	-	(1.31)	-	-	-
Adjustment during the year	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>78.39</b>	<b>49.09</b>	<b>460.38</b>	<b>3.08</b>	<b>21.97</b>	<b>4,037.53</b>	<b>33.53</b>	<b>249.38</b>	<b>4,933.35</b>

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For C.S. Arora & Associates**

Chartered Accountants

FRN 015130N

Sd/-

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

Sd/-

**Rajinder Kumar Singhania**

Director

DIN-00077540

Sd/-

**Sunil Kumar**

Chief Financial Officer

**For and on behalf of the Board**

Sd/-

**Harjeet Singh Arora**

Managing Director

DIN-00063176

Sd/-

**Vikas Gupta**

Company Secretary

# Notes forming part of consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## 1. CORPORATE INFORMATION

Master Trust Ltd ('the Company') is a public limited company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial company ('NBFC-ND') with the Reserve Bank of India ('RBI'). Its shares are listed on Bombay Stock Exchange (BSE) in India. The Company along with its subsidiaries (collectively referred to as "the Group") is mainly in the business of lending, broking, portfolio management services, sale/purchase of securities and lands.

The consolidated financial statement for the year ended 31<sup>st</sup> March, 2024 were authorised for issued by the Board of Directors at the meeting held on 30<sup>th</sup> April, 2024.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of preparation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the 2013 Act.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. The consolidated financial statements have been prepared as per the guidelines issued by the RBI as applicable to a NBFCs and other accounting principles generally accepted in India. Any applicable guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

The consolidated financial statements have been prepared on a going concern basis. The Group presents its Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity and disclosures are presented in the format prescribed under Division III of Schedule III of the Companies Act, as amended from time to time that are required to comply with Ind AS. The Consolidated Cash Flows Statement has been presented as per the requirements of Ind AS 7

Statement of Cash Flows.

Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### Rounding of amounts

These consolidated financial statements are presented in Indian Rupees (INR)/(₹), which is also its functional currency and all values are rounded to the nearest millions as per the requirement of schedule III (except per share data), unless otherwise stated '0' (zero) denotes amount less than ten thousand.

### b. Presentation of consolidated financial statements

The Group presents its Consolidated Balance Sheet in order of liquidity. The Group generally reports financial assets and financial liabilities on a gross basis in the Consolidated Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature. The preparation of the Group's consolidated financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those based on management's estimates.

### c. Basis of Consolidation

The consolidated financial statements incorporate the consolidated financial statements of the Company and entities controlled by the Company either directly or indirectly.

#### Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.



## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies.

All intra Group assets and liabilities, equity, income, expenses, and cash flows relating to

transactions between members of the Group are eliminated in full on consolidation.

The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended 31<sup>st</sup> March, 2024 and are prepared based on the accounting policies consistent with those used by the Company.

The consolidated financial statements of the Group have been prepared in accordance with the Ind AS 110 - 'Consolidated financial statements' as per the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 ("the Act") and the other relevant provisions of the Act.

The consolidated financial statements have been prepared on the following basis:

- The financial statement of the Company and its subsidiaries has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realised.
- The financial statements of subsidiaries acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.
- Non-controlling interest, if any, in the net assets of subsidiary consists of the amount of equity attributable to the non-controlling shareholders at the dates on which investments are made by the Company in the subsidiary and further movements in their share in the equity, subsequent to the dates of investments as stated above.
- Investment made by the Company in an associate company is accounted under the equity method, in accordance with the Indian Accounting Standard 28 on 'Investments in Associates and Joint Ventures.'
- The policies of the subsidiaries and associate company are consistent with those of the Company.

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

The subsidiaries considered in the consolidated financial statements are as below:-

Name	Relationship	Country of Incorporation	Share of Ownership Interest as at 31 <sup>st</sup> March, 2024	Share of Ownership Interest as at 31 <sup>st</sup> March, 2023
<b>Master Infrastructure and Real Estate Developers Limited</b>	Subsidiary	India	100%	100%
<b>Master Capital Services Limited</b>	Subsidiary	India	100%	100%
<b>Master Commodity Services Limited</b>	Subsidiary	India	93.45%	93.45%
<b>Master Portfolio Services Limited</b>	Subsidiary	India	100%	100%
<b>Master Trust Wealth Private Limited</b>	Subsidiary	India	100%	100%
<b>Master Insurance Brokers Limited</b>	Subsidiary	India	100%	100%

**d. Investment in associates**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment.

Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases. The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109.

The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis

## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

### e. Revenue Recognition

#### Recognition of interest income on loans

The Group follows the mercantile system of accounting and recognised Profit/Loss on that basis. Interest income is recognised on the time proportionate basis starting from the date of disbursement of loan. In case of Non-Performing Assets, interest income is recognised on receipt basis, as per NBFC Prudential norms.

#### Rental Income

Income from operating leases is recognised in the Consolidated statement of Profit and Loss as per contractual rentals unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished.

#### Fee and commission income

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

#### Dividend and interest income on investments

Dividends are recognised in Consolidated statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

#### Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established.

### f. Property, Plant and Equipment (PPE)

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

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

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

Buildings	60 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Computer	3 years
Vehicles	8 years

### g. Inventories

Inventories are valued at the lower of cost and the net realisable value.

### h. Investment property

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

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Consolidated statement of Profit and Loss in the same period.

## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

### i. Fair value measurement

For financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

**Level 1** inputs are quoted prices in active markets for identical assets or liabilities that the Group can access at the measurement date;

**Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

**Level 3** inputs are unobservable inputs for the asset or liability.

### j. Financial instruments

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

#### Financial assets

##### i Initial recognition

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

##### ii Subsequent measurement

Financial assets are classified into the following specified categories: amortised cost, financial assets at fair value through profit and loss (FVTPL), Fair value through

other comprehensive income (FVTOCI). The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

#### Debt Instrument

##### Amortised Cost

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

##### Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.
- b. The asset's contractual cash flows represent solely payments of principal and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated statement of Profit and Loss.

##### Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so

## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated statement of Profit and Loss.

### Equity investments

The Group measures its equity investments at fair value through profit and loss. However where the Group's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to Consolidated statement of Profit and Loss.

### Derivative financial instruments

Derivative financial instruments are classified and measured at fair value through profit and loss.

### iii Derecognition of financial assets

A financial asset is derecognised only when

- i) The Group has transferred the rights to receive cash flows from the asset or the rights have expired.
- ii) The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement. Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

### Impairment of financial assets

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity

operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### Significant increase in credit risk

The Group monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than twelve-months ECL.

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.

ECL is calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (dpd) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

### 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



## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

### 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. 30 days past due 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 is considered as default for classifying a financial instrument as credit impaired. If an event (for e.g. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Group may classify the financial asset in Stage 3 accordingly.

As required by RBI Circular reference no. RBI/2019-20/170 DOR (NBFC).CC.pd.no. 109/22.10.106/ FY 2019-20 dated 13<sup>th</sup> March, 2020; where impairment allowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc., the Group shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'.

In line with Reserve Bank of India Master Circular on prudential norms on Income Recognition, Asset Classification and provisioning pertaining to Advances and Clarifications dated 12<sup>th</sup> November, 2021, borrower accounts shall be flagged as overdue as part of the day-

end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as non-performing Asset / Stage 3 shall be done as part of day-end process for the relevant date i.e. more than 90 days overdue and NPA/Stage 3 classification date shall be the calendar date for which the day end process is run. In other words, the date of non-performing Asset / Stage 3 shall reflect the asset classification status of an account at the day-end of that calendar date.

Upgradation of accounts classified as Stage 3/ non-performing assets (NPA) - The Group upgrades loan accounts classified as Stage 3/ NPA to 'standard' asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the Group in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

The Group's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Group monitors all financial assets that are subject to impairment for significant increase in credit risk.

### Write-off

Loans and debt securities are written-off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off.

### Presentation of allowance for ECL in the Consolidated Balance Sheet

Loss allowances for ECL are presented in the Consolidated Balance Sheet as follows:

- For financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;



## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

- For debt instruments measured at FVTOCI: no loss allowance is recognised in the Consolidated Balance Sheet as the carrying amount is at fair value.

### Financial liabilities and equity instruments

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

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments. Net Gain/ loss on fair value changes includes the effect of financial instruments held at fair value through Profit or loss (FVTPL) for continuing and discontinuing portfolio.

### Financial liabilities

#### i Classification

Financial liabilities are recognised when Group becomes party to contractual provisions of the instrument. The Group determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss. The Group classifies all financial liabilities at amortised cost or fair value through profit or loss.

#### ii Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities measured at amortised cost

- Financial liabilities measured at FVTPL (fair value through profit or loss)

#### i) Financial liabilities measured at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Consolidated statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Consolidated statement of Profit and Loss.

#### ii) Financial liabilities measured at fair value through profit or loss

After initial recognition financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the Consolidated statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included in finance costs in the Consolidated statement of Profit and Loss.

#### iii De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### iv Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The

## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

Group did not reclassify any of its financial assets or liabilities in FY 2023-24 and until the year ended 31<sup>st</sup> March, 2024.

### k. Employee benefits

#### Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

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

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

#### Contribution to provident fund and ESIC

Group's contribution paid/payable during the year to provident fund and ESIC is recognised in the Consolidated statement of Profit and Loss.

#### Gratuity

The material group's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognised at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.

#### Re-measurement gains/losses -

Re-measurement of defined benefit plans, comprising of actuarial gains/losses, return on plan assets excluding interest income are recognised immediately in the Consolidated Balance Sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Re-measurements are not reclassified to Consolidated statement of Profit and Loss in the subsequent period.

### l. Finance costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowings.

### m. Taxation - Current and deferred tax

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

#### Current tax

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

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

### **n. Provisions and contingent liabilities**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **o. Leases**

#### **Where the Group is the lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as

operating leases. Operating lease payments are recognised as an expense in the Consolidated statement of Profit and Loss.

