

LKP Finance Limited



40TH ANNUAL REPORT 2023-2024

Board of Directors :	DIN
Shri Mahendra V. Doshi <i>Executive Chairman & Managing Director</i>	00123243
Shri Vineet N. Suchanti (Till 31.03.2024)	00004031
Shri Sajid Mohamed	06878433
Shri Pratik M. Doshi	00131122
Smt. Anjali Suresh	02545317
Shri Dinesh Waghela	00230087
Shri Dara J. Kalyaniwala (w.e.f 26.04.2024)	03311200

Head Corporate Affairs & Chief Financial Officer

Shri Satvinderpal Singh Gulati

Company Secretary :Shri Girish Kumar B. Innani
General Manager (Legal) & Company Secretary**Auditors :**MGB & Co LLP
Chartered Accountants
Peninsula Business Park,
Tower B, 19th Floor,
Lower Parel,
Mumbai - 400 013.**Registered Office :**203, Embassy Centre,
Nariman Point,
Mumbai - 400 021.
Tel. : 4002 4785 / 4002 4786
Fax : 2287 4787
Email: lkpfinvestor.relations@lkpsec.com**CIN: L65990MH1984PLC032831**

Website: www.lkpfinance.com

Registrar & Shares Transfer Agent :Adroit Corporate Services Pvt. Ltd.
19, Jaferbhoy Industrial Estate,
1st Floor, Makavana Road,
Marol Naka, Andheri (East),
Mumbai - 400 059.
Tel. : 28590942 / 28594060**CONTENTS**

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**40th Annual General Meeting on Friday, June 7, 2024 at
11.00 a.m. through Video Conferencing (VC)/ Other Audio
Visual Means (OAVM)**

NOTICE

NOTICE is hereby given that the Fortieth (40th) Annual General Meeting (“Meeting”) of the member(s) of LKP Finance Limited (“Company”) will be held on Friday, June 07, 2024 at 11:00 a.m. (IST) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Report of the Board of Directors and the Statutory Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Report of the Statutory Auditors thereon.
2. To confirm the interim dividend as the final dividend for the Financial Year 2023-2024.
3. To appoint a Director in place of Mr. Dinesh Waghela (holding DIN: 00230087), who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint M/s. MGB & Co. LLP, Chartered Accountants, Firm Reg. No: 101169W/W100035 as statutory auditors of the Company and fix their remuneration.

SPECIAL BUSINESS:

5. **Appointment of Mr. Dara Jahangir Kalyaniwala DIN: 03311200 as an “Independent Director” of the Company:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and such other Rules framed under the Act, as may be applicable and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force] other applicable rules and the Articles of Association of the Company, Mr. Dara Jahangir Kalyaniwala (DIN: 03311200), who was appointed by the Board of Directors on recommendation of Nomination and Remuneration Committee as an Additional Director to hold office of “Non-Executive, Independent Director” of the Company with effect from April 26, 2024 in terms of Section 161(1) of the Act and who meets the criteria for Independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby appointed as an “Independent Director” of the Company, not liable to retire by rotation, for a period of 5 (Five) years commencing from April 26, 2024 upto April 25, 2029.”

RESOLVED FURTHER THAT the Directors or Key Managerial Personnel of the Company duly authorised by the Board be and are hereby severally authorized to take all such steps, as may be necessary, proper or expedient, to give effect to this resolution and to do all such acts, deeds, matters and things as may be incidental thereto.”

6. **Approval for material related party transaction:**

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

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, to the extent applicable, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and the Company’s Policy on Related Party Transactions (“RPT”) and subject to such approval(s)/consent(s)/ permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the consent, approval, ratification, confirmation of the Members of the Company be and is hereby accorded for the transactions as detailed in the explanatory statement of Item No. 6. with ‘Related Party’ under Section 2(76) of the Act and Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 up to a maximum value of Rs. 300 Crores in aggregate, in the ordinary course of business of the Company and on arm’s length basis.

RESOLVED FURTHER THAT the Directors or Key Managerial Personnel of the Company duly authorised by the Board, be and are hereby authorised to sign, execute, alter and/ or negotiate all such deeds, agreements, contracts, transactions, applications, documents, papers, forms and writings that may be required, for and on behalf of the Company and to do all such acts, deeds, matters and things as they may deem fit at their absolute discretion, to give effect to this resolution and for resolving all such issues, questions, difficulties or doubts whatsoever that may arise in this regard.”

By order of the Board of Directors
For LKP Finance Limited

(Girish Kumar B. Innani)
General Manager (Legal) &
Company Secretary
Membership No: FCS2184

Place : Mumbai
Date : 26.04.2024

Registered Office:

LKP Finance Limited
(CIN: L65990MH1984PLC032831)
203 , Embassy Centre, Nariman Point, Mumbai – 400 021

NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') relating to the special business to be transacted at the 40th AGM is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement along with the Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Act shall be available for inspection electronically.
2. Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulation') and Secretarial Standards on General Meeting ('SS-2'), the required details of the Director proposed to be re-appointed and the terms of proposed remuneration of the Directors are given in the Annexure-I forming part of the Notice. Members seeking to inspect such documents can send an email to lkpfininvestor.relations@lkpsec.com.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, along with subsequent circulars issued in this regard and the latest Circular No. 9/2023 dated 25th September 2023 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as "MCA Circulars") and Circular no SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by Securities and Exchange Board of India and all other relevant circulars issued from time to time, MCA has permitted holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the 40th AGM shall be the Registered Office of the Company i.e. 203, Embassy Centre, Nariman Point, Mumbai 400 021.
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of the Act, a Member is entitled to attend and vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since, this AGM is being held through VC/OAVM, the physical attendance has been dispensed with. Accordingly, the facility for appointment of proxies by the members to attend and cast vote is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
8. In line with the MCA Circulars the Notice calling the AGM along with Annual Report 2023-24 is being sent only through electronic mode to those members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice of AGM along with Annual Report has also been uploaded on the website of the Company at www.lkpfinance.com, websites of BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM) at www.evotingindia.com. Members (Physical / Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting to our Registrar and Share Transfer Agent i.e. Adroit Corporate Services Private Limited ('RTA') at info@adroitcorporate.com and to the Company at lkpfininvestor.relations@lkpsec.com.
9. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to lkpfinancescrutinizer@gmail.com or with a copy marked to www.evotingindia.com.
10. Notice is also given under Section 91 of the Act read with Regulation 42 of the SEBI Listing Regulations that the Register of Members and the Share Transfer Book of the Company will remain closed from Saturday, June 1, 2024 to Friday, June 7, 2024 (both days inclusive).
11. The information and instructions for shareholders for remote e-voting are as under:
 - I. Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI Listing Regulations,

the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.

- II. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility.
- III. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., Friday, May 31, 2024. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
- IV. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Friday, May 31, 2024 only shall be entitled to avail the facility of e-voting/ Poll on Demand.

12. Information and other instructions relating to e-voting are as under:

- (i) The remote e-voting period begins on Tuesday, June 04, 2024 at 09:00 A.M. and ends on Thursday, June 06, 2024 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, May 31, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of SEBI Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

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

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

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

Individual Shareholders holding securities in demat mode with NSDL

1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- 2) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select “Register Online for IDeAS” or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

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

- (v) Login method for e-Voting and joining virtual meeting for Physical shareholders and shareholders other than individual holding in Demat form.
 - 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.

- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN: 240511007 for LKP FINANCE LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/

NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at lkpfinancescrutinizer@gmail.com and lkpfininvestor.relations@lkpsec.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

13. Process for those shareholders whose email addresses/mobile no. are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

- i. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at lkpfininvestor.relations@lkpsec.com or RTA at info@adroitcorporate.com.
- ii. For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP)
- iii. For Individual Demat shareholders – please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

14. Instructions for shareholders attending the AGM through VC/OAVM are as under:

- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iii. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request before the cut-off date for the AGM (i.e on or before Friday, May 31, 2024) mentioning their name, demat account number/folio number, email id, mobile number at lkpfininvestor.relations@lkpsec.com. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM, depending on the availability of time.

vi. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance before the cut-off date for the AGM (i.e on or before Friday, May 31, 2024) mentioning their name, demat account number/folio number, email id, mobile number at lkpfininvestor.relations@lkpsec.com. These queries will be replied to by the Company suitably by email.

vii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

viii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

ix. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

15. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800 22 55 33.

16. Members can avail themselves, the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail themselves of this facility may send their nominations in the prescribed Form No. SH-13 duly filled in to the Company's Registrar & Transfer Agents (R&T Agents). Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

17. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all companies to use the bank account details furnished by the Depositories for any payment (including dividend) through Electronic Clearing Service ("ECS") to investors. In the absence of ECS facility, companies shall mandatorily print the bank account details of the investors on such payment instruments. Members are encouraged to avail ECS facility and requested to update bank account details in the prescribed form to their respective Depository Participant(s) and/or the Company's R&T Agents.

18. Members who have not registered their e-mail ID so far are requested to register the same for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company in electronic form.
19. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail ID, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective Depository Participant(s) in case the shares are held in electronic form and to the Company's R&T Agents in case the shares are held in physical form.
20. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, on the website of the Company's Registrar and Transfer Agents, Adroit Corporate Services Private Limited at <https://www.adroitcorporate.com/RandTServices.aspx>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
21. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Adroit Corporate Services Private Limited, for assistance in this regard
22. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
23. Mr. V. Ramachandran (Membership No. A-7731 / CP No. 4731), Proprietor M/s. V. R. Associates, Practicing Company Secretaries has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
24. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company at www.lkpfinance.com and on the website of CDSL immediately after the declaration of result by the Chairperson or a person authorised by him/her in writing. The Results shall also be immediately forwarded to Stock Exchanges.
25. In terms of section 101 and 136 of the Act, read together with the Rules made thereunder, the listed companies may send the notice of AGM and the annual report, including Financial statements, Board Report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at www.lkpfinance.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
26. The Ministry of Corporate Affairs had notified provisions relating to unpaid/unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the Companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period.
27. Members are requested to send all communications to our R&T Agents at the following address:
Adroit Corporate Services Private Limited
19, Jafferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri East,
Mumbai - 400 059
Tel. No.: +91 22 4227 0400; Fax No.: +91 22 2850 3748.
E-mail ID: info@adroitcorporate.com
28. Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed in this Notice.

By order of the Board of Directors
For LKP Finance Limited

Girish Kumar B. Innani
General Manager (Legal)
& Company Secretary
Membership No: FCS2184

Place : Mumbai
Date : April 26, 2024

Registered Office:
LKP Finance Limited
(CIN: L65990MH1984PLC032831)
203 , Embassy Centre,
Nariman Point, Mumbai – 400 021

STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

In accordance with the provisions of Section 149 of the Companies Act, 2013 and pursuant to Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to have at least half of the total number of Directors, on the Board as Independent Directors who shall not be liable to retire by rotation. As Mr. Vineet Sancheti ceased to be an Independent Director of the Company effective April 01, 2024 due to completion of the tenure of his appointment, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, at its Meeting held on 26th April, 2024, approved the appointment of Mr. Dara Jahangir Kalyaniwala as an Additional Director (Non-Executive & Independent Director), on the Board of the Company for a period of 5 (Five) years commencing from April 26, 2024 upto April 25, 2029 subject to approval of the members.

The Company has received the consent from Mr. Dara Jahangir Kalyaniwala as required under the provisions of the Companies Act, 2013 and the Rules framed thereunder as well as the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and that no order of Securities and Exchange Board of India (SEBI) or any other such authority has been passed debaring him from accessing the capital markets and restraining from holding the position of Director in any listed company. The Company has received declaration from Mr. Dara Jahangir Kalyaniwala that he meets with the criteria of independence as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that his name is registered in the data bank as per Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

In the opinion of the Board of Directors, Mr. Dara Jahangir Kalyaniwala - Chartered Accountant, possesses the requisite integrity, expertise and experience (including the proficiency) and fulfils the criteria of Independence as specified under Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time. The brief profile of Mr. Dara Jahangir Kalyaniwala in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) are provided under elsewhere in this Notice. The terms and conditions of appointment will be available on request at lkpfininvestor.relations@lkpsec.com till the conclusion of the AGM, without any fee.

Except Mr. Dara Jahangir Kalyaniwala, none of the other Directors or Key Managerial Personnel or their relatives are in any way, whether financially or otherwise, concerned or interested in the proposed Resolution set out in Item No. 5.

The Board of Directors recommends the Special Resolution as set out in Item No. 5 in the Notice for approval of the Shareholders.

Item No. 6:

Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Material Related Party Transaction ('Material RPT') is defined as a transaction entered/ to be entered into with a related party, individually or taken together with previous transactions, during a financial year, exceeding Rs. 1,000 Crores or 10% of the consolidated turnover of the Company, whichever is lower. The said Material RPT requires approval of shareholders of the Company. In the ordinary course of business, the Company provides / receives loans and advances, invests, does Sale/Purchase of Securities, Debt Market Securities including Government Securities and other transactions with various parities including with the related party(ies). Since the aggregate value of such RPTs are expected to exceed the threshold of 10% of the consolidated turnover of the Company, the approval of Members for the said Material RPT transactions is sought. The Audit Committee and the Board of Directors approves the RPTs pursuant to Section 188 of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Related Parties, irrespective of the fact that they are a party to the proposed Material RPT or not, shall not vote to approve the proposed resolution.