#### **Where the Group is the lessor**

Lease income is recognised in the Consolidated statement of Profit and Loss as per contractual rental unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished.

### **p. Cash and cash equivalents**

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

### **q. Earnings per share**

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

### **r. Exceptional items**

In certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, Such income or expenses are classified as an exceptional item and accordingly, disclosed in the consolidated financial statements.

### **s. Significant accounting judgements, estimates and assumptions**

In the application of the Group's accounting policies, which are described as stated above, the Directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

### Key sources of uncertainty

In the application of the Group accounting policies, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements:

#### a. Useful lives of depreciable tangible assets

Management reviews the useful lives of depreciable/amortisable assets at each reporting date.

#### b. Fair Value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes.

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

the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

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

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

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

**Level 1 financial instruments** - Those financial instruments where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group 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 Consolidated Balance Sheet date.

**Level 2 financial instruments**- Those financial instruments where the inputs that

## Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

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 Group will classify the instruments as Level 3.

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

The Group 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 reporting period.

### c. Contingent Liability

In ordinary course of business, the Group faces claims by various parties. The Group annually assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its consolidated financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosures in the consolidated financial statements but does not record a liability in its consolidated financial statements unless the loss becomes probable.

### d. Impairment testing

Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered or on more detailed reviews of individually significant balances. Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

### Impairment of non-financial assets, wherever applicable

The Group assesses at each Consolidated Balance Sheet date whether there is any indication that non-financial asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Consolidated statement of Profit and Loss. If at the Consolidated Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

### e. Tax

The Group's tax charge is the sum of the total current and deferred tax charges. The calculation of the Group's total tax charge necessarily involves a degree of estimation

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

The recognition of deferred tax assets is based upon whether it is more likely than

not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Group in which the deferred tax asset has been recognised.



Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

### NOTE 3 - CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Cash on hand	1.08	0.97
Balances with banks		
-In current accounts	95.81	193.80
<b>Total</b>	<b>96.89</b>	<b>194.77</b>

### NOTE 4 - BANK BALANCES OTHER THAN ABOVE CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balances with banks		
-In deposit accounts*	14,829.90	9,954.04
In earmarked accounts		
- Unpaid dividend accounts	0.21	0.21
<b>Total</b>	<b>14,830.11</b>	<b>9,954.25</b>

\* Fixed Deposit pledged against overdraft facility, Margin with Exchange and Bank Guarantee etc.

### NOTE 5 - TRADE RECEIVABLES

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Trade receivables, considered good	1,249.75	496.09
<b>Total</b>	<b>1,249.75</b>	<b>496.09</b>

#### Ageing for trade receivables as at 31<sup>st</sup> March, 2024

(₹ in million)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
(i) Undisputed Trade receivables – considered good	1,236.17	6.39	7.19	-	-	1,249.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,236.17</b>	<b>6.39</b>	<b>7.19</b>	<b>-</b>	<b>-</b>	<b>1,249.75</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

### Ageing for trade receivables as at 31<sup>st</sup> March, 2023

(₹ in million)

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	TOTAL
(i) Undisputed Trade receivables – considered good	484.92	6.65	4.52	-	-	496.09
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>484.92</b>	<b>6.65</b>	<b>4.52</b>	<b>-</b>	<b>-</b>	<b>496.09</b>

### NOTE 6 - LOANS AND ADVANCES

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Loans and advances to related parties	28.48	74.19
Loans and advances to others*	699.58	736.91
<b>Total</b>	<b>728.06</b>	<b>811.10</b>

\* Includes Secured Loans amounting to ₹ 25.67 million (Year ended 31<sup>st</sup> March, 2023 : ₹ 36.23 million)

### NOTE 7 - INVESTMENTS

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
<b>Equity instruments</b>						
<b>(a) Associates</b>						
Nil (As at 31 <sup>st</sup> March, 2023: 1,300) shares of ₹ 100 each fully paid up in H A Share & Stock Brokers Private Limited	-	-	-	1.83	-	1.83
<b>(b) Other Group Companies</b>						
4 (As at 31 <sup>st</sup> March, 2023: 4) shares of ₹ 5,000 each fully paid up in Master Projects Private Limited	-	1.42	1.42	-	1.42	1.42
1,07,276 (As at 31 <sup>st</sup> March, 2023: 1,07,276) shares of ₹ 5 each fully paid up in Prime Industries Limited	23.05	-	23.05	1.35	-	1.35
<b>(c) Others</b>						
1,340 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Ami Organics Limited	1.47	-	1.47	-	-	-

Notes forming part of consolidated financial statements  
 for the year ended 31<sup>st</sup> March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
450 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Astec Lifesciences Limited	0.48	-	0.48	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 6,000) shares of ₹ 10 each fully paid up in Atam Valves Limited	-	-	-	1.13	-	1.13
35,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Dhruv Consultancy Services Limited	4.13	-	4.13	-	-	-
12,585 (As at 31 <sup>st</sup> March, 2023: 8,085) shares of ₹ 10 each fully paid up in Equitas Small Finance Bank Limited	1.12	-	1.12	0.52	-	0.52
1,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Federal-Mogul Goetze (India) Limited	0.33	-	0.33	-	-	-
65 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Force Motors Limited	0.47	-	0.47	-	-	-
214 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Freshleaf Teas Private Limited	-	0.50	0.50	-	-	-
46,914 (As at 31 <sup>st</sup> March, 2023: 46,914) shares of ₹ 10 each fully paid up in Hubtown Limited	5.69	-	5.69	1.44	-	1.44
8,500 (As at 31 <sup>st</sup> March, 2023: 8,500) shares of ₹ 10/- each fully paid up in Lsc Securities Limited.	0.25	-	0.25	0.25	-	0.25
1,50,000 (As at 31 <sup>st</sup> March, 2023: 1,50,000) shares of ₹ 10 each fully paid up in MEP Infrastructure Developers Limited.	1.73	-	1.73	1.78	-	1.78
12,870 (As at 31 <sup>st</sup> March, 2023: 12,870) shares of ₹ 10 each fully paid up in NCC Limited	2.72	-	2.72	1.00	-	1.00
3,900 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Nocil Limited	0.98	-	0.98	-	-	-
17,500 (As at 31 <sup>st</sup> March, 2023: 17,500) shares of ₹ 10 each fully paid up in PTC India Financial Services Limited.	0.65	-	0.65	0.22	-	0.22
5,500 (As at 31 <sup>st</sup> March, 2023: 5,500) shares of ₹ 10 each fully paid up in Prism Johnson Limited.	0.94	-	0.94	0.58	-	0.58
23,600 (As at 31 <sup>st</sup> March, 2023: 23,600) shares of ₹ 10 each fully paid up in R R Financial Consultants Limited	0.32	-	0.32	0.14	-	0.14

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
10,020 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in SG Finserve Limited	4.30	-	4.30	-	-	-
220 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Shriram Pistons and Rings Limited	0.42	-	0.42	-	-	-
1,453 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in S.J.S Enterprises Limited	0.90	-	0.90	-	-	-
3,335 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Shyam Metalics and Energy Limited	1.92	-	1.92	-	-	-
490 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Tanfac Industries Limited	0.97	-	0.97	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 40) shares of ₹ 10 each fully paid up in Tata Elxsi Limited	-	-	-	0.22	-	0.22
580 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Technocraft Industries (India) Limited	1.13	-	1.13	-	-	-
3,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Uttam Sugar Mills Limited	0.97	-	0.97	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 10,000) shares of ₹ 6 each fully paid up in Almondz Global Securities Limited	-	-	-	0.60	-	0.60
1,100 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Godawari Power and Ispat Limited	0.80	-	0.80	-	-	-
1,268 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Gokaldas Exports Limited	0.91	-	0.91	-	-	-
1,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Nahar Spinning Mills Limited	0.27	-	0.27	-	-	-
1,970 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Pearl Global Industries Limited	1.06	-	1.06	-	-	-
21,263 (As at 31 <sup>st</sup> March, 2023: 21,263) shares of ₹ 5 each fully paid up in Puravankara Limited.	4.20	-	4.20	1.44	-	1.44
Nil (As at 31 <sup>st</sup> March, 2023: 4,285) shares of ₹ 2 each fully paid up in Apollo Pipes Limited	-	-	-	2.35	-	2.35
1,350 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Bharat Forge Limited	1.48	-	1.48	-	-	-

Notes forming part of consolidated financial statements  
 for the year ended 31<sup>st</sup> March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
4,000 (As at 31 <sup>st</sup> March, 2023: 4,000) shares of ₹ 2 each fully paid up in Container Corporation of India Limited	3.47	-	3.47	2.38	-	2.38
Nil (As at 31 <sup>st</sup> March, 2023: 400) shares of ₹ 2 each fully paid up in Cummins Limited	-	-	-	0.62	-	0.62
14,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in EFC (I) Limited	4.61	-	4.61	-	-	-
1,240 (As at 31 <sup>st</sup> March, 2023: 1,240) shares of ₹ 2 each fully paid up in ICICI Bank Limited.	1.33	-	1.33	1.06	-	1.06
Nil (As at 31 <sup>st</sup> March, 2023: 25,000) shares of ₹ 2 each fully paid up in ISMT Limited	-	-	-	1.82	-	1.82
85,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Jaiprakash Associates Limited	1.57	-	1.57	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 1,000) shares of ₹ 2 each fully paid up in KPIT Technologies Limited	-	-	-	0.89	-	0.89
340 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Lupin Limited	0.52	-	0.52	-	-	-
48,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Peninsula Land Limited	2.26	-	2.26	-	-	-
1,234 (As at 31 <sup>st</sup> March, 2023: 1,234) shares of ₹ 2 each fully paid up in Sansera Engineering Limited	1.44	-	1.44	0.92	-	0.92
1,700 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Sudarshan Chemical Industries Limited	1.03	-	1.03	-	-	-
1,000 (As at 31 <sup>st</sup> March, 2023: 1,000) shares of ₹ 2 each fully paid up in Taal Enterprises	2.51	-	2.51	1.65	-	1.65
50,000 (As at 31 <sup>st</sup> March, 2023: 50,000) shares of ₹ 2 each fully paid up in Taneja Aerospace & Aviation Limited	17.94	-	17.94	6.45	-	6.45
550 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in United Spirits Limited	0.61	-	0.61	-	-	-
375 (As at 31 <sup>st</sup> March, 2023: 955) shares of ₹ 2 each fully paid up in Vardhman Textiles Limited	0.16	-	0.16	0.28	-	0.28

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
50,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in Alliance Integrated Metaliks Limited	2.54	-	2.54	-	-	-
36,037 (As at 31 <sup>st</sup> March, 2023: 36,037) shares of ₹ 1 each fully paid up in Delhi Stock Exchange Limited	1.10	-	1.10	1.09	-	1.09
2,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in Exide Industries Limited	0.60	-	0.60	-	-	-
2,592 (As at 31 <sup>st</sup> March, 2023: 2,592) shares of ₹ 1 each fully paid up in Greenpanel Industries Limited	0.80	-	0.80	0.70	-	0.70
100 (As at 31 <sup>st</sup> March, 2023: 100) shares of ₹ 1 each fully paid up in Ludhiana Stock Exchange Limited	0.03	-	0.03	0.03	-	0.03
6,000 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in Sterling And Wilson Renewable Energy Limited	3.01	-	3.01	-	-	-
1,700 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in Triveni Engineering and Industries Limited	0.52	-	0.52	-	-	-
<b>Investment through Portfolio Management Services (PMS)</b>						
2,312 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in Aditya Birla Fashion And Retail Limited	0.48	-	0.48	-	-	-
553 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in CARE Ratings Limited	0.62	-	0.62	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 1,745) shares of ₹ 10 each fully paid up in Den Networks Limited	-	-	-	0.05	-	0.05
Nil (As at 31 <sup>st</sup> March, 2023: 170) shares of ₹ 10 each fully paid up in Escorts Kubota Limited	-	-	-	0.32	-	0.32
Nil (As at 31 <sup>st</sup> March, 2023: 296) shares of ₹ 10 each fully paid up in Federal-Mogul Goetze (India) Limited	-	-	-	0.09	-	0.09
Nil (As at 31 <sup>st</sup> March, 2023: 526) shares of ₹ 10 each fully paid up in Fortis Healthcare Limited	-	-	-	0.14	-	0.14
Nil (As at 31 <sup>st</sup> March, 2023: 1,926) shares of ₹ 10 each fully paid up in Hemisphere Properties India Limited	-	-	-	0.16	-	0.16



Notes forming part of consolidated financial statements  
 for the year ended 31<sup>st</sup> March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
872 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 10 each fully paid up in ICICI Prudential Life Insurance Company Limited	0.53	-	0.53	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 1,097) shares of ₹ 10 each fully paid up in IDFC Limited	-	-	-	0.09	-	0.09
Nil (As at 31 <sup>st</sup> March, 2023: 769) shares of ₹ 10 each fully paid up in Music Broadcast Pref 19JN26	-	-	-	0.08	-	0.08
Nil (As at 31 <sup>st</sup> March, 2023: 423) shares of ₹ 10 each fully paid up in Nucleus Software Exports Limited	-	-	-	0.27	-	0.27
Nil (As at 31 <sup>st</sup> March, 2023: 610) shares of ₹ 10 each fully paid up in Religare Enterprises Limited	-	-	-	0.09	-	0.09
Nil (As at 31 <sup>st</sup> March, 2023: 104) shares of ₹ 10 each fully paid up in Sona BLW Precision Forgings Limited	-	-	-	0.04	-	0.04
Nil (As at 31 <sup>st</sup> March 2023: 2,089) shares of ₹ 10 each fully paid up in Piramal Pharma Limited.	-	-	-	0.14	-	0.14
763 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Sun TV Network Limited	0.46	-	0.46	-	-	-
422 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 5 each fully paid up in Tech Mahindra Limited	0.53	-	0.53	-	-	-
2,355 (As at 31 <sup>st</sup> March, 2023: 1,070) shares of ₹ 2 each fully paid up in Epl Limited	0.42	-	0.42	0.17	-	0.17
Nil (As at 31 <sup>st</sup> March, 2023: 77) shares of ₹ 2 each fully paid up in Housing Development Finance Corporation Limited	-	-	-	0.20	-	0.20
621 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in ICICI Bank Limited	0.68	-	0.68	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 4,184) shares of ₹ 2 each fully paid up in Indiabulls Real Estate Limited	-	-	-	0.20	-	0.20
230 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 2 each fully paid up in Larsen and Toubro Limited	0.86	-	0.86	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 9,854) shares of ₹ 2 each fully paid up in Music Broadcast Limited	-	-	-	0.11	-	0.11
Nil (As at 31 <sup>st</sup> March, 2023: 580) shares of ₹ 2 each fully paid up in Natco Pharma Limited	-	-	-	0.32	-	0.32

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
Nil (As at 31 <sup>st</sup> March, 2023: 383) shares of ₹ 2 each fully paid up in PB Fintech Limited	-	-	-	0.24	-	0.24
Nil (As at 31 <sup>st</sup> March, 2023: 371) shares of ₹ 2 each fully paid up in Piramal Enterprises Limited	-	-	-	0.25	-	0.25
Nil (As at 31 <sup>st</sup> March, 2023: 666) shares of ₹ 2 each fully paid up in Sagar Cements Limited	-	-	-	0.13	-	0.13
Nil (As at 31 <sup>st</sup> March, 2023: 1,054) shares of ₹ 2 each fully paid up in Shalimar Paints Limited	-	-	-	0.14	-	0.14
Nil (As at 31 <sup>st</sup> March, 2023: 1,345) shares of ₹ 2 each fully paid up in Tata Motors Limited Eq New Npp Fv ₹ 2 Class A	-	-	-	0.28	-	0.28
Nil (As at 31 <sup>st</sup> March, 2023: 1,071) shares of ₹ 1 each fully paid up in Delta Corp Limited	-	-	-	0.19	-	0.19
Nil (As at 31 <sup>st</sup> March, 2023: 4,235) shares of ₹ 1 each fully paid up in Edelweiss Financial Services Limited	-	-	-	0.22	-	0.22
901 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in EID-Parry India Limited	0.49	-	0.49	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 343) shares of ₹ 1 each fully paid up in Godrej Industries Limited	-	-	-	0.14	-	0.14
368 (As at 31 <sup>st</sup> March, 2023: Nil) shares of ₹ 1 each fully paid up in HDFC Bank Limited	0.53	-	0.53	-	-	-
Nil (As at 31 <sup>st</sup> March, 2023: 1,889) shares of ₹ 1 each fully paid up in Zee Entertainment Enterprises Limited	-	-	-	0.40	-	0.40
28.791 (As at 31 <sup>st</sup> March, 2023: Nil) units in Kotak Liquid - Growth - Direct	0.14	-	0.14	-	-	-
<b>Investment in debentures or bonds</b>						
1,000 (As at 31 <sup>st</sup> March, 2023: 1,000) Debentures of ₹ 1000 each fully paid up in Wepay Finance Private Limited	-	1.00	1.00	-	1.00	1.00
<b>Compulsory Convertible Cumulative Preference shares</b>						
60 (As at 31 <sup>st</sup> March, 2023: 60) shares of ₹ 10 each fully paid up in Quantinsti Quantitative Learning Private Limited	-	2.57	2.57	-	2.57	2.57

Notes forming part of consolidated financial statements  
 for the year ended 31<sup>st</sup> March, 2024 (Contd.)

(₹ in million)

Investments	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	At Fair value through Profit or Loss / OCI	Others (at cost)	Total	At Fair value through Profit or Loss / OCI	Others (at cost)	Total
<b>Non-cumulative Compulsory Redeemable Preference shares (NCRPS)</b>						
Nil (As at 31 <sup>st</sup> March, 2023: 10,000) shares of ₹ 100 each fully paid up in Adam Financial Marts Private Limited	-	-	-	-	1.00	1.00
Nil (As at 31 <sup>st</sup> March, 2023: 40,000) shares of ₹ 100 each fully paid up in Himachal Knit Exports Private Limited	-	-	-	-	4.00	4.00
Nil (As at 31 <sup>st</sup> March 2023: 35,000) shares of ₹ 100 each fully paid up in Yaksh Impex Private Limited.	-	-	-	3.50	-	3.50
<b>Investment in partnership firms</b>	-	0.06	0.06	-	0.06	0.06
<b>Mutual Funds/Return Fund</b>						
2,485.654 (As at 31 <sup>st</sup> March, 2023: Nil) Units of ICICI Blue Chip Fund	0.25	-	0.25	-	-	-
1,00,000 (As at 31 <sup>st</sup> March, 2023: Nil) Units of Pravega Fund I I	2.02	-	2.02	-	-	-
10,040.624 (As at 31 <sup>st</sup> March, 2023: Nil) Units of Ace Focused 15 Fund	9.72	-	9.72	-	-	-
1,00,000 (As at 31 <sup>st</sup> March, 2023: 1,00,000) units Volvin Growth Fund	13.25	-	13.25	-	10.19	10.19
<b>TOTAL-GROSS (A)</b>	<b>140.69</b>	<b>5.55</b>	<b>146.24</b>	<b>37.20</b>	<b>23.74</b>	<b>60.94</b>
i) Investments outside India	-	-	-	-	-	-
ii) Investments in India	140.69	5.55	146.24	37.20	23.74	60.94
Less: Allowance for Imparment loss (B)	-	-	-	-	-	-
<b>Total-Net C (A-B)</b>	<b>140.69</b>	<b>5.55</b>	<b>146.24</b>	<b>37.20</b>	<b>23.74</b>	<b>60.94</b>

**NOTE 8 - OTHER FINANCIAL ASSETS**

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Security deposits	80.62	86.44
Others	181.52	229.11
<b>Total</b>	<b>262.14</b>	<b>315.55</b>