The relevant information pertaining to transaction as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI circular No. SEBI/HO/ CFD/CMD1/ CIR/P/2021/662 dated November 22, 2021 is given below:

Sr. No.	Particulars	Details
1.	Type, material terms and particulars of the proposed transactions	Loans and Advances, Investments, Sale/Purchase of Securities, Debt Market Securities including Government Securities, other transactions in ordinary course of business to / from (past/future): <ol style="list-style-type: none"> LKP Securities Limited Sea Glimpse Investments Private Limited Bhavana Holdings Private Limited Alpha Commodity Private Limited Bond Street Capital Private Limited (erstwhile Gayatri Cement and Chemical Industries Private Limited) Mapple Leaf Trading & Services Ltd (Formerly known as Keynote Commodities Ltd) Keynote Fincorp Limited

2.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Common Directorship and Shareholding of Mr. M V Doshi and Mr. Pratik Doshi and their relatives in the entities from Sr 1 to 5 and of Mr. Vineet N. Suchanti in the entities at Sr 6 and 7
3.	Tenure of the proposed transactions	On Going
4.	Value of the proposed transactions	Upto Rs. 300 Crore at any given point of time on net basis
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transactions (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	333.66% (approximately) for all the transactions % on subsidiary's annual turnover cannot be ascertained as the value is composite for all the related parties as mentioned above.
6.	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	<ul style="list-style-type: none"> • Source of funds - Internal Accruals • Nature of indebtedness – Loans and Advances • Cost of funds – at the prevailing rate • Tenure – Typically short term • Interest rate - at the prevailing rate • Repayment – unsecured / on demand • Purpose of loans – for its business purpose
7.	Justification as to why the RPT are in the interest of the listed entity	Transaction is commercially beneficial to the Company and it's the ordinary course of business.
8.	A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable
9.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transactions will be made available through the registered e-mail address of the shareholders;	Not Applicable

The RPTs are in the ordinary course of business and on an arm's length basis.

The Directors, Key Managerial Personnel or their relatives holding shares of the Company may be deemed to be concerned or otherwise interested in the said Ordinary Resolution to the extent of their Directorship and / or shareholding in the respective companies.

The Board recommends the Ordinary Resolution as set out under Item No. 6 in this AGM Notice for approval by the Members.

By order of the Board of Directors
For LKP Finance Limited

(Girish Kumar B. Innani)
General Manager (Legal) &
Company Secretary
 Membership No:FCS1284

Place : Mumbai
 Date : 26.04.2024

Registered Office:
 LKP Finance Limited
 (CIN: L65990MH1984PLC032831)
 203, Embassy Centre,
 Nariman Point, Mumbai – 400 021

Annexure – I

Information as required pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), in respect of Directors seeking appointment / re-appointment / payment of remuneration at the Annual General Meeting:

Name	Mr. Dinesh Waghela	Mr. Dara Jahangir Kalyaniwala
DIN	00230087	03311200
Date of Birth / Age	24/05/1968; 56 Years	09/04/1956; 68 years
Date of First Appointment	December 04, 2020	April 26, 2024
Qualification, Expertise in Specific Functional Areas	B.Com. and has extensive experience of 32 years in the field of capital markets	Mr. Dara J Kalyaniwala has a Bachelor of Commerce degree from the University of Rajasthan and is a Member of The Institute of Chartered Accountants of India since 1982. He has over 30 years of work experience in Equity Capital Markets. He was the Head- Investment Banking with PL Capital Markets Private Limited (Prabhudas Lilladher Group), Mumbai from January 2008 and was its Executive Director from September 27, 2021 till April 24, 2024. He has also worked with LKP Shares & Securities Limited (subsequently renamed LKP Securities Limited) from 1993 till 2008 as Head of Investment Banking. During his professional career he has managed various Equity Capital Market transactions, raising funds through IPO, Rights Issues, QIP's etc, has advised companies in formulating Business Strategies and managed multiple M&A's, Buybacks, Takeovers & Delisting.
Other Directorships	<ol style="list-style-type: none"> 1. MKM Share and Stock Brokers Ltd. 2. Sea Glimpse Investment Pvt. Ltd. 3. Alpha Commodity Pvt. Ltd. 4. Wise Tech Platforms Private Limited 5. LKP IFSC Private Limited 	1. Sintercom India Limited
*Chairman / Member of Committee of the Board of the Companies on which he/she is a Director	None	Chairman: Nomination and Remuneration Committee of Sintercom India Limited Member: Stakeholder Relationship Committee of Sintercom India Limited
Shareholding in the Company	1185 Equity Shares (0.009%)	None
Relationship with any Director(s) of the Company	He is not related to any Director, Key Managerial Personnel of the Company	He is not related to any Director, Key Managerial Personnel of the Company
Justification for appointment / re-appointment of Director	The Company will benefit from the qualification, expertise, experience knowledge and skills.	

DIRECTORS' REPORT

The Directors present the Fortieth Annual Report and Audited Accounts of the Company for the year ended March 31, 2024.

FINANCIAL HIGHLIGHTS

The financial performance of the Company is as follows:

Rs. In lakhs

Particulars	Standalone		Consolidated	
	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2023-24	Financial Year 2022-23
Revenue from Operations	8260.04	2500.22	8992.03	2814.17
Other Income	20.85	7.33	20.85	7.60
Total Revenue	8280.89	2507.55	9012.88	2821.77
Profit before Tax	6782.95	1359.82	7332.46	1585.68
Less: Tax expense	1277.44	141.13	1387.56	198.35
Profit after Tax	5505.51	1218.69	5944.90	1387.33
Other Comprehensive income for the year	589.78	(277.58)	573.81	(255.15)
Total Comprehensive Income / (loss) for the year	6095.29	941.11	6518.71	1132.18
Earnings per equity share (Face Value of Rs. 10/- each) - Basic and Diluted (in Rs.)	43.80	9.70	47.30	11.04

RESERVE

The Company during the year under review has transferred Rs. 1101.10 lakhs to Special Reserve as per applicable regulation for NBFCs, prescribed by the Reserve Bank of India Act, 1934.

DIVIDEND

The Board of Directors recommended the interim dividend declared and paid during the year be considered as final dividend for the financial year 2023-24.

PERFORMANCE REVIEW

The Company has prepared the financial statement in accordance with the Companies Act, 2013 and Indian Accounting Standard. The Company's standalone revenue from operations increased from Rs. 2,500.22 lakhs to Rs. 8,260.04 lakhs and Other Income also increased from Rs. 7.33 lakhs to Rs. 20.85 lakhs. There is a net profit after tax of Rs. 5505.51 lakhs as against net profit of Rs. 1218.69 lakhs in the corresponding previous year.

The Company's consolidated revenue from operations increased from Rs. 2,814.17 lakhs to Rs. 8,992.03 lakhs and Other Income also increased from Rs. 7.60 lakhs to Rs. 20.85 lakhs. There is a net profit after tax of Rs. 5,944.90 lakhs as against net profit of Rs. 1,387.33 lakhs in the corresponding previous year.

SHARE CAPITAL

During the year under review, there is no change in the Share capital of the Company. Further the Company has not issued any sweat equity shares or bonus shares or equity shares with differential rights.

FIXED DEPOSITS

The Company has no public deposits as of date and will not accept any deposits without prior approval of the Statutory Authorities concerned.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Auditors' function is defined in their letter of engagement. To maintain its objectivity and independence, the Internal Auditors' reports to the Chairman of the Audit Committee of the Board and to the Executive Chairman.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of Internal Auditors process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner.

The Board of the Company at regular intervals monitors the financial, operational, legal risk to the Company. There is no risk, which in the opinion of the Board may threaten the existence of the Company.

Pursuant to section 134 (3) (n) of the Companies Act, 2013 (Act) it is stated that at present the company has not identified any element of risk which may threaten the existence of the Company.

INDIAN ACCOUNTING STANDARD (IND AS)

The Company has adopted Indian Accounting Standards ("IND AS") from April 01, 2019 with a transition date of April 01, 2018. Accordingly, the financial statement for the year 2023-24 have been prepared in accordance with IND AS, prescribed under Section 133 of the Act, read with the relevant rules issued thereunder and the other recognised accounting practices and policies to the extent applicable.

SUBSIDIARY, JOINT VENTURE, HOLDING COMPANY AND ASSOCIATE COMPANIES

As per Rule 8(1) of Companies (Accounts) Rules, 2014 the required financial information in respect of Company's subsidiary i.e. Bond Street Capital Private Limited (erstwhile Gayatri Cement and Chemical Industries Private Limited), in Form AOC 1 is annexed to this Report as "Annexure I".

Annual accounts of the Subsidiary Company and the related detailed information shall be available to shareholders of the Company and Subsidiary Company seeking such information at any point of time and also kept open for inspection by any shareholders in the Registered office of the Company and Subsidiary Company.

The annual accounts of the aforesaid subsidiary and the related detailed information shall also be available to shareholders of the Company, seeking such information at Company's website i.e. www.lkpfinance.com. The Company does not have any joint ventures / associate / holding company.

CONSOLIDATED FINANCIAL STATEMENT

During the year under review, the Board has reviewed the affairs of its subsidiary. The Consolidated Financial Statements of the Company prepared in accordance with the Act and applicable IND AS along with the relevant documents and Auditors' Report thereon form part of this Annual Report.

In accordance with the provisions of Section 136(1) of the Act, the Annual Report of the Company containing therein the audited standalone and consolidated financial statements and the audited financial statement of the subsidiary has been placed on the website of the Company at www.lkpfinance.com. The aforesaid documents are also available to Member interested in obtaining the same upon a request made to the Company.

DIRECTORS

In terms of Section 152 of the Act, Mr. Dinesh Waghela (holding DIN: 00230087), Non-Executive Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment.

The tenure of Mr. Vineet Sancheti as an Independent Director was till March 31, 2024 as per resolution passed by the members of the Company at its Annual General Meeting held on July 05, 2019. The Board of Directors place on record its sincere appreciation for the valuable guidance provided by Mr. Vineet Sancheti during his tenure.

Upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors at their respective meetings held on 30th March, 2024 and 26th April, 2024, Mr. Dara Jahangir Kalyaniwala (holding DIN 03311200) has been appointed as an Additional Director to hold the office of Non-Executive, Independent Director, on the Board of the Company for a period of 5 (five) years commencing from 26th April, 2024. The approval of members of the Company for said appointment is proposed at this Annual General Meeting.

The Company has received necessary disclosure and confirmation from concerned Director(s) in connection with their appointment as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as given in the Notice convening the ensuing AGM.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PERFORMANCE EVALUATION OF BOARD

Pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) the Board has carried out an annual evaluation of performance of its

own, the Committees thereof and the Directors individually.

At the meeting of the Board all the relevant factors that are material for evaluating the performance of the Committees and of the Board were discussed in detail.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were *inter-alia* evaluated on parameters such as level of engagement, contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board except the Director being evaluated. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

The Directors expressed their satisfaction with the evaluation process.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Company's policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As on March 31, 2024, the Board has Six members, one of whom is an Executive Chairman-Managing Director, two Non-Executive Non-Independent Directors and three Independent Directors, one of whom is a Woman Independent Director.

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act, has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

MEETINGS

During the year six Board Meetings, five Audit Committee Meetings and four Stakeholder Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The Board meetings were held on April 28, 2023, July 21, 2023, October 25, 2023, October 31, 2023, January 12, 2024 and February 03, 2024. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE

The Board has set up the Audit Committee with two Independent Directors, Mr. Vineet N. Suchanti, Mrs. Anjali Suresh and one Promoter Directors, Mr. M. V. Doshi. The said composition is as per Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. There are no instances where the Board did not accept the recommendations of the Audit Committee. The terms of reference, powers and roles of the Committee are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring

compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on March 31, 2024 and state that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. The Directors have 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;
- iv. The Directors have prepared the annual accounts on a going concern basis;
- v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STATUTORY AUDITORS

The term of the existing Statutory Auditors M/s MGB & Co. LLP, Chartered Accountants is coming to an end at the ensuing AGM. The Board of Directors have recommended re-appointment of M/s MGB & Co. LLP to hold office from the conclusion of this AGM till the conclusion of the Forty-first AGM.

The Company has received a written confirmation from the Statutory Auditors confirming that their continued appointment shall be in accordance with the applicable provisions of the Act. The Statutory Auditors have confirmed that they satisfy the criteria of independence, as required under the provisions of the Companies Act, 2013 and that they are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

RESPONSES TO QUALIFICATIONS, RESERVATIONS, ADVERSE REMARKS AND DISCLAIMERS MADE BY THE STATUTORY AUDITORS AND THE SECRETARIAL AUDITORS

- a) The Company has investments in unquoted securities of Rs 8,485.62 lakhs. The Company could not obtain valuation report for securities of Rs 2,110.00 lakhs as at 31st March 2024. Further, in respect of securities of Rs 4,533.46 lakhs and Rs 210.16 lakhs, the Company has carried out valuation as on 15th December 2023 and 8th February 2024 respectively. The management considers that the value of securities is not fluctuating and not easily marketable and hence valuation is appropriate and no change is required in the carrying value of these investments.
- b) The Company is unable to get the confirmation/ term sheet from two lenders as the parties are not contactable. The Company is

confident that there will be no material change in the balances outstanding.

As described in Note 30(b) to the standalone Ind AS financial statements, State Bank of India has obtained an Order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines, United Breweries (Holdings) Limited and Others for recovery of dues from them. In the earlier years the Company received a garnishee Order from the Recovery Officer, DRT, Bangalore claiming Rs. 2,500 lakhs (plus interest), as the financial statements of Kingfisher Finvest India Limited (lender) reflected the amount due from the Company. The Company has contested the claim and deposited Rs 1,126.22 lakhs and investment in mutual fund of Rs. 554.41 lakhs was attached by the recovery officer. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai.

Pursuant to provisions of the Section 143(12) of the Act, the Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board during the year under review.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s V. R. Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as “**Annexure II**”.

The Board of Directors affirm that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board, its Committees and the General Meetings.

The provisions relating to maintaining of cost record and to conduct cost audit are not applicable to the Company.

ANNUAL RETURN

As per Section 92 of the Companies Act, 2013, the copy of annual return of the company has been placed on the website of the company and can be accessed at www.lkpfinance.com.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In terms of Section 135 of the Companies Act, 2013, your Company has formed a Corporate Social Responsibility (CSR) Committee to approve activities to be undertaken, expenditure to be incurred and to monitor the performance of the CSR activities undertaken by the Company.

The Board of Directors and the CSR Committee review and monitor from time to time all the CSR activities being undertaken by the Company.

The Company has contributed funds for the promotion of education and environmental sustainability etc. The contribution has been made to a registered trust which mainly undertakes activities specified under Schedule VII of the Companies Act, 2013.

The report on CSR activities is annexed herewith as “**Annexure III**”.