**NOTE 9 - INVENTORIES**

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Acquired For Trading	228.11	168.89
<b>Total</b>	<b>228.11</b>	<b>168.89</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

#### NOTE 10 – DEFERRED TAX ASSETS

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Deferred tax Assets</b>		
Brought Forward Losses	24.50	44.72
On account of Gratuity	2.35	1.13
Investment in Equity/Debt/Mutual Fund	-	0.07
	<b>26.85</b>	<b>45.92</b>
<b>Deferred tax Liabilities</b>		
Investment in Equity/Debt/Mutual Fund	0.07	-
Others	2.58	2.81
	<b>2.65</b>	<b>2.81</b>
<b>NET</b>	<b>24.20</b>	<b>43.11</b>

#### NOTE 11 – PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Buildings	Furniture & Fixtures	Office Equipments	Computer	Vehicles	Total
<b>GROSS CARRYING AMOUNT</b>						
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>65.50</b>	<b>28.49</b>	<b>42.37</b>	<b>196.60</b>	<b>57.68</b>	<b>390.64</b>
Additions during the year	-	1.86	3.32	35.49	6.09	46.76
Disposals / deductions during the year	-	-	-	-	5.62	5.62
Balance as at 31 <sup>st</sup> March, 2023	65.50	30.35	45.69	232.09	58.15	431.78
Additions during the year	-	1.32	6.18	32.46	10.78	50.74
Disposals / deductions during the year	-	-	0.68	-	5.23	5.91
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>65.50</b>	<b>31.67</b>	<b>51.19</b>	<b>264.55</b>	<b>63.70</b>	<b>476.61</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES</b>						
Balance as at 1 <sup>st</sup> April, 2022	12.09	22.50	36.34	174.15	26.81	271.89
Additions during the year	0.51	0.86	2.25	16.72	5.89	26.23
Disposals / deductions during the year	-	-	-	-	4.56	4.56
Adjustments during the year	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2023	12.60	23.36	38.59	190.87	28.14	293.56
Additions during the year	0.51	0.97	2.56	25.37	6.53	35.94
Disposals / deductions during the year	-	-	0.67	-	5.22	5.89
Adjustments during the year	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>13.11</b>	<b>24.33</b>	<b>40.48</b>	<b>216.24</b>	<b>29.45</b>	<b>323.61</b>
<b>NET CARRYING AMOUNT</b>						
<b>As at 31<sup>st</sup> March, 2023</b>	<b>52.90</b>	<b>6.99</b>	<b>7.10</b>	<b>41.22</b>	<b>30.01</b>	<b>138.22</b>
<b>As at 31<sup>st</sup> March, 2024</b>	<b>52.39</b>	<b>7.34</b>	<b>10.71</b>	<b>48.31</b>	<b>34.25</b>	<b>153.00</b>

#### NOTE 12 – INVESTMENT PROPERTY

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Investment in Property	64.75	83.64
<b>Total</b>	<b>64.75</b>	<b>83.64</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

Reconciliation of Investment in Property outstanding at the beginning and at the end of the reporting year:

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balance as at the beginning of the year	83.64	89.91
Additions during the year	-	1.95
Disposals/Transfer during the year	18.89	8.22
<b>Balance as at the end of the year</b>	<b>64.75</b>	<b>83.64</b>

**NOTE 13 - OTHER NON FINANCIAL ASSETS**

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Advance income tax (net of provision for tax)	43.48	33.92
Prepaid expenses	16.88	25.11
Other	3.69	2.11
<b>Total</b>	<b>64.05</b>	<b>61.14</b>

**NOTE 14 - PAYABLES**

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	10,329.82	6,665.55
<b>Total</b>	<b>10,329.82</b>	<b>6,665.55</b>

**Ageing for trade payables outstanding as at 31<sup>st</sup> March, 2024 is as follows:**

(₹ in million)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	10,329.23	0.59	-	-	10,329.82
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>10,329.23</b>	<b>0.59</b>	<b>-</b>	<b>-</b>	<b>10,329.82</b>

**Ageing for trade payables outstanding as at 31<sup>st</sup> March, 2023 is as follows:**

(₹ in million)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	6,665.12	0.43	-	-	6,665.55
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>6,665.12</b>	<b>0.43</b>	<b>-</b>	<b>-</b>	<b>6,665.55</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

#### NOTE 15 – BORROWINGS

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Deep Discount Bonds</b>		
Unsecured	14.74	14.81
Interest on Deep Discount Bond accrued but not due.	770.06	700.70
	<b>784.80</b>	<b>715.51</b>
<b>Term Loans</b>		
From Banks – Secured against Hypothication of cars	12.61	17.36
<b>Loans repayable on demand</b>		
<b>From banks</b>		
Secured against FDR	264.30	740.99
<b>Loans and advances from related parties</b>		
Unsecured	115.93	40.70
<b>Other loans and advances</b>		
Unsecured	696.55	107.70
<b>Total</b>	<b>1,874.19</b>	<b>1,622.26</b>

#### NOTE 16 – OTHER FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unclaimed dividends	0.21	0.21
Cheque Issued	9.84	-
Others	410.70	318.46
<b>Total</b>	<b>420.75</b>	<b>318.67</b>

#### NOTE 17 – PROVISIONS

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision for gratuity	8.45	8.40
Provision for tax	29.18	1.13
Provision for contingent liabilities	52.00	-
<b>Total</b>	<b>89.63</b>	<b>9.53</b>

#### NOTE 18 – OTHER NON FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Statutory dues*	71.62	36.00
Others	2.38	9.29
<b>Total</b>	<b>74.00</b>	<b>45.29</b>

\*includes TDS payable, GST payable, ESI payable and Provident Fund Payable.



Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

#### NOTE 19 – EQUITY SHARE CAPITAL

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024		For the year ended 31 <sup>st</sup> March, 2023	
	Number	Amount (₹)	Number	Amount (₹)
<b>Authorised</b>				
Equity shares of ₹ 5/- each (Par value)	2,60,00,000	130.00	2,20,00,000	110.00
	<b>2,60,00,000</b>	<b>130.00</b>	<b>2,20,00,000</b>	<b>110.00</b>
<b>Issued</b>				
Equity shares of ₹ 5/- each (Par value)	2,19,50,800	109.75	2,19,50,800	109.75
	<b>2,19,50,800</b>	<b>109.75</b>	<b>2,19,50,800</b>	<b>109.75</b>
<b>Subscribed and fully paid up</b>				
Equity shares of ₹ 5/- each (Par value)	2,17,53,200	108.76	2,17,53,200	108.76
Forfeited Shares	-	0.46	-	0.46
	<b>2,17,53,200</b>	<b>109.22</b>	<b>2,17,53,200</b>	<b>109.22</b>

During the year the authorised share capital has been increased to 2,60,00,000 equity shares of ₹ 5/- each.

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

(₹ in million)

Particulars	Share Capital		Share Capital	
	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number	Amount (₹)	Number	Amount (₹)
i) Issued, Subscribed and paid up equity shares				
Outstanding at the beginning of the year	2,17,53,200	108.76	2,17,53,200	108.76
Additions: Shares Split during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>2,17,53,200</b>	<b>108.76</b>	<b>2,17,53,200</b>	<b>108.76</b>

**(b) Terms/rights attached to equity shares**

The Company has one class of shares referred to as Equity Shares having a par value of ₹ 5/- each. Each holder of equity shares is entitled to one vote per share.

**(c) Shares held by holding company or ultimate holding company or subsidiaries or associates of the holding company or the ultimate holding company.**

There is no holding or ultimate holding company of the Company.

**(d) The details of shareholder holding more than 5% shares**

Particulars	Equity Share Capital		Equity Share Capital	
	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Harjeet Singh Arora	31,73,696	14.59	31,73,696	14.59
Harneesh Kaur Arora	24,30,020	11.17	24,30,020	11.17
Rajjinder Kumar Singhania	51,60,714	23.72	51,60,714	23.72

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

Particulars	Equity Share Capital		Equity Share Capital	
	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Jashanjyot Singh Arora	19,85,000	9.13	14,92,000	6.86
Parveen Singhania	19,81,000	9.11	19,81,000	9.11
G S Auto Leasing Ltd	26,71,698	12.28	31,71,698	14.58

**(e) Shares held by promoters at the end of the year**

Particulars	Equity Share Capital			Equity Share Capital		
	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	No. of Shares	% of holding	% Change during the year	No. of Shares	% of holding	% Change during the year
Harjeet Singh Arora	31,73,696	14.59	-	31,73,696	14.59	-
Harneesh Kaur Arora	24,30,020	11.17	-	24,30,020	11.17	-
Rajinder Kumar Singhania	51,60,714	23.72	-	51,60,714	23.72	-
Jashanjyot Singh Arora	19,85,000	9.13	33.04%	14,92,000	6.86	3.63%
Parveen Singhania	19,81,000	9.11	-	19,81,000	9.11	-
Prime Industries Limited	-	-	(100.00%)	10,83,916	4.98	(8.81%)
Palka Arora	5,00,000	2.30	-	5,00,000	2.30	-
Puneet Singhania	7,94,994	3.65	210.55%	2,55,994	1.18	25.53%
Chirag Singhania	1,10,000	0.51	-	1,10,000	0.51	-
Rohila Singhania	92,000	0.42	-	92,000	0.42	-
Priyanka Thukral Arora	50,000	0.23	(100.00%)	-	-	-

**NOTE 20 - OTHER EQUITY**

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Statutory reserves as per Section 45-IC of the RBI Act, 1934	78.39	63.26
Capital Reserve	49.09	49.09
Securities Premium	460.38	460.38
Contingent Provision Against Standard Assets	3.08	1.77
General Reserve	21.97	21.97
Retained Earning	4,037.53	2,973.17
Other Comprehensive Income	33.53	(28.76)
Money Received against Share Warrants*	249.38	-
<b>Total</b>	<b>4,933.35</b>	<b>3,540.88</b>

\*During the year the Company has issued 28,50,000 Convertible Share Warrants at price of ₹ 350/- each with a right to the warrant holders to apply for and be allotted 1 (One) fully paid-up equity share of the Company of face value ₹ 5.00/- (Rupees Five only), each at a premium of ₹ 345/- per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of Warrants.