The Company’s CSR policy provides guidelines and lays down the process to undertake CSR activities of the Company. The CSR Policy is also available on the website of the Company www.lkpfinance.com

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. The particulars of Contract or arrangement in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed to this Board Report. The details of other loans and advances are mentioned in notes to accounts and are not repeated here.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY

Being an NBFC, the disclosures regarding particulars of loans given, guarantees given and security provided, is exempted under the provisions of section 186(11) of the Act. As regards investments made by the company, the details of the same are provided under financial statements of the company for the year ended 31st March, 2024.

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website at www.lkpfinance.com

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees, to report instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Chairman of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

PREVENTION OF INSIDER TRADING

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

All Board Directors and the designated employees have confirmed compliance with the Code.

INFORMATION PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2013

The Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is Annexed as "Annexure IV".

A statement showing the names of the top ten employees in term of remuneration drawn and the name of every employee, who was in receipt of remuneration not less than the limits as set out in the Rule 5(2) and Statement of Particulars as per Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days and through electronic means. Further in terms of proviso to said Rule 5(3), such particulars shall be available to any shareholder on specific request made by him in writing or e-mail to Company Secretary, at lkpfininvestor.relations@lkpsec.com.

The prescribed particulars of Conservation of Energy, Technology Absorption do not apply to your Company. There are no foreign exchange earnings & outgo during the year under report.

During the year Promoter/s of the Company had entered in to a Share Purchase Agreement with M/s Mufin Green Finance Limited and Mr. Kapil Garg, (Acquirers) being acquirers of 32,67,745 equity shares of the Company from the Promoters as per the 'Detailed Public Statement' made by the Acquirers on 9th February 2024. An Open Offer was made to the Shareholders of LKP Finance Limited under Regulation 23(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011 ("SEBI SAST Regulations, 2011") subject to prior approval from Reserve Bank of India (RBI) in terms of RBI Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, for transfer of Management and Control of Non-Banking Finance Company. The said Open Offer stands withdrawn in terms of Regulation 23(1)(a) of the SEBI SAST Regulations, 2011 in view of denial of approval by Reserve Bank of India vide its letter dated April 03, 2024.

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with all the applicable secretarial standards.

TRANSFER OF UNCLAIMED/UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (‘IEPF’)

In terms of the provisions of Section 124, 125 and other applicable provisions, if any, of the Act, read with provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and other applicable provisions, all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (‘IEPF’) established by the Central Government, after completion of seven years from the date the dividend is transferred to unpaid/unclaimed account.

Further, in terms of Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat account of the Investor Education and Protection Fund Authority.

The details of unpaid/ unclaimed dividend and equity shares so transferred are uploaded on the website of the Company at <https://www.lkpfinance.com> as well as that of the Ministry of Corporate Affairs, Government of India at <http://www.mca.gov.in>.

The Members/Claimants whose shares and unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in). The Member/Claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments, affecting the financial position of the Company from end of the financial year up to the date of this Board’s Report.

CORPORATE GOVERNANCE

The Report on Corporate Governance along with a Certificate of compliance from the Practising Company Secretaries and Management Discussion and Analysis Report forms part of this Report.

DISCLOSURES

- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company’s operations in future.
- During the year under review, the Company has not issued any Debentures.
- There is no change in the nature of business of the Company.
- Executive Chairman-Managing Director, as per the terms of his appointment, does not draw any commission or remuneration from subsidiary company. Thereby, no disclosure is required under Section 197(14) of the Act.
- Maintenance of cost records and requirement of cost Audit as prescribed under the provisions of Section 148(1) of the Act are not applicable to the business activities carried out by the Company.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year
NIL	NIL	NIL	NIL

Declaration that the voting rights on shares in the suspense account shall remain frozen till the rightful owner of such shares claims the shares – Not Applicable

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed-off during the year 2023-24:

- Number of complaints received : Nil
- Number of complaints disposed-off : Nil
- Number of complaints pending : Nil

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation to Shareholders, Bankers, Institutions and Employees for their co-operation and support.

For and on behalf of Board of Directors

(M. V. Doshi)
Executive Chairman and
Managing Director
DIN: 00123243

Place: Mumbai
Date: 26.04.2024

Annexure I
Annexure II
Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part "A": Subsidiaries

Rs. In Lakhs

Sl. No.	Particulars	Details
1	Name of the subsidiary	Bond Street Capital Private Limited (f/k/a Gayatri Cement & Chemical Industries Private Limited)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2023 To 31/03/2024
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share Capital	995.00
5	Reserves & Surplus	2,725.40
6	Total Assets	6,728.61
7	Total Liabilities	6,728.61
8	Investments	3,936.86
9	Turnover	795.75
10	Profit before taxation	549.51
11	Provision for taxation	110.12
12	Profit after taxation	439.39
13	Proposed Dividend	Nil
14	% of shareholding	100

- Names of subsidiaries which are yet to commence operations – Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year – Not Applicable

Part "B": Associates and Joint Ventures: Not Applicable

For MGB & Co. LLP
 Chartered Accountants
 Firm Registration No.
 101169W/W-100035

For and on behalf of the Board
 LKP Finance Limited

Hitendra Bhandari
 Partner
 Membership No. 107832

M.V Doshi
 Executive Chairman
 & Managing Director
 DIN:00123243

Pratik M Doshi
 Director
 DIN: 00131122

Place : Mumbai
 Date : April 26, 2024

Girish Kumar B. Innani
 G.M. (Legal) & Company
 Secretary

S.S Gulati
 Head Corporate Affairs &
 Chief Financial Officer

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
 The Members,
 LKP Finance Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by LKP Finance 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 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 authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as applicable to the company:-
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable to the company during the audit period)**
 - The Securities and Exchange Board of India Share Based Employee Benefits) Regulations, 2014;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(not applicable to the company during the audit period)**
- (vi) Other Applicable Acts;
- (a) Prevention of Money Laundering Act, 2002
 - (b) RBI Regulations on Non-Banking Financial (Non Deposits Accepting or Holding) Companies
 - (c) The Employees Provident Fund & Miscellaneous Provisions Act, 1952;
 - (d) Employees State Insurance Act, 1948;
 - (e) Payment of Gratuity Act, 1972;
 - (f) The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013;

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The Securities and Exchange Board of India (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.

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

- i. The company has passed postal ballot resolutions for the following items as per the postal ballot notice dated 8th February, 2024. The postal ballot commenced on 9th February 2024 and ended on 9th March, 2024.
 - (a) To approve sale of 100% equity shares held by the company in Bond Street Capital Private Limited, wholly owned subsidiary to related party(ies);
 - (b) To approve divestment of investments of the company in listed and unlisted securities to related party(ies);
 - (c) To approve divestment of investments of the company in listed and unlisted securities;
 - (d) To approve sale of immovable property of the company to related party(ies);
 - (e) To approve assignment of debt to be received from United Breweries (Holdings) Limited (under liquidation) to related party(ies)/ others;
 - (f) To approve assignment of units, preference shares, dues from parties to related party(ies);
 - (g) To approve material related party transactions between the company and LKP Securities Limited;
- ii. There was an open offer and proposed acquisition of majority shareholding of the company dated 3rd February, 2024 by M/s Mufin Green Finance Limited and Mr. Kapil Garg pursuant to the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. However, this open offer did not commence nor proceed as RBI vide their letter dated 3rd April, 2024 rejected the proposal of the acquirer to acquire shares in the company;
- iii. The company has paid a penalty of Rs.35,400/- to BSE Limited in respect of delay in filing report of related party transactions under regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

For V.R. Associates
Company Secretaries

V. Ramachandran
CP 4731

Place: Mumbai
Date: 26th April, 2024

UDIN: **A007731F000246233**
Peer Review Certificate No. 1662/2022

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

'Annexure I' to Secretarial Audit Report

To,
The Members,
LKP Finance Limited.

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

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

**REPORT ON CORPORATE SOCIAL RESPONSIBILITY
(CSR) ACTIVITIES**

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

For V.R. Associates
Company Secretaries

V. Ramachandran
CP 4731

Place: Mumbai
Date: 26th April, 2024

UDIN: **A007731F000246233**
Peer Review Certificate No. 1662/2022

1. Brief outline on CSR Policy of the Company.

LKP Finance Limited, as a good corporate citizen, has adopted CSR as strategic tool for sustainable growth and has decided to contribute to the development of the communities as a whole. In doing so the Company aims at building a better, sustainable way of life for the weaker sections of society.

Programs to be undertaken via CSR will be identified by the Company's CSR Committee in a participatory manner after proactively consulting the communities for gauging their basic needs and any of the programs so selected will meet the regulatory requirements. Such programs shall be mapped with the activities as suggested in the Schedule VII of the Companies Act, 2013.

The focus areas in which LKP plans to work shall include Education, Health care and Environmental Sustainability. The objectives of the Company for the above activities shall be as follows:-

- I. Education: Our endeavour is to spark the desire for learning and enlighten minds. We may undertake to fulfil this objective by way of providing quality education initiatives or by financial assistance to the poor and needy students, undertaking to impart vocational training, adult education programs, girl education, other related infrastructure etc.
- II. Health care: Our goal is to render quality health care facilities which we may provide by way of undertaking preventive healthcare programs by way of including but not limited to setting various camps and related infrastructure services, providing of sanitation and making available safe drinking water, etc.
- III. Environmental Sustainability: We aim at providing livelihood in an environmentally sustainable manner. For addressing this objective we may undertake afforestation, planting of trees, maintain public garden, playground cleanliness and such other like programs, activities towards maintaining ecological balance, quality of soil, air and water, conservation of natural resources, etc.

Further, the Company on the recommendations of the CSR Committee may also undertake any other activities as mentioned in the Schedule VII of the Companies Act, 2013, apart from those mentioned above in pursuance of achieving its CSR objectives.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Mahendra V. Doshi	Executive Chairman & Managing Director	One	One
2	Mr. Pratik M. Doshi	Non-executive Director	One	One
3	Mr. Vineet N. Suchanti	Independent Director	One	One

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board: www.lkpfinance.com
4. Provide the details of Impact assessment of CSR projects carried

- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (c) Amount required to be set off for the financial year, if any: NIL
- (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 105.70 lakhs

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

Total Amount Spent For the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred To Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 105.70 lakhs	Nil	Nil	Nil	Nil	Nil

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation-Direct (Yes/No).	Name	Mode of Implementation - Through Implementing Agency
				State.	District.							CSR Registration number.
1.	Devghar Village	Promotion of Education, Literacy, Health Care and Environmental Sustainability	No	Maharashtra	Pune	Ongoing	-	-	Nil	No	Smt. Jayalaxmi Vasantrai Doshi Charitable Trust	CSR00010265

out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2023-24	0	NIL
2	2022-23	7,172/-	Nil
3	2021-22	3,70,752/-	Nil

6. Average net profit of the company as per section 135(5): Rs. 5285 lakhs
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 105.70 lakhs

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

(1) Sl. No.	(2) Name of the Project	(3) Item from The list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of Implementation Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
1	Relief and Rehabilitation	Relief and Rehabilitation of the Disabled with a vision to have DisabledFree Society	No	Gujarat	Bhavnagar	10,20,000/-	Yes	PNR Society	CSR00001320
2	Upliftment of Eco-Socio backward Society	Upliftment of Eco-Socio backward Society by providing health education and self-employment.	Yes	Maharashtra	Mumbai	20,00,000/-	Yes	Kalawati Devi Memorial Charitable Society	CSR00001320
3	Providing eye care to the community	Providing eye care	Yes	Maharashtra	Mumbai	5,00,000/-	Yes	Vision Foundation of India	CSR00002065
4	Education, Health and Medical Care	Education, Health and Medical Care	No	Delhi	Delhi	30,00,000/-	Yes	Infinity Foundation	CSR00063060
5	Education, Health and Medical Care	Education, Health and Medical Care	Yes	Maharashtra	Mumbai	20,50,000/-	Yes	Anvi Medical and Educational Foundation	CSR00012251
6	Education, Health, Food Distribution, and Animal Welfare	Education, Health, Food Distribution, and Animal Welfare	No	Maharashtra	Ratnagiri	20,00,000/-	Yes	Nirman Samajik Sanstha, Devhare	CSR00027719
TOTAL						1,05,70,000/-			

(d) Amount spent in Administrative Overheads: With in limit of 5%. - NIL

(e) Amount spent on Impact Assessment, if applicable; Not Applicable

(f) Total amount spent for the Financial Year 105.70 lakhs

(g) Excess amount for set off, if any: Nil

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

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

(1) Sl. No.	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (in Rs.).	(7) Amount spent on the Project in the reporting Financial Year (Rs.).	(8) Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	(9) Status of the Project Completed /Ongoing.
1.	NA	Devghar Village	2013-2014	Ongoing	5,00,00,000/-	--	2,53,10,000/-	Ongoing

Brief Description of Projects:

It is a matter of great concern and shame that villagers in large number continue to be out of school and remain illiterate. This problem is particularly severe in many states including Maharashtra. Smt. Jayalaxmi Vasantrai Doshi Charitable Trust, has vowed to change this in the next few years through starting community schools, which are multi grade multi-level schools started in the Devghar Village, Ambawane Panchayat in Pune district of Maharashtra.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**):
- (a) Date of creation or acquisition of the capital asset(s) : Not applicable
 - (b) Amount of CSR spent for creation or acquisition of capital asset : Not applicable
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not applicable
 - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not applicable

For and on behalf of the Board of Directors

Place: Mumbai
Date : April 26, 2024

Pratik M. Doshi
Director
DIN: 00131122

M. V. Doshi
Chairman CSR Committee
DIN:00123243

Annexure IV
Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i. The ratio of the remuneration of each Executive Director, Directors to the median remuneration of the employees of the Company for the financial year:

Name of Director	Designation	Ratio to median remuneration of the employees
Mr. Mahendra V. Doshi	Executive Chairman & Managing Director	35.03 : 1
Mr. Vineet Suchanti	Independent Director	Not Applicable as only sitting fees is paid to him.
Mr. Sajid Mohamed	Independent Director	Not Applicable as only sitting fees is paid to him.
Mrs. Anjali Suresh	Independent Director	Not Applicable as only sitting fees is paid to her.
Mr. Pratik M. Doshi	Non-executive and Non-Independent Director	Not Applicable as only sitting fees is paid to him.
Mr. Dinesh Waghela	Non-executive and Non-Independent Director	Not Applicable as only sitting fees is paid to him.

- ii. The % increase in remuneration of each Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of Directors / Employees	Designation	% Increase in remuneration
Mr. Mahendra V. Doshi	Executive Chairman & Managing Director	69.17
Mr. Vineet Suchanti	Independent Director	Nil-Only sitting fees for attending Board Meetings is paid
Mr. Sajid Mohamed	Independent Director	Nil-Only sitting fees for attending Board Meetings is paid
Mrs. Anjali Suresh	Independent Director	Nil-Only sitting fees for attending Board Meetings is paid
Mr. Pratik M. Doshi	Non-executive and Non-Independent Director	Nil-Only sitting fees for attending Board Meetings is paid
Mr. Dinesh Waghela	Non-executive and Non-Independent Director	Nil-Only sitting fees for attending Board Meetings is paid
Mr. S. S. Gulati	Head Corporate Affairs & Chief Financial Officer	-1.69
Mr. Girish Kumar B. Innani	GM (Legal) & Company Secretary	9.57

- iii. The % increase in the median remuneration of employees in the financial year : -51.72%
- iv. The number of permanent employees on the rolls of the Company : 32
- v. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year: -34.47%

Average percentage increase in the managerial remuneration in the last financial year. 69.17%

There are no exceptional circumstances for increase in the managerial remuneration except, on account of payment to MD - Executive Chairman, in terms of Special Resolution approved by the shareholders pursuant to the provisions of the Companies Act, 2013.

- vi. It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of Board of Directors

Place: Mumbai
 Date: April 26, 2024

(M. V. Doshi)
 Executive Chairman & Managing Director
 DIN: 00123243

Annexure V
REPORT ON CORPORATE GOVERNANCE
Company's philosophy on Corporate Governance

The Company provides detailed information on various issues concerning the Company's business / performance, to its shareholders. The fundamental philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for meeting its obligations to the shareholders. The Company believes that good Corporate Governance is a continuous process and strive to improve the same to meet shareholder's expectations.

Board of Directors

Note: Details of Board of Directors as on 31.03.2024 is provided.

Composition

The composition and category of Directors in the Company and other listed entities as on March 31, 2024 are as follows:

Name of Directors	LKP Finance Limited		Other Listed Entities	
	Category	Designation	Name of the other listed entity	Category
Mr. M. V. Doshi	Promoter	Executive Chairman & Managing Director	Graviss Hospitality Limited	Independent Director
			Nilkamal Limited	Independent Director
			LKP Securities Limited	Promoter-Non-executive Director
Mr. Vineet N Suchanti	Independent & Non-executive	Director	Keynote Financial Services Ltd	Managing Director
Mrs. Anjali Suresh	Independent & Non-executive	Director	LKP Securities Limited	Independent Director
Mr. Sajid Mohamed	Independent & Non-executive	Director	LKP Securities Limited	Independent Director
Mr. Pratik M. Doshi	Promoter Non-independent & Non-executive	Director	LKP Securities Limited	Managing Director
Mr. Dinesh K Wahghela	Non-independent & Non-executive	Director	None	Not Applicable

The composition of the Board of Directors is in accordance with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Non-Executive Independent Directors of your Company have no pecuniary relationship or any transaction with your Company.

Board Meetings

The Meetings of the Board of Directors are scheduled well in advance and generally held through Audio Visual means. The notice confirming the meeting and the detailed agenda is sent well in advance to all the Directors.

There were six Board Meetings held during the financial year ended March 31, 2024, namely on April 28, 2023, July 21, 2023, October 25, 2023, October 31, 2023, January 12, 2024 and February 03, 2024. The meeting scheduled on December 29, 2023 was adjourned sine die due to want of quorum.

Attendance, Other Directorship & Membership

Membership and Attendance of each Director at the Board of Directors' Meetings held during the year and the last Annual General Meeting and the number of other Directorship/Membership of Board Committees as on March 31, 2024:

S. No.	Name of the Director	Board Meeting Attended	Attendance at Last AGM	No. of Directorship in Boards (Including LKP Finance Ltd.)		No. of Chairmanship / Membership in other Board Committees (Including LKP Finance Ltd.) *	
				Public	Private	Membership	Chairmanship
1	Mr. Mahendra V. Doshi	6	Yes	7	3	3	1
2	Mr. Vineet Suchanti	6	Yes	5	2	3	1
3	Mr. Pratik M. Doshi	5	Yes	4	7	3	0
4	Mr. Sajid Mohamed	5	No	2	1	1	0
5	Mrs. Anjali Suresh	6	No	2	1	3	1
6	Mr. Dinesh K. Wahghela	6	Yes	2	4	--	--

*Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

None of the present Directors are relative of each other except Mr. Pratik M. Doshi who is son of Mr. Mahendra V. Doshi.

The familiarization program imparted to independent directors of the Company is available at the website of the Company www.lkpfinance.com.

In compliance with requirement of Regulation 17(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board of Directors have periodically reviewed compliance reports pertaining to all laws applicable to the Company as well as steps taken to rectify instances of non-compliances, if any.

In compliance with requirement of Regulation 17(4) of Listing Regulations, the Board of Directors have satisfied itself that plans are in place for orderly succession of the Board of Directors and senior management.

In compliance with requirement of Regulation 17(5) of Listing Regulations, the Board of Directors has laid down a code of conduct for all members of Board of Directors and senior management of the Company, incorporating therein the duties of independent directors as laid down in the Companies Act, 2013.

In the opinion of the Board of Directors, the Independent Directors fulfil the conditions specified in the Listing Regulations, and are independent of the management.

Remuneration of Directors

During the year under review the Company has paid Rs. 245.19 lakhs towards remuneration to Mr. Mahendra V. Doshi, Executive Chairman of the Company pursuant to the special resolution passed by members on June 20, 2023.

- (i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors and details of fixed component and performance linked incentives along with the performance criteria:

Heads	Rs. in lakhs
Basic Salary	72.76
House Rent Allowance	NIL

Medical	0.15
Bonus	7.28
Commission	165.00
Total	245.19

- (ii) service contracts, notice period, severance fees: As per the terms of appointment and detailed in explanatory statement to the special resolution passed by members on June 20, 2023.
- (iii) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable – NIL.

At present, Independent Directors are not paid any remuneration except sitting fees for attending Board Meetings.

Sitting Fees (gross) paid to Directors for attending Board Meetings

Mr. Sajid Mohamed	Rs. 2.5 lakhs
Mr. Vineet N. Suchanti	Rs. 3.00 lakhs
Mr. Pratik M. Doshi	Rs. 2.5 lakhs
Mr. M. V. Doshi	NIL
Mrs. Anjali Suresh	Rs. 3.00 lakhs
Mr. Dinesh K. Waghela	Rs. 3.00 lakhs

No stock options were granted to any of the Independent Directors and Promoter Directors. Further the Company has not granted any advance or loans to any directors during the year.

Audit Committee

The Board has set up the Audit Committee with two Independent Directors Mr. Vineet N. Suchanti, Mrs. Anjali Suresh and one Promoter Director Mr. M. V. Doshi. Mr. Vineet N. Suchanti is the Chairman of the Audit Committee and was present at the last Annual General Meeting. The term of reference of Audit Committee are as prescribed under the Listing Regulations and Companies Act 2013.

Audit Committee meetings were held on April 28, 2023, July 21, 2023, October 25, 2023, January 12, 2024 and February 03, 2024. The meeting scheduled on December 29, 2023 was adjourned sine die due to want of quorum. All the members have attended the aforesaid meetings. The Statutory Auditors were the invitees to the above meetings. The scope of activities and powers of Audit Committee includes the areas prescribed under the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and section 177 of the Companies Act, 2013.

The composition of the Audit Committee and the attendance of the Members at the above meetings are as under:

Name of Directors / Members	Category	Designation	No. of Meetings held during the tenure of respective Members	
			Held	Attended
Mr. Vineet N. Suchanti	Independent Director	Chairperson	5	5
Mrs. Anjali Suresh	Independent Director	Member	5	5
Mr. M. V. Doshi	Executive Director	Member	5	5

Stakeholders Relationship Committee

Stakeholders Relationship Committee has been constituted pursuant to the section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The said Committee is having two Independent Directors viz. Mrs. Anjali Suresh, Mr. Vineet Suchanti and a non-executive Director Mr. Pratik Doshi. Mrs. Anjali Suresh is appointed as the Chairperson of the Committee. Mr. Girish Kumar B. Innani, General Manager (Legal) & Company Secretary of the Company is Compliance Officer. The Company had received 1 complaint from shareholder of the Company during the year under review and the same is resolved. The Committee meetings were held on April 28, 2023, July 21, 2023, October 25, 2023 and January 12, 2024. There is no complaint which has remained un-addressed.

M/s. V. R. Associates, Practicing Company Secretaries is conducting Reconciliation of Share Capital Audit, for the Company.

The composition of the Stakeholders Relationship Committee and the attendance of the Members at the above meetings are as under:

Name of Directors / Members	Category	Designation	No. of Meetings held during the tenure of respective Members	
			Held	Attended
Mrs. Anjali Suresh	Independent Director	Chairperson	4	4
Mr. Vineet N. Suchanti	Independent Director	Member	4	4
Mr. Pratik Doshi	Non-Executive Director	Member	4	3

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Company and has two Independent Directors Mrs. Anjal Suresh, Mr. Vineet Suchanti and a non-executive Director Mr. Pratik Doshi. Mr. Vineet N. Suchanti is the Chairman of the Committee.

The terms of reference of the Nomination and Remuneration Committee cover all the areas mentioned under Part D Schedule II read with regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee therefore include recommending a policy relating to remuneration and employment terms of Executive Chairman/Managing Director, directors and senior management personnel, adherence to the remuneration/employment policy, also to prepare, administrate and monitor Company's Employees Stock Options Plans /Scheme from time to time, as finally approved by the Board of Directors. Preparing the criteria and identify persons who may be appointed as directors or senior management of the Company, preliminary evaluation of every Director's performance, Board diversity, compliance of the Code for Independent Directors referred to in Schedule IV of the Companies Act, 2013, compliance with the Company's Code of Conduct by Directors and employees of the Company, reporting non-compliances, in case if any, to the Board of Directors, monitor loans to employees and any other matters which the Board of Directors may direct from time to time.

During the financial year ended March 31, 2024 two meeting of the Nomination and Remuneration Committee were held on April 28, 2023 and March 30, 2024. All the members have attended the aforesaid meeting. At present, Directors are not paid any fees for attending any Committee Meetings.

Criteria of selection of Non-executive Directors

The Non-executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

- Qualification, expertise and experience of the Directors in their respective fields;
- Personal, Professional or business standing;
- Diversity of the Board.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

A Non-executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and reimbursement of expenses for participation in the Board meetings.

Executive Chairman- Managing Director / Director – Criteria for selection / appointment: For the purpose of selection of the Executive Chairman- Managing Director / Director, the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the Executive Chairman-Managing Director / Director: At the time of appointment or re-appointment, the Executive Chairman- Managing Director / Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the Executive Chairman –Managing Director / Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting. The remuneration of the Executive Chairman- Managing Director / Director comprises of fixed and

variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

Remuneration Policy for the Senior Management Employees: In determining the remuneration of the Senior Management Employees the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Executive Chairman will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual increment and performance incentive to the Committee for its review and approval.

Senior Management:

The Board of Directors, Company Secretary / Compliance Officer and Chief Financial Officer comprises of Senior Management. There are no changes in the same during the year under review.

Corporate Social Responsibility (CSR) Committee:

As required under section 135 of the Companies Act, 2013 the company has formed a CSR committee consisting of the following members:

Name of the Member	Designation
Mr. Mahendra V. Doshi	Chairman
Mr. Vineet N. Suchanti	Member
Mr. Pratik M. Doshi	Member

The committee met once on January 12, 2024 during the financial year. All the members have attended the said CSR Committee meeting.

Performance Evaluation of the Board

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Independent Directors Meeting

During the year under review, the Independent Directors met on, February, 03, 2024 inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a Whole; Evaluation of the performance of the Chairman of the Company, taking into account the views of the Non-executive Directors.

Evaluation of the quality, quantity and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Skills, Expertise and Competencies

The Board has a right blend of dynamism with each of the Directors having several years of vast experience and knowledge in various diversified functions, viz., investment banking and institutional

and retail stock broking, corporate banking and treasury, planning, project finance, business strategies, banking and finance, competition law, corporate affairs, industry, economic regulation and corporate law etc.

The Board is suitably equipped to understand the ever changing business dynamics of NBFCs in which the Company operates and ensures that appropriate strategies are articulated benefitting the Company in the long run. The Independent Directors provide their treasured inputs and guidance at the Meetings of the Board which have been of immense help to the Company in pursuing strategic goals.

The skills, expertise and competence of the Directors are given below:

Skills/Expertise/Competence ^s	Mr. Mahendra V. Doshi	Mr. Pratik M. Doshi	Mr. Sajid Mohamed	Mrs. Anjali Suresh	Mr. Dinesh K. Waghela
Knowledge of the Sector	✓	✓	✓	✓	✓
Accounting and Finance	✓	✓	✓	✓	✓
Investment & Corporate banking and Treasury	✓	✓	-	✓	-
Strategy development and Implementation	✓	✓	✓	-	✓
Corporate Governance, Compliances and Economic regulation	✓	✓	✓	✓	✓

Notes:

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

General Body Meetings

The particulars of last three years Annual General Meetings are as under:

Year	Day, Date & Time of AGM	Venue	Special Resolutions Passed
2022-23	Tuesday, June 20, 2023 at 3.00 PM	Through Video Conferencing (VC)/ Other Audio Visual	Re-appointment of Mr. Mahendra V. Doshi (DIN: 00123243), as the Executive Chairman and Managing Director
2021-22	Monday, June 20, 2022 at 2.00 PM	Means (OAVM). Deemed venue- 203,	None
2020-21	Tuesday, August 10, 2021 at 11.30 AM	Embassy Centre, Nariman Point, Mumbai 400 021.	Re-appointment of Mr. Sajid Mohamed as Independent Director for 2nd term of 5 years

Extraordinary General Meeting

No extraordinary general meeting of the members was held during financial year ended March 31, 2024.