A Warrant subscription price equivalent to 25% of the issue price was paid at the time of subscription to the Warrants, as prescribed by Regulation 169 of the SEBI ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Equity Shares. A Warrant exercise price equivalent to the 75% of the issue price of the Equity Shares shall be payable by the Warrant holder(s) at the time of exercising the Warrants.

**B. OTHER EQUITY**

(₹ in million)

Particulars	Reserves & Surplus						Other Comprehensive Income	Money Received against Share Warrants	Total
	Statutory reserves as per Section 45-IC of the RBI Act, 1934	Capital Reserve	Securities Premium	Contingent Provision Against Standard Assets	General Reserve	Retained Earning			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>51.89</b>	<b>49.09</b>	<b>460.38</b>	<b>0.94</b>	<b>21.97</b>	<b>2,342.42</b>	<b>(37.47)</b>	<b>-</b>	<b>2,889.22</b>
Profit/(loss) for the year	-	-	-	-	-	658.88	-	-	658.88
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	-	8.71	-	8.71
<b>Total</b>	<b>51.89</b>	<b>49.09</b>	<b>460.38</b>	<b>0.94</b>	<b>21.97</b>	<b>3,001.30</b>	<b>(28.76)</b>		<b>3,556.81</b>
Transfers to Statutory reserves	11.37	-	-	-	-	(11.37)	-	-	-
Transfers to Contingent Provision Against Standard Assets	-	-	-	0.83	-	(0.83)	-	-	-
Adjustment during the year		-				(15.93)		-	(15.93)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>63.26</b>	<b>49.09</b>	<b>460.38</b>	<b>1.77</b>	<b>21.97</b>	<b>2,973.17</b>	<b>(28.76)</b>		<b>3,540.88</b>
Profit/(loss) for the year	-	-	-	-	-	1,080.80	-	-	1,080.80
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	-	62.29	-	62.29
Money Received against Share Warrants	-	-	-	-	-	-	-	249.38	249.38
<b>Total</b>	<b>63.26</b>	<b>49.09</b>	<b>460.38</b>	<b>1.77</b>	<b>21.97</b>	<b>4,053.97</b>	<b>33.53</b>	<b>249.38</b>	<b>4,933.35</b>
Transfers to Statutory reserves	15.13	-	-	-	-	(15.13)	-	-	-
Transfers to Contingent Provision Against Standard Assets	-	-	-	1.31	-	(1.31)	-	-	-
Adjustment during the year		-				-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>78.39</b>	<b>49.09</b>	<b>460.38</b>	<b>3.08</b>	<b>21.97</b>	<b>4,037.53</b>	<b>33.53</b>	<b>249.38</b>	<b>4,933.35</b>

**NOTE 21 - INTEREST INCOME**

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Interest</b>		
Interest on Loans and Advances	366.71	281.44
Interest on Fixed Deposits	892.51	505.24
<b>Total</b>	<b>1,259.22</b>	<b>786.68</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

#### NOTE 22 - DIVIDEND INCOME

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Dividend Income	1.12	1.33
<b>Total</b>	<b>1.12</b>	<b>1.33</b>

#### NOTE 23 - INCOME FROM DEALING IN SECURITIES / LAND

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Profit from dealing in securities/Land	1,871.46	1,083.49
<b>Total</b>	<b>1,871.46</b>	<b>1,083.49</b>

#### NOTE 24 - RENTAL INCOME

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Rent Income	0.72	1.45
<b>Total</b>	<b>0.72</b>	<b>1.45</b>

#### NOTE 25 - FEES AND COMMISSION INCOME

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Income from Brokerage	1,655.43	1,290.82
Income from PMS	161.44	176.99
DP Income	36.82	28.51
<b>Total</b>	<b>1,853.69</b>	<b>1,496.32</b>

#### NOTE 26 - OTHER INCOME

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Profit from sale of Investments	18.21	22.54
Others	0.88	1.22
<b>Total</b>	<b>19.09</b>	<b>23.76</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

#### NOTE 27 - EMPLOYEE BENEFITS EXPENSES

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Salaries and wages	847.79	552.06
Contribution to provident and other funds	4.08	2.13
Staff welfare expenses	10.22	10.24
<b>Total</b>	<b>862.09</b>	<b>564.43</b>

#### NOTE 28 - FINANCE COSTS

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest expense	513.89	292.38
Bank charges	51.10	34.79
<b>Total</b>	<b>564.99</b>	<b>327.17</b>

#### NOTE 29 - OTHER EXPENSES

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Printing & Stationery	6.37	5.26
Postage, Telegram & Telephone	96.69	74.96
Rent	56.51	41.50
Fees & Taxes	10.41	10.26
Demat/ Remat Charges	10.88	9.79
Legal & Professional Charges	196.51	139.73
Travelling & Conveyance	20.37	13.45
Payments to auditors		
As Auditors - Statutory Audit	0.93	0.86
Certification Work And Other Matters	0.15	0.15
Office Maintenance	44.77	37.53
Provision for contingent liabilities	52.01	-
General Expenses	60.35	46.41
Advertisement Expenses	0.06	0.06
Computer & Software Expenses	280.39	145.42
Sub Brokerage	678.87	567.41
Turnover Charges	588.71	527.16
Provison for Non Performing Assets / (written back)	-	(1.39)
Bad Debts writtten off	-	9.65
<b>Total</b>	<b>2,103.98</b>	<b>1,628.21</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

### NOTE 30 COMPUTATION OF EARNINGS PER SHARE (EPS)

(₹ in million)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>A) Basic</b>		
(i) Net Profit attributable to shareholders (₹ in million)	1,080.80	658.87
(ii) Adjusted weighted average equity shares	2,17,53,200	2,17,53,200
<b>Basic EPS (₹)</b>	<b>49.68</b>	<b>30.29</b>
<b>B) Diluted</b>		
(i) Net Profit attributable to shareholders (₹ in million)	1,080.80	658.87
(ii) Adjusted weighted average equity shares	2,20,90,162	2,17,53,200
<b>Diluted EPS (₹)</b>	<b>48.93</b>	<b>30.29</b>

### NOTE 31 DISCLOSURE AS REQUIRED BY MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(a) Amount remaining unpaid to suppliers as at the end of year		
- Principal amount	-	-
- Interest due thereon	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: The amounts have been determined to the extent micro and small enterprises have been identified on the basis of information available with the Company.

### NOTE 32 DISCLOSURE AS PER INDIAN ACCOUNTING STANDARD (IND AS) 108 "OPERATING SEGMENTS"

#### a) Operating Segments

Management currently identifies the Group's five service lines as its Operating Segments as follows:-

- (i) Segment – Broking and Allied
- (ii) Segment – Interest
- (iii) Segment – Portfolio Management Services
- (iv) Segment – Insurance Broking
- (v) Segment – Investment/Trading in Securities & others



Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

**b) Segment Revenue & Expenses**

Revenue & Expenses directly attributable to the segment is considered as “Segment Revenue & “Segment Expenses”.

**c) Segment Assets & Liabilities**

Segment Assets & Liabilities include the respective directly identifiable to each of the segments.

These Operating Segments are monitored by the Group’s chief operating decision maker and strategic decisions are made on the basis of segment Operating Results. Segment performance is evaluated based on the profit of each segment.

The following tables present Revenue and Profit Information and certain Assets and Liabilities information regarding the Group’s reportable segments for the years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

(a) Information about business Segments

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>A) Segment Revenue</b>		
1) Total Segment Revenue		
(a) Segment – Broking and Allied	4,612.73	3,010.34
(b) Segment – Interest	114.98	102.14
(c) Segment – Portfolio Management Services	199.73	229.20
(d) Segment – Insurance Broking	37.86	33.41
(e) Segment – Investment/Trading in Securities & others	40.00	17.94
<b>Total</b>	<b>5,005.30</b>	<b>3,393.03</b>
2) Inter Segment Revenue	-	-
3) External Revenue (1-2)		
(a) Segment – Broking and Allied	4,612.73	3,010.34
(b) Segment – Interest	114.98	102.14
(c) Segment – Portfolio Management Services	199.73	229.20
(d) Segment – Insurance Broking	37.86	33.41
(e) Segment – Investment/Trading in Securities & others	40.00	17.94
<b>Total</b>	<b>5,005.30</b>	<b>3,393.03</b>
<b>B) Results</b>		
1) Segment Results:		
(a) Segment – Broking and Allied	1,346.12	734.26
(b) Segment – Interest	5.39	57.33
(c) Segment – Portfolio Management Services	40.49	25.74
(d) Segment – Insurance Broking	17.26	14.28
(e) Segment – Investment/Trading in Securities & others	29.07	15.43
<b>Total</b>	<b>1,438.33</b>	<b>847.04</b>
2) Unallocated Expenses	0.03	0.05
3) Operating Profit	1,438.30	846.99
4) Provision	357.46	188.11
5) Minority Interest	0.04	0.01
<b>6) Net Profit</b>	<b>1,080.80</b>	<b>658.87</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

(₹ in million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Other Information</b>		
1) Segment Assets		
(a) Segment – Broking and Allied	16,357.54	10,995.14
(b) Segment – Interest	945.04	738.98
(c) Segment – Portfolio Management Services	108.05	83.03
(d) Segment – Insurance Broking	67.57	55.06
(e) Segment – Investment/Trading in Securities & others	307.16	388.23
<b>Total</b>	<b>17,785.36</b>	<b>12,260.44</b>
2) Unallocated Corporate Assets	37.74	24.15
3) Deferred Tax Assets	24.20	43.11
<b>4) Total Assets</b>	<b>17,847.30</b>	<b>12,327.70</b>
5) Segment Liabilities		
(a) Segment – Broking and Allied	11,976.72	8,397.76
(b) Segment – Interest	740.40	169.48
(c) Segment – Portfolio Management Services	21.42	48.05
(d) Segment – Insurance Broking	6.48	6.33
(e) Segment – Investment/Trading in Securities & others	43.16	39.47
<b>Total</b>	<b>12,788.18</b>	<b>8,661.09</b>
6) Unallocated Liabilities	0.21	0.21
<b>7) Total Liabilities</b>	<b>12,788.39</b>	<b>8,661.30</b>
8) Minority Interest	16.34	16.30
9) Share Holder's Fund	5,042.57	3,650.10

## (b) Information about Geographical Segments

The Company caters mainly to the needs of Indian market so there are no reportable geographical segments.

**NOTE 33 CONTINGENT LIABILITIES**

- a) Master Capital Services Limited has given/availed a Bank Guarantee amounting to ₹ 4591.00 million (As at 31<sup>st</sup> March, 2023: ₹ 3791.00 million) in favour of NSE Clearing Ltd, ₹ 130.00 million (As at 31<sup>st</sup> March, 2023: ₹ 50.00 million) in favour of Multi Commodity Exchange of India Limited, ₹ 8.25 million (As at 31<sup>st</sup> March, 2023: ₹ 8.25 million) in favour of National Commodity & Derivatives Exchange Limited.

Master Infrastructure and Real Estate Developers Limited has given/availed Bank Guarantee of Nil (As at 31<sup>st</sup> March, 2023: ₹ 0.05 million) in favour of Greater Ludhiana Area Development Authority.

- b) The Group has litigations which have arisen in the ordinary course of business with the clients. The Group has reviewed the impact of all such litigations on Financial Position and made the appropriate provision wherever required. In view of the management and the legal advice sought, no further provision is required to be made in case of litigation against/by the group.
- c) Claims against the Company, not acknowledged as debts in respect of income tax matters amounted to ₹ 18.53 million (As at 31<sup>st</sup> March, 2023: ₹ 17.55 million), out of which ₹ 17.55 million (As at 31<sup>st</sup> March, 2023: ₹ 14.35 million) has been deposited/adjusted with the refunds by the income tax department.

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

**NOTE 34 – CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The detail of expenditure incurred on CSR activities by the Company is as below:

Particulars	(₹ in million)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(i) amount required to be spent by the Company during the year	9.97	5.52
(ii) amount of expenditure incurred	9.64	5.59
(iii) amount of excess CSR spent brought forward	0.45	0.38
(iii) shortfall at the end of the year	-	-
(iv) total of previous years shortfall	-	-
(v) reason for shortfall	-	-
(vi) nature of CSR activities	Promoting education, healthcare, eradication of hunger, incubating and scaling underprivileged community enterprises	Promoting education, healthcare, eradication of hunger, incubating and scaling underprivileged community enterprises
(vii) details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard.	-	-
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

**NOTE 35 RELATED PARTY TRANSACTIONS**

Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives	Key Management Personnel and their Relatives
H.A. Share & Stock Brokers Private Limited	<b>KMP</b>
Prime Industries Limited	Mr. Harjeet Singh Arora
Master Share & Stock Brokers Private Limited	Mr. Rajinder Kumar Singhania
H.K Arora Real Estate Service Private Limited	Mr. Gurmeet Singh Chawla
Big Build Real Estate Private Limited	Mr. Pavan Kumar Chhabra
H. Arora & Co.	Mr. Harinder Singh
Matria Estate Developers Private Limited	Mr. Puneet Singhania
Jashanjyot Singh Arora HUF	Mr. Jashanjyot Singh Arora
Arora Financial Services Private Limited	Mr. Darshanjit Sigh Minocha
Saintco India Private Limited	Mr. Sunil Kumar
Sanawar Agri Private Limited	Mr. Vikas Gupta
Eminent Buildwell Private Limited	
Master Projects Private Limited	<b>Relatives of KMP</b>
R Bhai & Co	Mrs. Harneesh Kaur Arora
Vision Investments	Mrs. Parveen Singhania
Blonkr Software Labs	Mr. Chirag Singhania
Crescent Investments	Mrs. Palka A Chopra

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

<b>Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives</b>	<b>Key Management Personnel and their Relatives</b>
KAG Investment and Advisors Private Limited	Mrs. Priyanka Thukral
Chandi Angel Investors Forum	Mrs. Rohila Singhania
PHDA Financial Services Private Limited	Mrs. Isha Singhania
Rajinder Kumar Singhania HUF	Mr. Amandeep Singh Chawla
Harjeet Singh Arora HUF	Ms. Guneet Chawla
Harinder Singh HUF	Mr. Maninder Singh
Puneet Singhania HUF	Mrs. Harinder Kaur Minocha
Gurmeet Singh Chawla HUF	
Master Insurance Brokers	
Irage Mastertrust Investment Managers LLP	

**Transactions with related parties**

<b>Transactions with related parties</b>		<b>Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives</b>	<b>Key Management Personnel and their Relatives</b>	<b>Total</b>
Purchases	Year ended 31 <sup>st</sup> March, 2024	-	-	-
	Year ended 31 <sup>st</sup> March, 2023	35.42	-	35.42
Sale	Year ended 31 <sup>st</sup> March, 2024	1.04	-	1.04
	Year ended 31 <sup>st</sup> March, 2023	45.25	-	45.25
Brokerage Received	Year ended 31 <sup>st</sup> March, 2024	2.08	1.06	3.14
	Year ended 31 <sup>st</sup> March, 2023	2.38	0.54	2.92
Brokerage Paid	Year ended 31 <sup>st</sup> March, 2024	-	12.58	12.58
	Year ended 31 <sup>st</sup> March, 2023	-	12.23	12.23
Interest Paid	Year ended 31 <sup>st</sup> March, 2024	35.31	2.92	38.23
	Year ended 31 <sup>st</sup> March, 2023	6.56	1.31	7.87
Interest Received	Year ended 31 <sup>st</sup> March, 2024	1.22	-	1.22
	Year ended 31 <sup>st</sup> March, 2023	0.49	-	0.49
Rent Paid / Other Charges	Year ended 31 <sup>st</sup> March, 2024	7.47	1.34	8.81
	Year ended 31 <sup>st</sup> March, 2023	8.40	1.51	9.91
Remuneration	Year ended 31 <sup>st</sup> March, 2024	-	39.47	39.47
	Year ended 31 <sup>st</sup> March, 2023	-	33.95	33.95
Loan & Advances Given	As at 31 <sup>st</sup> March, 2024	28.38	-	28.38
	As at 31 <sup>st</sup> March, 2023	73.77	-	73.77
Loan & Advances Taken	As at 31 <sup>st</sup> March, 2024	51.27	64.67	115.94
	As at 31 <sup>st</sup> March, 2023	15.66	25.03	40.69
Balance outstanding at the end of the year Receivable	As at 31 <sup>st</sup> March, 2024	28.48	-	28.48
	As at 31 <sup>st</sup> March, 2023	73.77	0.54	74.31
Balance outstanding at the end of the year Payable	As at 31 <sup>st</sup> March, 2024	51.27	65.24	116.51
	As at 31 <sup>st</sup> March, 2023	15.97	27.36	43.33

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

### NOTE 36 EMPLOYEE BENEFITS

The Company provides for the gratuity, covering qualifying employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under The Payment of Gratuity Act, 1972.

Details of defined benefit plans as per actuarial valuation are as follows:

#### Expense recognised in the statement of Profit and Loss:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest cost	4.44	4.33
Current service cost	9.37	9.18
Past Service Cost	-	-
Expected return on plan asset	(3.90)	(3.53)
<b>Expenses to be recognised in P&amp;L</b>	<b>9.91</b>	<b>9.98</b>

#### Other comprehensive (income) / expenses (Remeasurement)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Cumulative unrecognised actuarial (gain)/loss opening. B/F	(14.20)	(9.69)
Actuarial (gain)/loss - obligation	(8.12)	(4.51)
Actuarial (gain)/loss - plan assets	-	-
Total Actuarial (gain)/loss	(8.12)	(4.51)
<b>Cumulative total actuarial (gain)/loss. C/F</b>	<b>(22.32)</b>	<b>(14.20)</b>

#### The amount to be recognised in the Balance Sheet):

Particulars	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2023
Present value of the obligation at the end of the period	75.61	72.55
Fair value of plan assets at end of period	69.44	65.54
Liability recognised in Balance Sheet and related analysis	8.45	8.40
Asset recognised in Balance Sheet and related analysis	2.28	1.39
<b>Funded Status - Surplus/ (Deficit)</b>	<b>(6.17)</b>	<b>(7.01)</b>

#### Table Showing Changes in Present Value of Obligations:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Present value of the obligation at the beginning of the year	72.55	66.81
Interest cost	9.37	9.18
Current service cost	4.44	4.33
Past Service Cost	-	-
Benefits paid (if any)	(2.63)	(3.26)
Actuarial (gain)/loss	(8.12)	(4.51)
<b>Present value of the obligation at the end of the year</b>	<b>75.61</b>	<b>72.55</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

## NOTE 37 TAX EXPENSE

### 37.1 Deferred tax Assets (Net)

Financial year ended 31<sup>st</sup> March, 2024

(₹ in million)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
<b>Deferred tax Assets</b>				
Investment in Equity/Debt/Mutual Fund	0.07	-	(0.07)	-
Brought Forward Losses	44.72	-	(20.22)	24.50
On account of Gratuity	1.13	-	1.22	2.35
<b>Gross deferred tax assets (A)</b>	<b>45.92</b>	<b>-</b>	<b>(19.07)</b>	<b>26.85</b>
<b>Deferred tax Liabilities</b>				
Investment in Equity/Debt/Mutual Fund	-	-	0.07	0.07
Others	2.81	-	(0.23)	2.58
<b>Gross deferred tax liabilities (B)</b>	<b>2.81</b>	<b>-</b>	<b>(0.16)</b>	<b>2.65</b>
<b>Deferred tax Assets (Net) (A-B)</b>	<b>43.11</b>	<b>-</b>	<b>(18.91)</b>	<b>24.20</b>