Postal Ballot

During the financial year 2023-24, the approval of the members of the Company was sought through Postal Ballot for the special resolutions mentioned in the Postal Ballot Notice dated February 3, 2024. The remote e-voting was available from Friday February 9, 2024, 9:00 A.M. (IST) to Saturday, March 9, 2024, 5.00 p.m. (IST). The e-voting results and the Scrutinizer's Report are being uploaded on the Company's website www.lkpfinance.com.

The description of resolution and details of e-voting are as under:

Particulars of Special Resolution	Number and % of votes cast in favour	Number and % of votes cast against
To approve sale of 100% Equity Shares held by the Company in Bond Street Capital Private Limited (erstwhile Gayatri Cement and Chemical Industries Private Limited), wholly owned subsidiary to Related party(ies)	8,20,046 (99.88)	1,002 (0.12)
To approve divestment of Investments of the Company in Listed and Unlisted Securities to Related party(ies)	8,20,046 (99.88)	1,002 (0.12)
To approve divestment of Investments of the Company in Listed and Unlisted Securities	65,16,358 (99.98)	1,002 (0.02)
To approve sale of Immovable Property of the Company to Related party(ies)	8,19,546 (99.82)	1,502 (0.18)
To approve assignment of debt to be received from United Breweries (Holdings) Limited (under liquidation) to related party(ies) / others	8,19,046 (99.76)	2,002 (0.24)
To approve assignment of units, preference shares, dues from parties to related party(ies)	8,19,336 (99.79)	1,712 (0.21)
To approve material RPT(s) between the Company and LKP Securities Limited	8,20,046 (99.88)	1,002 (0.12)

Procedure adopted for Postal Ballot

- The Board of Directors, at its Meeting, approves the items to be passed through Postal Ballot and authorizes one of the Directors and the Company Secretary to be responsible for the entire process of Postal Ballot.
- A professional such as a Chartered Accountant / Company Secretary is appointed as the Scrutinizer for the poll process. M/s Nishant Jawa & Associates, Company Secretaries, FCS 6557, CP No. 6993, Practicing Company Secretaries, Mumbai, as the Scrutinizer for conducting the postal ballot (e-voting process).

- c. Notice of Postal Ballot is sent to the Shareholders. E-voting facility is offered to eligible Shareholders to enable them to cast their votes electronically.
- d. An advertisement is published in a national newspaper and a vernacular newspaper about the dispatch of Notice of Postal Ballot.
- e. Upon completion of voting, the Scrutinizer gives his / her report and the results of the Postal Ballot are announced.
- f. The results are intimated to the Stock Exchanges and are hosted on the Company's website, www.lkpfinance.com.
- g. The Postal Ballot is carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular issued by Ministry of Corporate Affairs from time to time.

2nd Quarter - First week of November

3rd Quarter - First week of February

4th Quarter - First week of May

Book Closure- 01 June, 2024 to 07 June, 2024 (both days inclusive).

Dividend payment date

The Board of Directors recommended that the interim dividend declared during the year be considered as final dividend for the year 2023-24. Hence N.A.

Listing on Stock Exchange: BSE Limited, Mumbai (Code-507912).
The Company has paid the listing fees for Financial Year 2024-25.

Demat ISIN No. for Depositories : INE724A01017

Market Price Data and Performance in comparison to BSE SENSEX:

Month	LKP Finance Ltd		BSE SENSEX	
	LKP High Price	LKP Low Price	Sensex High	Sensex Low
April-23	88.00	73.70	61,209.46	58,793.08
May-23	87.50	74.50	63,036.12	61,002.17
June-23	80.85	71.40	64,768.58	62,359.14
July-23	109.45	74.00	67,619.17	64,836.16
August-23	114.00	90.45	66,658.12	64,723.63
September -23	108.90	94.50	67,927.23	64,818.37
October-23	113.14	88.43	66,592.16	63,092.98
November-23	141.55	118.45	67,069.89	63,550.46
December-23	239.80	130.60	72,484.34	67,149.07
January-24	262.55	211.20	73,427.59	70,001.60
February-24	269.00	212.50	73,413.93	70,809.84
March-24	229.10	140.60	74,245.17	71,674.42

Pecuniary relationship/transaction with Non-Executive Directors

During the year under review, there were no pecuniary relationship/ transactions with any of the Non-Executive Directors of the Company. The register of contracts is maintained by the Company pursuant to Section 189 of the Act. The register is signed by all the directors present at the respective Board meetings.

Criteria of making payments to Non-Executive Directors

Non-Executive Directors are only paid sitting fees for attending Meeting of the Board. During the year under review, the sitting fee was fixed at Rs. 50,000/- per Board meeting. The criteria of making payments to Non-Executive Directors is placed at www.lkpfinance.com.

Means of Communication

The financial results are usually published in Business Standard / Financial Express and Mumbai Lakshadeep/ MumbaiMitra, widely circulating national and local dailies. The Company's Annual Report, Financial Results, Shareholding Pattern and official news releases are displayed on the Company's website www.lkpfinance.com and also posted by BSE at www.bseindia.com.

All filing, disclosures and communications to Stock Exchange are made electronically through their specific web portals in order to disseminate such information and make such information generally available.

There were no presentations made to the institutional investors or to the analysts.

The Management, Discussion and Analysis Report forms a part of this Annual Report.

General Shareholder Information

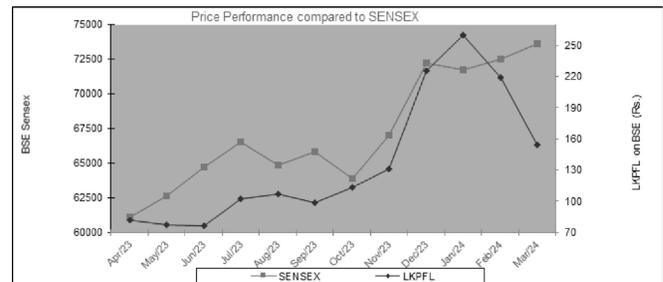
AGM Date, Time and Venue: Friday 7th June, 2024 at 11.00 A.M through Video Conference / Other Audio Visual Means (OVAM). The deemed venue of the meeting shall be considered at the Registered Office of the Company.

Financial Calendar: 01 April to 31 March

Announcement of Audited / Un-audited Results (tentative)

1st Quarter - First week of August

Price Performance compared to SENSEX



The performance comparison is based on the closing price / Sensex on the last trading day of the month. The Company was not suspended from trading.

Credit Rating

The Company's financial discipline and prudence is reflected in the credit ratings ascribed by rating agency. The following Credit rating are assigned to the Company during the year under review.

Rating Agency	Product	Rating as on March 31, 2024	Rating as on March 31, 2023
Infomerics Valuation And Rating Pvt. Ltd.	Fund based – Long Term Bank Facilities- Cash Credit	IVR BBB-/ RWDI	IVR BBB-/ Stable
Infomerics Valuation And Rating Pvt. Ltd.	Fund based – Short Term Bank Facilities – Secured Overdraft	IVR/ RWWDI	IVR A3

Registrar and Share Transfer Agent

M/s. Adroit Corporate Services Private Limited
 19, Jafarbhoy Industrial Estate, 1st Floor,
 Makawana Road, Marol Naka, Andheri (East),
 Mumbai 400 059.
 Tel: +91 (0)22 42270400, 022-42270422 ;
 Fax: +91 (0)22 28503748

email: info@adroitcorporate.com / sandeeps@adroitcorporate.com ;
 Website: www.adroitcorporate.com

Share Transfer System

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized form. In terms of the Regulation 40 of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019, except in case of transmission or transposition of securities. In case of any demat/remat and shares related issues, the Shareholders Relationship Committee constituted by the Board is empowered for same. The share related formalities are attended by the Registrars and Share Transfer Agents.

Shareholding Pattern as on March 31, 2024

Sr. No	Description	No. of Shareholders	%	Shares	%
1	Resident Individual	5508	92.805	2617757	20.828
2	Non Resident Indians (Individuals)	170	2.864	78340	0.623
3	Corporate Bodies (Promoter)	2	0.034	1957020	15.571
4	Corporate Bodies	96	1.618	3378465	26.880
5	Foreign Individuals	1	0.017	200	0.002
6	Banks	2	0.034	250	0.002
7	Directors (Promoter)	3	0.051	3322567	26.435
8	Directors	1	0.017	1185	0.009
9	Directors Relatives (Promoter)	3	0.051	416725	3.316
11	Investors Education And Protection	1	0.017	93820	0.746
12	Foreign Portfolio Investors	3	0.051	4,14,507	3.298
13	Clearing Members	2	0.034	90059	0.717
14	Hindu Undivided Family (HUF)	142	2.393	173134	1.378
15	Alternate Investment Funds	1	0.017	24594	0.196
Total		5935	100.00	12568623	100.00

Distribution of shareholding as on March 31, 2024

No. of Shares	Numbers as per Folio / Client ID DPID	%	No. of Shares	Amount in Rs.	%
UPTO – 100	3946	65.34	218833	2188330	1.74
101 – 500	1261	20.88	339708	3397080	2.70
501 – 1000	374	6.19	295299	2952990	2.35
1001 - 2000	184	3.05	281506	2815060	2.24
2001 - 3000	72	1.19	184643	1846430	1.47
3001 - 4000	32	0.53	114936	1149360	0.91
4001 - 5000	36	0.60	169863	1698630	1.35
5001 – 10000	59	0.98	432781	4327810	3.44
10001 – 20000	24	0.40	372751	3727510	2.29
20001 – 50000	21	0.35	692113	6921130	5.51
50001 & Above	30	0.50	9466190	94661900	75.32
Total	6039	100.00	12568623	125686230	100.00

Dematerialization of equity Shares and liquidity

As on March 31, 2024, 98.41% of the Company's total shares represented by 1,23,69,331 shares were held in dematerialized form.

Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL).

Commodity price risk or foreign exchange risk and hedging activities

The Company does not have exposure of any commodity and accordingly, no hedging activities for the same are carried out. The Company does not have foreign exchange risk.

Compliance with the Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with all the applicable secretarial standards.

Disclosure

The related party details are disclosed in the notes to financial statements. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval.

The Company has complied with the requirements of regulatory authorities. During the financial year under review, there was no instances of non-compliance by the Company *except for one instance when submission under Regulation 23(9) of Listing Regulations was submitted 3 days beyond prescribed time* and penalty for same is been duly paid. Apart from said, no penalties or restrictions were

imposed on the Company by the Stock Exchange(s) or Securities and Exchange Board of India or any statutory authority, on any matter related to the capital markets.

No personnel have been denied access to the Chairman or members of the Audit Committee. The mechanism of Whistle Blower Policy is in place.

To the extent possible, the Company has complied with the mandatory requirement of this clause.

The Company has complied with all applicable Accounting Standards in preparation of its financial statements pursuant to the amended Schedule III of Companies Act, 2013.

Weblink:

Policy on dealing with related party transactions

http://lkpfinance.com/DownloadDoc/Policy%20on%20Related%20Party%20Transactions_F.pdf

Policy for determining 'material' subsidiaries

<http://lkpfinance.com/DownloadDoc/Policy%20on%20determining%20material%20subsidiary%20f.pdf>

Miscellaneous

- No funds are raised through preferential allotment or qualified institutions placement
- Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed.
- During the year under review, there were nil instances where the Board had not accepted any recommendation of any Committee of the Board
- Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is detailed in notes of the Financial Statements and hence not repeated here.
- **Details of material subsidiaries of the listed entity-** Bond Street Capital Private Limited (erstwhile Gayatri Cement and Chemical Industries Private Limited) incorporated on 25.01.1983 having registered office at 112-A, Embassy Centre, Nariman Point, Mumbai 400021. MGB& Co. LLP are the Statutory Auditors of the subsidiary for the period from Financial Year 2022-23.
- The Company is in compliance with mandatory requirements of Corporate Governance and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of the Listing Regulations in the respective places in this Report. The Company is not incurring any expenses for maintaining the Non-Executive Chairperson's Office or reimbursement of expenses incurred in performance of his duties.
- As required under Regulation 17(8) of the Listing Regulations, the Managing Director and Chief Financial Officer of the

Company have jointly certified to the Board regarding the Financial Statements for the year ended 31st March 2024.

- A certificate on compliance of conditions of pursuant to clause D of Schedule V of Listing Regulations relating to Corporate Governance is provided by Practicing Company Secretary and is annexed herewith.
- The positions of Chairman and Managing Director are not separately held.
- Internal Auditors are invited to the meetings of Audit Committee to make presentation to the Committee on their observations and suggestions during the course of their Internal Audit.
- No cases are reported under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.
- The details of other loans and advances are mentioned in notes to accounts and are not repeated here.
- The Company does not have any demat suspense account / unclaimed suspense account.

As such the following disclosures are not applicable:

- (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year is not applicable.
- (b) number of shareholders who approached the Company for transfer of shares from suspense account during the year is not applicable.
- (c) number of shareholders to whom shares were transferred from suspense account during the year is not applicable.
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year is not applicable.
- (e) declaration that the voting rights on shares in the suspense account shall remain frozen till the rightful owner of such shares claims the shares.

Code Of Conduct

The Company has adopted a Code of Conduct for Board Members and Senior Management Executives. The Code of Conduct for Board Members and Senior Management has been posted on the website of the Company www.lkpfinance.com.

Each Director informs the Company on an annual basis about the Board and the Committee positions they occupy in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

Your Company has functional website www.lkpfinance.com which inter-alia disseminates the information as required per applicable acts, rules and regulations.

Out-standing ADR/GDR/Warrants/Convertible Instruments

Annexure VI

The Company has no out-standing ADR/GDR/Warrants/Convertible Instruments.

Address for correspondence

LKP Finance Limited
203, Embassy Centre,
Nariman Point,
Mumbai 400 021
E.mail : lkpinvestor.relations@lkpsec.com

For and on behalf of Board of Directors

(M. V. Doshi)
Executive Chairman and
Managing Director
DIN: 00123243

Place: Mumbai
Date: April 26, 2024

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members,

LKP Finance Limited

We have examined the compliance of conditions of Corporate Governance by LKP Finance Limited (“the Company”) for the financial year ended on March 31, 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 (“Listing Regulations”).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of the corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations as applicable.

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

For *V.R. Associates*
Company Secretaries

V. Ramachandran
CP 4731; ACS 7731

Place: Mumbai
Date: 26th April, 2024

UDIN: A007731F000246277
Peer Review Certificate no. 1662/2022

Annexure VII

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,
LKP Finance Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of LKP Finance Limited having CIN L65990MH1984PLC032831 and having registered office at 203, Embassy Centre, Nariman Point, Mumbai 400 021 (hereinafter referred to as 'the company'), produced before us by the company for the purpose of issuing this certificate, in accordance with regulation 34(3) read with Schedule V para C sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the company and its officers, we hereby certify that none of the Directors on the Board of the company as stated below for the financial year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Mr. Mahendra Vasantrai Doshi	00123243	May 05, 1984
2.	Mr. Vineet Suchanti	00004031	July 26, 2001
3.	Mr. Pratik Mahendra Doshi	00131122	October 26, 2009
4.	Ms. Anjali Suresh	02545317	January 29, 2015
5.	Mr. Sajid Mohamed	06878433	August 03, 2015
6.	Mr. Dinesh Waghela	00230087	December 04, 2020

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

For *V.R. Associates*
Company Secretaries

V. Ramachandran
Proprietor
ACS 7731; CP 4731

Place: Mumbai
Date: 26th April, 2024

UDIN: A007731F000246266
Peer Review Certificate no. 1662/2022

Annexure VIII

COMPLIANCE CERTIFICATE

[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

The Board of Directors
LKP Finance Limited

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the 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 that there is no:
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein; if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For LKP Finance Limited

M. V. Doshi S. S. Gulati
Executive Chairman & Head Corporate
Managing Director Affairs & Chief
DIN: 00123243 Financial Officer

Place: Mumbai
Date: April 26, 2024

Annexure IX**COMPLIANCE WITH CODE OF CONDUCT**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2024.

For and on behalf of Board of Directors

(M. V. Doshi)
Executive Chairman &
Managing Director
DIN: 00123243

Place: Mumbai
Date: April 26, 2024

Annexure X**MANAGEMENT DISCUSSION AND ANALYSIS****INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Indian economy has witnessed profound positive transformation in the last ten years. The Indian economy has showed resilience and strong growth across sectors and continues to be among the fastest-growing economies in the world. The accelerated pace of economic reforms and strong domestic consumption have led to higher and sustainable growth of the Indian economy and strengthened its position in the world. The geopolitical tensions, supply chain disruptions, high inflation, and tighter monetary conditions were some of the challenges for the economic recovery.

NBFCs has always been an important component of the financial sector and has seen higher credit growth over the past few years. The NBFC sector in India is expected to grow due to several factors like government's commitment to financial inclusion, sector's digital transformation, regulatory changes that aim to ensure the sector's stability and prevent excessive risk-taking and also due to impressive growth projections. With strategic moves by industry leaders, the market is set to expand further. NBFCs are leveraging their superior understanding of regional dynamics and customized products and services to expedite financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Systemically Important NBFCs have demonstrated agility, innovation, and frugality to provide formal financial services to millions of Indians.

OPPORTUNITIES AND THREATS

Your Company is committed to addressing the changes boosted by its strengths in market position, agile execution capabilities, robust early warning systems and extensive use of analytics for risk mitigation and resource allocation. It will ensure to take advantage of the tailwinds that may emerge during the course of the year. The stringent RBI and other regulatory norms governing the functioning of NBFC and certain government restrictions acts as hindrance in smooth functioning of NBFC.

SEGMENT WISE / PRODUCT WISE PERFORMANCE

The Company is engaged in investment activities and other financial services during the year under review, hence the requirement of segment-wise reporting is considered irrelevant.

OUTLOOK

LKP Finance Limited being an investment Company seeks opportunities in the capital market. While interest rate were steady in 2023-24, the same are expected to decline in the FY 2024-25. The volatility in stock indices represents both an opportunity and challenge for the Company. We continue to see significant volatility in the market and will use periods of weakness as investment opportunities for long term.

RISKS AND CONCERNS

The very nature of the Company's business makes it subject to various kinds of risks. As an NBFC, the Company is exposed to credit, liquidity, market and interest rate risk. Capital market

activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market.

The Company has a strong Risk Management System for identification, monitoring, mitigation and reporting of the risks associated with its operations. The Company has an established practice of compliance reporting covering all operations and support functions; compliance reporting is periodically reviewed to ensure comprehensive coverage.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws and regulations and compliance with the rules, procedures and guidelines prescribed by the management. An extensive internal audit is carried out by independent firm. An internal team of inspection regularly visit for ensuring regulatory compliance. Post audit reviews are also carried out to ensure follow up on the observations made.

FINANCIAL PERFORMANCE AND OPERATIONAL REVIEW

Share Capital

The paid up equity share capital of the Company as on March 31, 2024 stands at Rs. 12,56,86,230/- divided into 1,25,68,623 fully paid up equity shares of Rs. 10/- each.

Net Worth

The Net Worth of the Company stands at Rs. 34,924.27 lakh.

Secured Loans

The Company has secured borrowings of Rs. 1894.41/- lakhs in the current year.

Total Income

During the year total income was reported at Rs. 8280.89 lakh.

Finance Cost

The finance cost of the Company stands at Rs. 322.75 lakh.

Tax Expense

The Company has incurred a tax expense of Rs. 1277.44 lakh in the current year.

HUMAN RESOURCES

During the year under review there has been no material development on the Human Resource/Industrial Relations front during the year. The Company places significant importance to its human capital. As on March 31, 2024 there are 32 employees employed by the Company. The Company's focus is on recruitment of good talent and retention of the talent pool. The Company commends the commitment, dedication and competence shown by its employees in all aspects of business.

KEY FINANCIAL RATIOS

The key financial ratios and details of significant changes in these ratios, to the extent applicable, as required by the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 are given below:

Key Financial Ratios	Financial Year 2023-24	Financial Year 2022-23	YOY Change (%)	Favorable (F)/ Adverse (A)	Remarks
(i) Debtors Turnover	N.A	N.A	N.A	-	-
(ii) Interest Coverage Ratio	22.02	5.5	300.36	F	Net Profit Increased substantially
(iii) Current Ratio	4.63	2.41	92.12	F	Current assets increased & liabilities decreased
(v) Debt Equity Ratio	0.16	0.32	50	F	Debt decreased & Equity increased
(vi) Operating Profit Margin (%)	N.A	N.A	N.A	-	-
(vii) Net Profit Margin (%)	66.65%	48.62%	37.08	F	Increase in Net profit & Turnover
(viii) Return on Net Worth (%)	15.76%	4.15%	279.76	F	Increase in Net Profit & Equity

Cautionary statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Investors are advised to exercise due care and caution while interpreting these statements.

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1	Details of contracts or arrangements or transactions not at arm's length basis	NIL
a)	Name(s) of the related party and nature of relationship	-
b)	Nature of contracts/ arrangements/ transactions	-
c)	Duration of the contracts/ arrangements/ transactions	-
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions	-
f)	date(s) of approval by the Board	-
g)	Amount paid as advances, if any:	-
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-

2.	Details of material contracts or arrangement or transactions at arm's length basis		
a)	Name(s) of the related party and nature of relationship	<u>Name:</u> MKM Share & Stock Brokers Limited <u>Nature of relationship:</u> Common Directors/shareholders	<u>Name:</u> LKP Securities Limited <u>Nature of relationship:</u> Common Directors/shareholders
b)	Nature of contracts / arrangements / transactions	Payment of Trade Receivable received	Payment of brokerage / Depository charges Issue of Corporate Guarantee
c)	Duration of the contracts / arrangements/transactions	Ongoing	Ongoing
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	In ordinary course of business as mentioned in b) above Amount: Rs. 150 lakhs	In ordinary course of business as mentioned in b) above Amount: Rs. 92.42 lakhs Rs. 3000 lakhs
e)	Date(s) of approval by the Board, if any:	28.04.2023	28.04.2023, 03.02.2024
f)	Amount paid as advances, if any	-	-

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 26, 2024

Pratik M. Doshi
Director
DIN: 00131122

M. V. Doshi
Executive Chairman and Managing Director
DIN: 00123243

Independent Auditor's Report

To
The Members of
LKP Finance Limited

Report on the Audit of the Standalone Ind AS Financial Statements

1. Qualified Opinion

We have audited the accompanying standalone Ind AS financial statements of **LKP Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in equity and the Statement of Cash Flows for the year then ended on that date, and a summary of the material accounting policies and other explanatory information (herein after referred to as "the standalone Ind AS financial statements").

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

2. Basis for Qualified Opinion

- (a) The Company has investments in unquoted securities. In respect of investments aggregating to Rs.6,853.62 lakhs, the Company has not obtained fair valuation report as at 31 March 2024 as required by Ind AS 109 "Financial Instruments". In the absence of fair valuation report, we are unable to comment on the carrying value of these investments and the consequent impact thereof on Other Comprehensive Income.
- (b) The Company could not obtain/ receive balance confirmation / term sheet from two lenders aggregating to Rs 3,596.65 lakhs, included in borrowings and therefore external confirmations as required by Standards on Auditing ("SAs")-505, were not available. Further, in respect of one lender of Rs 2,122.40 lakhs, the Company received a garnishee Order from the Recovery Officer, DRT, Bangalore claiming Rs. 2,500 lakhs (plus interest). The Company has contested the claim and deposited Rs 1,126.22 lakhs, included in other non-financial assets and investment in mutual fund of Rs. 554.41 Lakhs was attached by the recovery officer. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai. The outcome of the matter is uncertain. In the absence of external confirmations and pending litigation, we are unable to comment on adjustments or disclosure, if any, that may arise.

Our opinion for the year ended 31 March, 2023 was also modified in respect of the above matters.

We conducted our audit of the standalone Ind AS Financial Statements 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 standalone Ind As financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone Ind AS financial statements.

3. Emphasis of Matter

As described in Note 30(i) to the standalone financial statement, regarding claim filed with the Official Liquidator of United Breweries (Holdings) Limited (UBHL). The Company's claim for enforcement of lien on equity shares of United Spirits Limited pertaining to the said recovery, is pending before DRT Bangalore. The outcome of the matter is uncertain. Our opinion is not modified in respect of this matter.

4. Key Audit Matters

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

Sr. No	Key Audit Matter	Auditor's Response
1.	Expected Credit Loss under Ind AS 109 "Financial Instruments" The Company recognises Expected Credit Losses (ECL) on loan assets under Ind AS 109 "Financial Instruments" based on the Expected Credit Loss model developed by the Company. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD) and Probability at Default (PD) using historical information. Hence, we have considered the estimation of ECL as a Key Audit Matter.	- Assessed the accounting policy for impairment of financial assets and its compliance with Ind AS 109. - Obtained an understanding of the Company's Expected Credit Loss (ECL) calculation and the underlying assumptions. - Tested the key controls over the assessment and identification of significant increase in credit risk and staging of assets. - Sample testing of the accuracy and appropriateness of information used in the estimation. - Tested the arithmetical accuracy of the computation of PD and also performed analytical procedures to verify the reasonableness of the computation. - Assessed the disclosure made in relation to Ind AS 109 for ECL allowance. Further, we also assessed whether the disclosure of key judgements and assumptions are adequate.

5. Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report along with annexures, Report on Corporate Governance, Management Discussion and Analysis ('MD&A') (collectively referred to as 'other information') 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. We have nothing to report in this regard.

6. Management responsibility for the standalone Ind AS financial statements.

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

In preparing the standalone Ind AS financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

7. Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are

based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

8. Report on Other Legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought, except for the matter described in the "Basis for Qualified Opinion" paragraph above, and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) Except for the effects/possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

- d) Except for the effects/possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 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/payable by the Company to its directors during the year is in accordance with the provisions of 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, 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 Ind AS financial statements. (Refer note 30 of the standalone Ind AS financial statements)
 - ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, in respect of long term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented, that, to the best of its knowledge and belief, as referred in notes to the accounts, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management has represented, that, to the best of its knowledge and belief, as referred in the notes to the accounts, 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; and
- (c) Based on the information and details provided and other audit procedures followed, nothing has come to our notice that has caused us to believe that the representations under subclause iv(a) and (b) contain any material misstatement.
- v. As stated in Note 42 to the standalone financial statements
 - (a) The final dividend proposed in the previous year declared and paid by the Company during the year is in accordance with Section 123 of the Act.