Financial year ended 31<sup>st</sup> March, 2023

(₹ in million)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
<b>Deferred tax Assets</b>				
Investment in Equity/Debt/Mutual Fund	0.03	-	0.04	0.07
Brought Forward Losses	33.48	11.24	-	44.72
On account of Gratuity	0.49	-	0.64	1.13
<b>Gross deferred tax assets (A)</b>	<b>34.00</b>	<b>11.24</b>	<b>0.68</b>	<b>45.92</b>
<b>Deferred tax Liabilities</b>				
Others	0.80	-	2.01	2.81
<b>Gross deferred tax liabilities (B)</b>	<b>0.80</b>	<b>-</b>	<b>2.01</b>	<b>2.81</b>
<b>Deferred tax Assets (Net) (A-B)</b>	<b>33.20</b>	<b>11.24</b>	<b>(1.33)</b>	<b>43.11</b>

### 37.2 Tax expense recognised in profit or loss

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Current tax	356.04	197.27
Deferred tax	(0.02)	(9.85)
Current tax expense relating to prior years	1.44	0.69
<b>Total Tax expense recognised</b>	<b>357.46</b>	<b>188.11</b>



Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

### 37.3 Reconciliation of tax expense and the accounting profit multiplied by statutory tax rate:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Profit before tax	1,438.30	846.99
Tax at the Indian Tax Rate of 25.168%	361.99	213.17
Effect of income that is taxable at lower rates	(20.97)	(24.87)
Effect of expenses that are non-deductible in determining taxable profit	17.11	2.79
Effect of expenses that are deductible in determining taxable profit	(0.60)	(1.88)
Effect of income that is exempt from taxation	(0.07)	(1.10)
<b>Total tax expense recognised in profit or loss</b>	<b>357.46</b>	<b>188.11</b>

### 37.4 Tax expense recognised in other comprehensive income

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Gain/(loss) on Fair Valuation of Investments carried at FVOCI	14.84	3.07
Brought Forward Losses	20.22	-
Provision for doubtful debt/advances	-	0.35
Others	(0.43)	-
<b>Total</b>	<b>34.63</b>	<b>3.42</b>

#### NOTE 38

Master Capital Services Limited had issued 4000 Deep Discount Bonds (DDB) in the previous years to augment the working capital and other requirements. Interest expense is accounted for on mercantile basis. However, as per the provisions of Income Tax Act, the tax will be deducted at source at the time of maturity/redemption.

The Deep Discount Bonds has been issued in 2 series i.e. Series I and Series II. The Series I DDBs are due to be redeemed on 24<sup>th</sup> January, 2024 and Series II DDBs are due to be redeemed on 4<sup>th</sup> October, 2025.

#### NOTE 39 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

##### 39.1 Classification of Financial instruments

Particulars	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
<b>Financial Assets</b>						
Cash and cash equivalents	96.89	-	-	194.77	-	-
Bank balances other than Cash and cash equivalents	14,830.11	-	-	9,954.25	-	-
Trade receivables	1,249.75	-	-	496.09	-	-
Loans and Advances	728.06	-	-	811.10	-	-
Investments	-	146.24	-	-	60.94	-
Other financial assets	262.14	-	-	315.55	-	-
<b>Total</b>	<b>17,166.95</b>	<b>146.24</b>	<b>-</b>	<b>11,771.76</b>	<b>60.94</b>	<b>-</b>
<b>Financial Liabilities</b>						
Payable	10,329.82	-	-	6,665.55	-	-

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

Particulars	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
Borrowings	1,874.19	-	-	1,622.26	-	-
Other financial liabilities	420.75	-	-	318.67	-	-
<b>Total</b>	<b>12,624.76</b>	<b>-</b>	<b>-</b>	<b>8,606.48</b>	<b>-</b>	<b>-</b>

The management assessed that cash and cash equivalents and bank balances, loans and advances, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

### 39.2 Fair value hierarchy

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

#### Level 1:

Quoted prices in an active market: This level of hierarchy includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical instruments.

#### Level 2:

Valuation techniques with observable inputs: This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

#### Level 3:

Valuation techniques with unobservable inputs: This level of hierarchy includes instruments measured using inputs that are not based on observable market data (unobservable inputs). Fair value is 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 instruments nor based on available market data.

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

#### As at 31<sup>st</sup> March, 2024

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in quoted equity instruments	115.45	-	-	<b>115.45</b>
Investments in unquoted equity instruments	-	-	1.92	<b>1.92</b>
Investments in quoted mutual funds	11.99	-	-	<b>11.99</b>
Investments in unquoted debentures/other funds	-	13.25	3.63	<b>16.88</b>
	<b>127.44</b>	<b>13.25</b>	<b>5.55</b>	<b>146.24</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

**As at 31<sup>st</sup> March, 2023**

<b>Particulars</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial Assets</b>				
Investments in quoted equity instruments	35.37	-	-	<b>35.37</b>
Investments in unquoted equity instruments	-	-	3.25	<b>3.25</b>
Investments in quoted mutual funds	-	-	-	<b>-</b>
Investments in unquoted debentures/other funds	-	10.19	12.13	<b>22.32</b>
	<b>35.37</b>	<b>10.19</b>	<b>15.38</b>	<b>60.94</b>

The following methods and assumptions were used to estimate the fair values:

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of net asset value approach, in this approach the net asset value is used to capture the fair value of these investments.

Quoted mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for mutual fund declared by mutual fund house.

Unquoted debentures/other funds: Fair value is determined by reference to quotes from fund houses/ portfolio management services companies/on market basis.

### 39.3 Financial Risk Management

This note explains the risk which company is exposed to and policies and framework adopted by the Company to manage these risks.

The Company's activities expose it mainly to the market risk, credit risk and liquidity risk.

The monitoring and management of such risks is undertaken by the senior management of the Company. There are appropriate policies and procedures in place through which such financial risks are identified, measured and managed by the Company. The Audit Committee and the Board are regularly apprised of these risks and measures used to mitigation these risks.

#### a. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse changes in market rates and prices such as currency risk, interest rate risk, other price risk etc.

##### (i) Currency Risk

Currently company does not have transaction in foreign currencies and hence the Company is not exposed to currency risk.

##### (ii) Interest rate risk

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

##### (iii) Price Risk

The Company is exposed to price risk arising from investments held by the Company and classified in the balance sheet either as at fair value through profit or loss or at fair value through other comprehensive income. To manage its price risk arising from investments, the Company diversifies its portfolio in equity, debt, money market and other instruments (including through funds). The Company also has strategic asset allocation benchmarks and risk limits.

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

### Sensitivity analysis

The paragraph below summaries the impact of increase/decrease in the prices of investments held at the end of the year on the Company's profit and other comprehensive income for the year. The analysis is based on the assumption that prices of investments are increased or decreased by 5% with all other variables held constant:

(i) In respect of investments measured at fair value through other comprehensive income, other comprehensive income for the year ended 31<sup>st</sup> March, 2024 would have been increased/decreased by ₹ 7.31 million (31<sup>st</sup> March, 2023: 3.05 million) as a result of the changes in prices of investments.

### b. Credit Risk

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

Financial instruments that are subject to concentrations of credit risk principally consist of receivables, cash and cash equivalents, bank deposits, investments in debentures, mutual funds & other funds and other financial assets.

The maximum exposure to credit risk was ₹ 17,195.82 million and ₹ 11,974.08 million, as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 respectively, being the total carrying value of loans and advances, cash and cash equivalents, balances with bank, trade receivables, investments (excluding equity investments) and other financial assets.

To manage the credit risk, the credit worthiness of the receivables is evaluated on an ongoing basis and investment is made only after considering counterparty risks based on multiple criteria including Tier I capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and deposit base of banks and financial institutions etc. These risks are monitored regularly as per its risk management program.

As at the end of the reporting period, all the investments have been fair valued and receivables, bank balances and other financial assets are considered to be good.

### c. Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Group consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at :

Financial Liabilities	As at 31 <sup>st</sup> March, 2024			
	Amount	Less than 1 year	1-5 years	More than 5 years
Payable	10,329.82	10,329.82	-	-
Borrowings	1,874.19	1,141.20	732.99	-
Other financial liabilities	420.75	420.75	-	-
	<b>12,624.76</b>	<b>11,891.77</b>	<b>732.99</b>	<b>-</b>

Financial Liabilities	As at 31 <sup>st</sup> March, 2023			
	Amount	Less than 1 year	1-5 years	More than 5 years
Payable	6,665.55	6,665.55	-	-
Borrowings	1,622.26	895.01	727.25	-
Other financial liabilities	318.67	318.67	-	-
	<b>8,606.48</b>	<b>7,879.23</b>	<b>727.25</b>	<b>-</b>