- (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Hitendra Bhandari

Partner

Membership Number 107832

Mumbai, 26 April 2024

UDIN: 24107832BKEOCA6663

Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 8 (1) under "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of the LKP Finance Limited on the standalone Ind AS financial statements for the year ended 31 March 2024.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and right -of - use assets. The Company does not have any intangible assets.
- (b) As explained to us, all the property, plant and equipment and right of use assets have been physically verified by the management during the year, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, and on the basis of examination of records, the title deeds of immovable property are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right to Use assets) during the year and hence clause 3(i)(d) of the Order is not applicable.
- (e) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, and hence clause 3(i) (e) of the Order is not applicable.
- ii. (a) The Company's business does not involve inventories and accordingly, the requirements under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions on the basis of pledge of security of investments in mutual fund, equity shares and bonds and fixed deposits with bank. The quarterly returns or statements are not required to be filed by the Company and hence clause 3(ii)(b) of the Order is not applicable.
- iii. (a) As the Company is a Non- Banking Finance Company (NBFC) holding Certificate of Registration from Reserve Bank of India and having its principal business to give loans and make investments, hence clause iii (a) of the Order is not applicable to the Company.
- (b) In our opinion, the Company has made investments, given loans and provided guarantees during the year. The investments made, interest and other terms and conditions on which the loan given and guarantees given to related parties and other parties were prima facie not prejudicial to the interest of the Company. The Company has not provided securities during the year.
- (c) In respect of loans granted by the Company, the repayments of principal amounts and interest are generally regular considering the stipulation to repayment except as detailed below:

Name of the entity/ Borrower	Amount Rs./ Lakhs	Due Date	Extent of delays (Days) upto 31 March 2024	Nature of transaction	Remarks
Team India Managers	16.85	31 March 2023	92	Interest	Received
New Berry Advisors Limited	241.50	31 March 2023	92	Interest	Received
Hansa Villa Realty Private Limited	750.00	11 July 2023	30	Principal	Received
	800.00	11 July 2023	34	Principal	Received
	150.00	11 July 2023	37	Principal	Received
	450.00	11 July 2023	98	Principal	Received
	375.00	11 July 2023	104	Principal	Received
	475.00	11 July 2023	107	Principal	Received
	131.47	31 March 2023	132	Interest	Received
	24.37	30 September 2023	27	Interest	Received
Aurangabad Auto Engineering Private Limited	30.00	31 March 2023	96	Interest	Received
Shapoorji Pallonji Forbes Shipping Private Limited	0.13	31 March 2023	194	Interest	Received
	11.97	30 June 2023	103	Interest	Received
	12.10	30 September 2023	11	Interest	Received
	12.10	31 December 2023	92	Interest	Not Received
Khambhalya Laljibhai Samatbhai	0.14	31 March 2023	14	Interest	Received
	0.69	30 June 2023	276	Interest	Interest reversed as Loan considered as NPA
	0.80	30 September 2023	184	Interest	Interest reversed as Loan considered as NPA
	0.80	31 December 2023	92	Interest	Interest reversed as Loan considered as NPA
Bay Capital Advisors Private Limited	15.96	31 March 2023	347	Interest	Received
New Berry Capitals Private Limited	13.38	31 March 2023	92	Interest	Received
Aum Developers	6.66	31 March 2023	19	Interest	Received
	2.58	14 August 2023	107	Interest	Received
ITI Holding & Investments	80.00	31 March 2023	61	Interest	Received

Name of the entity/ Borrower	Amount Rs./ Lakhs	Due Date	Extent of delays (Days) upto 31 March 2024	Nature of transaction	Remarks
Pahari Projects Private Limited	46.80	31 March 2023	96	Interest	Received
	35.10	23 September 2023	191	Interest	Interest reversed as Loan considered as NPA
	390.00	23 September 2023	191	Principal	Treated NPA as per RBI guidelines
S. V. Distributors Private Limited	200.00	01 October 2023	182	Principal	Treated NPA and interest not provided as per RBI guidelines and Principal amount written off
Iced Desserts & Food Parlours (India Private Limited)	360.00	28 March 2020	1464	Principal	Treated NPA and interest not provided as per RBI guidelines Principal amount written off

Delay in interest is considered as per the original terms of the agreement

- (d) There is no overdue amount in respect of interest receivable and loans granted for more than 90 days except as stated below. The Company has taken reasonable steps for recovery of principal and interest.

No of cases	Principal overdue (Rs. Lakhs)	Interest overdue (Rs. Lakhs)	Total Overdue (Rs. Lakhs)	Remarks
2	390.00	12.10	402.10	Treated as NPA and interest not provided as per RBI guidelines

- (e) As the Company is a Non- Banking Finance Company holding Certificate of Registration from Reserve Bank of India and having its principal business to give loans and make investments, hence clause iii (e) of the Order is not applicable to the Company.
- (f) The loans granted is repayable on demand. The aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is as under

(Rs. In lakhs)

Particulars	All Parties	Promoters	Related Parties
Aggregate of Loans/ advances in the nature of loans - Repayable on demand*	2,685.00	-	1,882.00
Percentage of loans/ advances in the nature of loans to total loans	83.68%	-	58.65%

* where the terms of the agreement are mentioned with a rider of repayable on demand has been considered in the above table.

- iv. According to the information and explanations given to us and the records of the Company examined by us, the Company has complied with the provisions of Section 185 and Section 186 of the Act in respect of loans granted, guarantees provided and investments made, to the extent applicable. The Company has not provided security for which provisions of Section 185 and Section 186 of the Act are not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits, from the public within the directives issued by Reserve Bank of India and within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- vi. According to information and explanation given to us, the Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the activities carried on by of the Company.
- vii. According to the records of the Company examined by us and information and explanations given to us:
- a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2024 for a period of more than six months from the date they became payable.
- b) There are no amounts of any statutory dues which are yet to be deposited on account of any dispute.
- viii. According to the records of the Company examined by us, and information and explanations given to us, there are no such transactions related to unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks and financial institution. However in case of inter corporate deposits from other parties, there are no stipulations for repayment (refer note 12). The Company has not taken any loan from Government or issued debentures during the year.

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Inter corporate Deposits	Other companies	3,596.65	Principal	-	No stipulations for repayment in absence of term sheet

- (b) According to the records of the Company examined by us, and information and explanations given to us, the Company is not declared wilful defaulter by any bank or financial institution or any other lender.
- (c) According to the records of the Company examined by us, and information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the records of the Company examined by us, and information and explanations given to us, the Company has not taken any funds from any entities to meet obligations of its subsidiary and there are no joint venture and associate.
- (f) According to the records of the Company examined by us, and information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary and there are no joint venture and associate.
- x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence reporting on clause 3(x)(a) of the Order is not applicable.
- (b) According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures and hence clause 3(x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the records of the Company examined by us, and information and explanations given to us, there are no whistle blower complaints received during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Hence clause (xii) (a), (b) and (c) of the Order are 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 Sections 177 and 188 of the Act, and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Accounting Standards.
- xiv. (a) During the year, Internal audit has been carried out by the independent firm of Chartered accountants. In our opinion and according to the information and explanations given to us, the scope and coverage is commensurate with the size of the Company and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued by Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi. (a) The Company is registered as Non-Banking Financial Institution (NBFI) and is holding a certificate of registration (CoR) from Reserve Bank of India to carry on business of NBFI in terms of Sec 45-IA of the RBI Act, 1934
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. According to the records of the Company examined by us, and information and explanations given to us, the Company has not incurred cash losses neither in the current financial year nor in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditor during the year, hence clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, there is no material uncertainty that exists as on the date of the audit report and that the Company is 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. (a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than ongoing projects,

requiring to transfer to a fund specified in Schedule VII to the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of other than ongoing projects, the Company has spent the amount required and hence reporting under clause xx(b) of the Order is not applicable to the Company.

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number: 101169W/W-100035

Hitendra Bhandari

Partner

Membership Number 107832

Mumbai, 26 April 2024

UDIN: 24107832BKEOCA6663

Annexure - B 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") as referred to in paragraph 8(II)(g) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2024

We have audited the internal financial controls over financial reporting of **LKP Finance Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on "

Audit of Internal Financial Controls over Financial Reporting" (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls. 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 standalone Ind AS 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 Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, material weaknesses have been identified in respect of:

- i) Independent Confirmation/ term sheet which were not obtained /received from two lenders for the balances outstanding as at 31 March, 2024.
- ii) Fair valuation of unquoted securities as required by the Ind AS 109 "Financial Instruments".

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects of the material weakness described in the 'Basis for qualified opinion' paragraph above on the achievement of the objectives of the controls criteria, the Company has maintained, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements 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 issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone Ind AS financial statement of the Company as at and for the year ended 31 March 2024, and the material weakness has affected our opinion on the standalone Ind AS financial statements of the Company and we have issued a Qualified opinion on the standalone Ind AS financial statements.

For MGB & Co LLP

Chartered Accountants
Firm Registration Number 101169W/W-100035

Hitendra Bhandari

Partner
Membership Number 107832
Mumbai, 26 April 2024
UDIN: 24107832BKEOCA6663

Standalone Balance Sheet as at 31 March 2024

(Rs. in Lakhs)

	Notes	31 March 2024	31 March 2023
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3(a)	192.19	692.29
(b) Bank balance other than (a) above	3(b)	1,873.63	1,032.37
(c) Trade receivables	4	-	70.22
(d) Loans	5	5,611.32	11,366.54
(e) Investments	6	32,802.50	23,796.96
(f) Other financial assets	7	116.72	308.87
Total Financial Assets		40,596.36	37,267.25
(2) Non-Financial Assets			
(a) Current tax assets (net)	8(a)	29.54	241.03
(b) Property, plant and equipment	9	5.33	6.32
(c) Right-of-use assets	9(a)	6.69	11.03
(d) Other non-financial assets	10	1,212.09	1,184.55
Total Non-Financial Assets		1,253.65	1,442.93
TOTAL ASSETS		41,850.01	38,710.18
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	11	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	43.64
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		3.13	6.12
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		36.77	3.96
(b) Borrowings	12	5,491.06	8,725.77
(c) Lease liabilities	13	7.20	11.21
(d) Other financial liabilities	14	138.40	84.42
Total Financial Liabilities		5,676.56	8,875.12
(2) Non-Financial Liabilities			
(a) Current tax liabilities (net)	8(b)	151.81	-
(b) Provisions	15	39.23	51.12
(c) Deferred tax liabilities (net)	16	977.94	426.13
(d) Other non-financial liabilities	17	80.20	26.08
Total Non-financial liabilities		1,249.18	503.33
(3) EQUITY			
(a) Equity share capital	18	1,256.86	1,256.86
(b) Other equity	19	33,667.41	28,074.87
Total Equity		34,924.27	29,331.73
TOTAL LIABILITIES AND EQUITY		41,850.01	38,710.18

Notes forming part of the standalone financial statements

1-56

In terms of our Report of even dated attached

For and on behalf of the board
For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

LKP Finance Limited
Hitendra Bhandari

Partner

Membership Number 107832

M.V Doshi

Executive Chairman & Managing Director

DIN : 00123243

Pratik Doshi

Director

DIN : 00131122

Place : Mumbai

Date : 26 April, 2024

G.B Inani

G.M (Legal) & Company Secretary

S.S Gulati

Head Corporate Affairs &

Chief Financial Officer

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

		(Rs. in Lakhs)	
	Note	31 March 2024	31 March 2023
Revenue from operations	20		
(i) Interest income		1,256.57	1,369.63
(ii) Dividend income		69.36	34.12
(iii) Net gain on fair value changes		6,868.91	1,077.45
(iv) Other operating income		65.20	19.02
Total Revenue from operations		8,260.04	2,500.22
Other Income	21	20.85	7.33
Total Income		8,280.89	2,507.55
Expenses			
(i) Finance costs	22	322.75	303.19
(ii) Fees and commission expense	23	52.72	-
(iii) Impairment on financial instruments	24	283.11	268.65
(iv) Employee benefits expense	25	525.52	324.56
(v) Depreciation, amortisation and impairment	26	5.69	3.57
(vi) Other expenses	27	308.15	247.76
Total Expenses		1,497.94	1,147.73
Profit before tax		6,782.95	1,359.82
Tax expenses			
Current tax - Current Year		791.43	201.16
- Earlier Year		16.03	(5.73)
Deferred tax (credit) / charge		469.98	(54.31)
Total tax expenses		1,277.44	141.13
Profit after tax		5,505.51	1,218.69
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss (net of tax)			
- Remeasurement gains/(losses) on defined benefit plans		(1.19)	(0.08)
- Fair value change on equity instruments through other comprehensive income		590.97	(277.50)
Other Comprehensive Income/ (loss) for the year		589.78	(277.58)
Total comprehensive Income for the year		6,095.29	941.11
Earning per equity share (face value of Rs. 10 each)			
Basic (in Rs.)		43.80	9.70
Diluted (in Rs.)		43.80	9.70

Notes forming part of the standalone financial statements 1-56

In terms of our Report of even dated attached

For and on behalf of the board

For MGB & Co. LLP

LKP Finance Limited

Chartered Accountants

Firm Registration Number 101169W/W-100035

Hitendra Bhandari

M.V Doshi

Executive Chairman & Managing Director

DIN : 00123243

Partner

Membership Number 107832

Pratik Doshi

Director

DIN : 00131122

Place : Mumbai

Date : 26 April, 2024

G.B Inani

G.M (Legal) & Company Secretary

S.S Gulati

Head Corporate Affairs &
Chief Financial Officer

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

	Note	Rs in Lakhs
A. Equity Share Capital		
Balance as at 1 April 2022	18	1,256.86
Changes in equity share capital during the year		-
Balance as at 31 March 2023	18	1,256.86
Changes in equity share capital during the year		-
Balance as at 31 March 2024		1,256.86

The Company has not made any adjustment in equity share capital due to prior period errors

B. Other Equity Rs in Lakhs

	Reserves and Surplus				Other Comprehensive Income (OCI)	Total Other Equity
	Securities Premium	General Reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Retained Earnings	Equity Instruments	
Balance as at 31 March 2022	370.03	6,146.06	6,479.14	12,398.05	2,117.53	27,510.81
Profit/ (Loss) for the year	-	-	-	1,218.69		1,218.69
Remeasurement gains/(losses) on defined benefit plans (net of tax)	-	-	-	(0.08)		(0.08)
Other comprehensive income	-	-	-	-		
Gain/(Loss) on fair value of financial asset measured through other comprehensive income (net of tax)	-	-	-	-	(277.50)	(277.50)
Total comprehensive income	-	-	-	1,218.61	(277.50)	941.11
Dividend paid	-	-	-	(377.06)		(377.06)
Transfer to reserve fund in terms of Section 45-1C(1) of Reserve Bank of India Act, 1934	-	-	243.74	(243.74)	-	-
Balance as at 31 March 2023	370.03	6,146.06	6,722.88	12,995.87	1,840.02	28,074.87
Profit/ (Loss) for the year	-	-	-	5,505.51		5,505.51
Remeasurement gains/(losses) on defined benefit plan (net of tax)	-	-	-	(1.19)		(1.19)
Other comprehensive income	-	-	-	-		
Gain/(Loss) on fair value of financial asset measured through other comprehensive income (net of tax)	-	-	-	-	590.97	590.97
Total comprehensive income	-	-	-	5,504.32	590.97	6,095.29
Dividend paid (Final and interim dividend)	-	-	-	(502.74)		(502.74)
Transfer to reserve fund in terms of Section 45-1C(1) of Reserve Bank of India Act, 1934	-	-	1,101.10	(1,101.10)	-	-
Balance as at 31 March 2024	370.03	6,146.06	7,823.98	16,896.35	2,430.99	33,667.41

- Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- General Reserve is a distributable reserve maintained by the Company out of transfers made from profits.
- Reserve Fund is created as per the terms of section 45-1C(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.
- Retained Earnings represent the accumulated earnings net of losses if any made by the Company over the years.
- Other Comprehensive Income (OCI) includes fair value gain on equity instruments measured at fair value through OCI and remeasurement of defined benefit plan.
- The Company has not made any adjustment in Other Equity due to prior period expenses.