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

#### NOTE 40 MATURITY PATTERN OF ASSETS AND LIABILITIES

Particulars	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>						
Cash and cash equivalents	96.89	-	96.89	194.77	-	194.77
Bank balances other than Cash and cash equivalents	14,830.11	-	14,830.11	9,954.25	-	9,954.25
Trade receivables	1,249.75	-	1,249.75	496.09	-	496.09
Loans and Advances	728.06	-	728.06	811.10	-	811.10
Investments	-	146.24	146.24	-	60.94	60.94
Other financial assets	181.52	80.62	262.14	229.11	86.44	315.55
	<b>17,086.33</b>	<b>226.86</b>	<b>17,313.19</b>	<b>11,685.32</b>	<b>147.38</b>	<b>11,832.70</b>
<b>Non-financial Assets</b>						
Inventories	228.11	-	228.11	168.89	-	168.89
Deferred tax assets	-	24.20	24.20	-	43.11	43.11
Property, Plant and Equipment	-	153.00	153.00	-	138.22	138.22
Investment Property	-	64.75	64.75	-	83.64	83.64
Other non financial assets	20.57	43.48	64.05	27.22	33.92	61.14
	<b>248.68</b>	<b>285.43</b>	<b>534.11</b>	<b>196.11</b>	<b>298.89</b>	<b>495.00</b>
<b>Total Assets</b>	<b>17,335.01</b>	<b>512.29</b>	<b>17,847.30</b>	<b>11,881.43</b>	<b>446.27</b>	<b>12,327.70</b>
Financial liabilities						
Payable						
(i) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	10,329.82	-	10,329.82	6,665.55	-	6,665.55
Borrowings	1,141.20	732.99	1,874.19	895.01	727.25	1,622.26
Other financial liabilities	420.75	-	420.75	318.67	-	318.67
	<b>11,891.77</b>	<b>732.99</b>	<b>12,624.76</b>	<b>7,879.23</b>	<b>727.25</b>	<b>8,606.48</b>
<b>Non Financial liabilities</b>						
Provisions	31.61	58.02	89.63	4.03	5.50	9.53
Other non-financial liabilities	74.00	-	74.00	45.29	-	45.29
	<b>105.61</b>	<b>58.02</b>	<b>163.63</b>	<b>49.32</b>	<b>5.50</b>	<b>54.82</b>
<b>Total Liabilities</b>	<b>11,997.38</b>	<b>791.01</b>	<b>12,788.39</b>	<b>7,928.55</b>	<b>732.75</b>	<b>8,661.30</b>

Notes forming part of consolidated financial statements for the year ended 31<sup>st</sup> March, 2024 (Contd.)

#### NOTE 41 DISCLOSURE OF INTEREST IN SUBSIDIARIES

The consolidated financial statements include the financial statements of Company and its subsidiaries. Group does not have any joint venture.

Master Trust Ltd is the ultimate parent company of the Group.

#### Significant subsidiaries of Group are:

Name of the Entity	Place of business / country of incorporation	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Master Infrastructure & Real Estate Developers Limited	India	100%	100%
Master Capital Services Limited	India	100%	100%
Master Commodity Services limited	India	93%	93%
Master Portfolio Services Limited	India	100%	100%
Master Insurance Brokers Limited	India	100%	100%
Master Trust Wealth Private Limited	India	100%	100%

#### NOTE 42 ADDITIONAL INFORMATION PURSUANT TO REQUIREMENT OF SCHEDULE III TO THE COMPANIES ACT, 2013 UNDER GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS.

##### a. Net Assets

(₹ in million)

Name of the Entity	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	% of Consolidated net assets	Amount	% of Consolidated net assets	Amount
<b>Holding Company</b>				
Master Trust Ltd	25.76%	1,298.86	25.87%	944.30
<b>Subsidiaries</b>				
Master Infrastructure & Real Estate Developers Limited	5.99%	301.97	7.30%	266.44
Master Capital Services Limited	61.22%	3,087.08	58.39%	2,131.21
Master Commodity Services limited	3.94%	198.72	5.43%	198.18
Master Portfolio Services Limited	1.96%	98.70	1.79%	65.45
Master Insurance Brokers Limited	1.13%	56.78	1.21%	44.33
Master Trust Wealth Private Limited	0.01%	0.46	0.01%	0.19
<b>Total</b>	<b>100.00%</b>	<b>5,042.57</b>	<b>100.00%</b>	<b>3,650.10</b>

##### b. Share in Profit and loss

Name of the Entity	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	% of Consolidated Net Profit/ (Loss)	Amount	% of Consolidated Net Profit/ (Loss)	Amount
<b>Holding Company</b>				
Master Trust Ltd	7.68%	83.04	8.63%	56.84
<b>Subsidiaries</b>				
Master Infrastructure & Real Estate Developers Limited	1.99%	21.50	1.22%	8.05
Master Capital Services Limited	86.02%	929.75	84.10%	554.10
Master Commodity Services limited	0.05%	0.54	0.97%	6.37
Master Portfolio Services Limited	3.08%	33.25	3.51%	23.10
Master Insurance Brokers Limited	1.15%	12.45	1.52%	10.04
Master Trust Wealth Private Limited	0.02%	0.27	0.06%	0.37
<b>Total</b>	<b>100.00%</b>	<b>1,080.80</b>	<b>100.00%</b>	<b>658.87</b>



Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

**c. Share in Other Comprehensive Income**

Name of the Entity	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	% of Consolidated OCI	Amount	% of Consolidated OCI	Amount
<b>Holding Company</b>				
Master Trust Ltd	35.54%	22.14	(37.20%)	(3.24)
<b>Subsidiaries</b>				
Master Infrastructure & Real Estate Developers Limited	22.52%	14.03	142.14%	12.38
Master Capital Services Limited	41.93%	26.12	(4.94%)	(0.43)
Master Commodity Services limited	-	-	-	-
Master Portfolio Services Limited	-	-	-	-
Master Insurance Brokers Limited	-	-	-	-
Master Trust Wealth Private Limited	-	-	-	-
<b>Total</b>	<b>100.00%</b>	<b>62.29</b>	<b>100.00%</b>	<b>8.71</b>

**d. Share in Total Comprehensive Income**

Name of the Entity	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	% of Consolidated TCI	Amount	% of Consolidated TCI	Amount
<b>Holding Company</b>				
Master Trust Ltd	9.20%	105.18	8.03%	53.60
<b>Subsidiaries</b>				
Master Infrastructure & Real Estate Developers Limited	3.11%	35.52	3.06%	20.43
Master Capital Services Limited	83.62%	955.87	82.94%	553.67
Master Commodity Services limited	0.05%	0.55	0.95%	6.37
Master Portfolio Services Limited	2.91%	33.25	3.46%	23.10
Master Insurance Brokers Limited	1.09%	12.45	1.50%	10.04
Master Trust Wealth Private Limited	0.02%	0.27	0.06%	0.37
<b>Total</b>	<b>100.00%</b>	<b>1,143.09</b>	<b>100.00%</b>	<b>667.58</b>

**NOTE 43 ADDITIONAL REGULATORY INFORMATION AS PER DIVISION III SCHEDULE III OF COMPANIES ACT, 2013**

- No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Notes forming part of consolidated financial statements  
for the year ended 31<sup>st</sup> March, 2024 (Contd.)

- e) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- f) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- g) During the year, the Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- h) There are no transactions which have not been recorded in the books of accounts and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- i) During the current year the Company has not traded or invested in Crypto currency or Virtual Currency

**NOTE 44**

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

**For C.S. Arora & Associates**

Chartered Accountants  
FRN 015130N

**Sd/-**

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

**For and on behalf of the Board**

**Sd/-**

**Rajinder Kumar Singhania**

Director

DIN-00077540

**Sd/-**

**Sunil Kumar**

Chief Financial Officer

**Sd/-**

**Harjeet Singh Arora**

Managing Director

DIN-00063176

**Sd/-**

**Vikas Gupta**

Company Secretary

## FORM AOC-1

### Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

#### PART "A": SUBSIDIARIES

Sr. No.	Name of the Subsidiary Company	Master Infrastructure and Real Estate Developers Limited	Master Capital Services Limited	Master Commodity Services Limited	Master Portfolio Services Limited	Master Trust Wealth Private Limited	Master Insurance Brokers Limited
1	Reporting period	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024
2	Reporting currency	₹	₹	₹	₹	₹	₹
3	Share Capital	2.00	59.00	5.50	8.10	0.10	7.50
4	Reserves & Surplus	389.83	3,324.78	244.10	110.69	0.46	54.28
5	Total Assets	434.99	16,721.22	251.71	149.18	0.57	68.26
6	Total Liabilities	43.16	13,337.44	2.11	30.38	0.01	6.48
7	Investments	234.97	362.66	-	-	-	-
8	Turnover & Other Income	46.67	4,613.75	18.20	208.06	0.08	37.86
9	Profit before taxation	28.82	1,263.60	0.61	44.43	0.04	16.66
10	Provision for taxation	7.32	333.85	0.02	11.19	(0.23)	4.21
11	Profit after tax	21.50	929.75	0.59	33.24	0.27	12.45
12	Proposed Dividend	-	-	-	-	-	-
13	% of shareholding	100%	100%	93.45%	100%	100%	100%

1 Names of subsidiaries which are yet to commence operations: None

2 Names of subsidiaries which have been liquidated or sold during the year: None

\*Master Portfolio Services Limited (MPSL) and Master Commodity Services Limited (MCOML) are the subsidiaries of Master Capital Services Limited. Since, Master Capital Services Limited is a subsidiary of the Company, therefore, MPSL and MCOML are being reported as subsidiaries of the Company.

#### PART "B": ASSOCIATES AND JOINT VENTURES

1 Names of associates or joint ventures which are yet to commence operations: None

2 Names of associates or joint ventures which have been liquidated or sold during the year: None

As per our Report of even date

**For C.S. Arora & Associates**

Chartered Accountants

FRN 015130N

**Sd/-**

**Chanchal Singh**

Partner

Membership Number 090835

Place: Ludhiana

Date: 30<sup>th</sup> May, 2024

**For and on behalf of the Board**

**Sd/-**

**Rajinder Kumar Singhania**

Director

DIN-00077540

**Sd/-**

**Sunil Kumar**

Chief Financial Officer

**Sd/-**

**Harjeet Singh Arora**

Managing Director

DIN-00063176

**Sd/-**

**Vikas Gupta**

Company Secretary





**Master Trust Ltd**

**CIN:** L65991PB1985PLC006414

**Regd. Office:** Master Chambers, SCO 19,  
3<sup>rd</sup> Floor, Feroze Gandhi Market

Ludhiana - 141 001, Punjab

**Tel.:** 0161-5043500

**Corporate Office:** 1012, 10<sup>th</sup> Floor, Arunachal Building,  
19, Barakhmba Road, New Delhi - 110 001

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