Notes forming part of the standalone financial statements
1-56

In terms of our Report of even dated attached

For and on behalf of the board
For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

LKP Finance Limited
Hitendra Bhandari

Partner

Membership Number 107832

M.V Doshi

Executive Chairman & Managing Director

DIN : 00123243

Pratik Doshi

Director

DIN : 00131122

Place : Mumbai

Date : 26 April, 2024

G.B Inani

G.M (Legal) & Company Secretary

S.S Gulati

 Head Corporate Affairs &
 Chief Financial Officer

Standalone Statement of Cash Flow for the year ended 31 March 2024

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
A. Cash flow from operating activities		
Profit before tax	6,782.95	1,359.82
Adjustments for:		
Depreciation, amortisation and impairment	5.69	3.57
Loss/ (profit) on disposal of property, plant and equipment	-	(5.91)
Interest expenses	285.35	260.38
Interest income	(287.47)	(182.39)
Dividend income	(69.36)	(34.12)
Net loss/ (gain) on fair value changes	(6,868.91)	(1,077.45)
Impairment on financial instruments	283.11	268.65
Operating profit before working capital changes	131.36	592.56
Adjustments for:		
(Increase) / decrease in trade receivables	70.22	104.28
Increase / (decrease) in trade payables and other payables	(13.82)	47.09
(Increase)/ decrease in Loans (net)	5,460.21	1,351.91
(Increase) / decrease in financial assets	(99.90)	2.64
(Increase) / decrease in non financial assets	(28.73)	(10.10)
Increase / (decrease) other non-financial liabilities	54.12	(71.11)
Increase / (decrease) other financial liabilities	57.29	(511.63)
Cash generated from operations	5,630.75	1,505.62
Direct tax paid (net of refunds)	(444.15)	(81.77)
Net cash from/ (used in) operating activities (A)	5,186.60	1,423.86
B. Cash flow from investing activities		
Sale of Property, plant and equipment	-	7.50
Purchase of Property, plant and equipment	(0.36)	(1.31)
(Increase)/decrease in Investments	(1,171.79)	(1,815.44)
Advance for purchase of Investments	-	(292.04)
(Increase)/ decrease in bank deposits	(846.96)	(309.86)
Interest received	293.17	182.39
Dividend received	69.36	34.12
Net cash from/ (used in) investing activities (B)	(1,656.58)	(2,194.64)
C. Cash flow from financing activities		
Dividend Paid	(506.05)	(372.77)
Payment of lease liabilities	(4.92)	(2.23)
Increase / (decrease) in borrowings	(3,241.44)	499.70
Interest paid	(277.71)	(259.86)
Net cash from/ (used in) financing activities (C)	(4,030.12)	(135.16)
Net changes in cash and cash equivalents (A+B+C)	(500.10)	(905.94)
Cash and cash equivalents at the beginning of the year	692.29	1,598.23
Cash and bank balances at the end of the year	192.19	692.29

Notes:

- Previous year figures have been regrouped or recast wherever, considered necessary
- As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 38

3. Cash and cash equivalents consists of :

Cash on Hand	0.03	0.03
Balances with banks:		
In current accounts	189.95	692.26
Cheques on hand	2.21	-
Total	192.19	692.29

In terms of our Report of even dated attached

For and on behalf of the board
For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

LKP Finance Limited
Hitendra Bhandari

Partner

Membership Number 107832

M.V Doshi

Executive Chairman & Managing Director

DIN : 00123243

Pratik Doshi

Director

DIN : 00131122

Place : Mumbai

Date : 26 April, 2024

G.B Inani

G.M (Legal) & Company Secretary

S.S Gulati

 Head Corporate Affairs &
 Chief Financial Officer

Notes forming part of standalone financial statements

1 Company information

LKP Finance Limited (“the Company”) is domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE) in India. The Company’s registered office is located at 203, Embassy Centre, Nariman Point, Mumbai 400021, Maharashtra, India. The Company is engaged in the business of finance and trading in shares and securities, derivatives etc. The Company obtained permission from the Reserve Bank of India (RBI) for carrying on the business of Non-Banking Financial Institutions on 21 May 2009 vide Regn No. B.13.01282.

The separate financial statement (hereinafter referred to as “Financial Statements” or “Standalone Financial Statements”) of the Company for the year ended 31 March 2024 were authorised for issue by the Board of Directors at the meeting held on 26 April, 2024.

2 Material accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company (Reserve Bank) Directions, 2016 (‘the NBFC Master Directions’) issued by RBI. These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out 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)/(RS), which is also its functional currency and all values are rounded to the nearest lakh as per the requirement of schedule III (except per share data), unless otherwise stated ‘0’ (zero) denotes amount less than thousand.

(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) Property, plant and equipment

Property, Plant and Equipments are stated at cost less accumulated depreciation and accumulated impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Right of Use Assets (ROU): The Company as a lessee records an ROU asset for each lease with an original term greater than 12 months. ROU assets includes Office premises, with the corresponding lease liabilities disclosed in the financial liabilities. Depreciation on ROU asset is being charged on the basis of lease term

(d) Depreciation on property, plant and equipment

Depreciable amount for property, plant and equipment is the cost of an asset or other amount substituted for cost less its estimated residual value.

Depreciation on property, plant and equipment is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

(e) Derecognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

(f) Leases

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

Notes forming part of standalone financial statements

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

(ii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of rented premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(g) Cash and cash equivalents

- (i) Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.
- (ii) For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined as they are considered as integral part of Company's cash management.

(h) Fair value measurement

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(l) 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 recognized when the Company 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 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. This category generally applies to trade and other receivables.

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 recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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 categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized 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 recognized in the statement of profit and loss.

Equity investments

The Company measures its equity investments other than in subsidiary 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.

Notes forming part of standalone financial statements

Investment in subsidiary

Investment in subsidiary are carried at cost and are not adjusted to fair value at the end of each reporting date. The Company assess at the end of each reporting period, if there are any indications, that the said investment may be impaired. If so the Company estimates the recoverable value/ amount of the investment and provides for impairment, if any, i.e. deficit in the recoverable value over cost.

Derivative financial instruments

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

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Company recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in Statement of Profit and Loss. A favourable change for such assets creates an impairment gain.

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 ;
- 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, issued irrevocable loan commitments and financial guarantee contracts 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 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, issued irrevocable loan commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial

instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the probability of default (PD) will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Company; or
- the borrower is unlikely to pay its credit obligations to the Company in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal (NCLT), which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Company uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument.

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. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

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;

Notes forming part of standalone financial statements

- for debt instruments measured at FVTOCI: no loss allowance is recognised in the Balance Sheet as the carrying amount is at fair value.
- where a financial instrument includes both a drawn and an undrawn component, and the Company cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Company presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component.

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 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 recognized 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:

- 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 liability are subsequently measured at amortized 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 amortization process. Amortized 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, loans, borrowings and deposits 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 amortization process. The EIR amortisation is included in finance costs in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

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.

(i) Borrowing 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.

(j) Provisions, contingent liabilities and contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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

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 embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

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

(k) Revenue recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with

Notes forming part of standalone financial statements

customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfil these contracts.

A. Revenue - Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of service rendered is net of variable consideration on account of various discount and schemes offered by the Company as part of contract .

- a) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.
- b) Dividend income is recognised when the Company's right to receive dividend is established.
- c) Advisory fees is measured and recognised as per the terms of the agreement.

Transaction price is accounted net of GST. Since GST is not received by the Company on its own account, rather, it is collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

- (d) The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss.
- (e) The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established .

B. Contract Costs

In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalized and amortized over the contract term if the cost are expected to be recoverable. The Company does not capitalize incremental costs to obtain a contract where the contract duration is expected to be one year or less.

C. Arrangements with Multiple Performance Obligations

The Company's contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

D. Contract assets and liabilities

Contract assets relate primarily to the Company's rights to consideration for work completed but not billed at each reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to a customer.

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

(l) Retirement and other employee benefits

- (i) The Company operates both defined benefit and defined contribution schemes for its employees.

For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For defined benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. All such plans are funded.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses (excluding interest on the net defined benefit liability/ (asset)) are recognised in Other Comprehensive Income (OCI). Such remeasurements are not reclassified to the statement of profit and loss, in the subsequent periods.

- (ii) Short term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability.

(m) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity.

Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Notes forming part of standalone financial statements

Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the statement of profit and loss, except to the extent they relate to items that are recognized in other comprehensive income, in which case, the current and deferred tax income / expense are recognised in other comprehensive income.

(n) Impairment of non-financial assets

The carrying amounts of non financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of an asset's or cash generating unit's, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

(o) 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.

(p) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Provisions

Provision is recognised when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at the balance sheet date and adjusted to reflect the current management estimates.

(r) Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.

(s) Trade receivables

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

(t) 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.

(u) Critical accounting judgment and estimates

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

a Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

b Useful lives and residual values

The Company reviews the useful lives and residual values of property, plant and equipment at each financial year end.

c 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.

d 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 recognized.

e Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 35, 'Employee benefits plan'.

f Fair value measurement

A number of Company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.

g Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

h Determining whether an arrangement contains a lease

In determining whether an arrangement is or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is or contains a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

i Recent pronouncements

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

Notes forming part of standalone financial statements

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
3(a) Cash and cash equivalents		
Cash on hand	0.03	0.03
Balances with bank		
- In Current accounts #	189.95	692.26
Cheques on hand	2.21	-
Total	192.19	692.29
3(b) Bank balance other than (a) above		
Unpaid dividend accounts	40.61	43.92
Earmarked balance with bank against bank deposits*	1,833.02	988.45
Total	1,873.63	1,032.37

includes debit balance in overdraft facilities

*(2024: Rs 1,638.43 Lakhs) (2023: Rs 806.97 Lakhs) including interest is marked as lien against cash credit and bank overdraft taken from bank and (2024: Rs.194.59 Lakhs) (2023: Rs.181.48 Lakhs) including interest lien marked against bank guarantee given to Government Authority. (refer note 30a)

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
4 Trade receivables		
Considered good - unsecured	-	0.22
Significant increase in credit risk	-	150.00
Less: Impairment loss allowance	-	(80.00)
Total	-	70.22

For related party transactions refer note 36

There are no trade receivables as at 31 March 2024.

	(Rs. in Lakhs)					
	31 March 2023					
Particular	Less than 6 Months	6 Months to 1 Years	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	Total
Undisputed trade receivables – considered good	0.22	-	-	-	-	0.22
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	150.00	150.00
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
Total	0.22	-	-	-	150.00	150.22

Notes forming part of standalone financial statements

(Rs. in Lakhs)

	31 March 2024	31 March 2023
5 Loans		
At amortised cost		
Considered good - secured by securities	-	3,000.00
Considered good - unsecured*	5,608.42	8,149.44
Significant increase in credit risk	410.00	760.00
Less: Impairment loss allowance	410.00	760.00
	5,608.42	11,149.44
Loans to employees		
- Considered good	2.90	2.10
Others		
Credit impaired financial assets acquired from banks and financial institutions	165.00	215.00
Less: Impairment loss allowance	165.00	-
	-	215.00
Total	5,611.32	11,366.54
Loans		
- Others	6,186.32	12,126.54
Total (Gross)	6,186.32	12,126.54
Less: Impairment loss allowance	575.00	760.00
Total (Net)	5,611.32	11,366.54

* Includes Rs. Nil (2023 : 440.62 lakhs) (including interest) due from a Private Limited Company in which director is interested as director

*For related party transactions refer note 36

(Rs. in Lakhs)

Type of Borrower	31 March 2024		31 March 2023	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Repayable on demand				
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	440.62	3.63%

(Rs. in Lakhs)

	31 March 2024	31 March 2023
6 Investments		
(A) Investment in Mutual Funds		
Quoted		
Investment carried at Fair value through profit and loss		
Face value of Rs. 1,000 each**	4,086.10	1,568.31
Face value of Rs. 100 each	4,042.53	-
	8,128.63	1,568.31
(B) Investments in Government securities		
Investment carried at Fair value through profit and loss		
5,00,000 (2023 : 5,00,000) 6.18% Government of India 2024 face value of Rs. 100 each	504.60	498.25
	504.60	498.25

Notes forming part of standalone financial statements

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
(C) Investments in debentures or bonds ^		
Investment carried at Fair value through profit and loss		
20,000 (2023: 20,000) units of 10.00% Nido Home Finance Ltd 2026 (Formerly known as 10.00% Edelweiss Housing Finance Limited 2026) face value of Rs.1,000 each	195.07	194.77
20 (2023: Nil) 7.30% Tata Capital Financial Services Limited 2031 face value of Rs.10,00,000 each	199.79	-
5 (2023 : Nil) 7.44% Tata Capital Financial Services Limited 2031 face value of Rs.1,00,00,000 each	488.26	-
9 (2023 : Nil) 7.59% Power Finance Corporation Limited 2028 face value of Rs.10,00,000 each	91.92	-
18 (2023 : Nil) 7.60% Tata Capital Financial Services Limited 2030 face value of Rs.10,00,000 each	180.63	-
15 (2023 : Nil) 7.70% Kerala Financial Corporation 2030 face value of Rs.2,00,000 each	28.94	-
21 (2023: Nil) 8.22% NABARD 2028 face value of Rs.10,00,000 each	221.27	-
17 (2023 : Nil) 8.30% Indian Railway Finance Corporation Limited 2029 face value of Rs.10,00,000 each	182.26	-
15 (2023 : Nil) 8.55% HDFC Limited 2029 face value of Rs.10,00,000 each	154.64	-
16 (2023: Nil) 8.79% Indian Railway Finance Corporation Limited 2030 face value of Rs.10,00,000 each	170.56	-
20 (2023 : Nil) 9.00% HDFC Limited 2028 face value of Rs.10,00,000 each	214.65	-
Nil (2023 : 200) 13.75% South Indian Bank 2025 face value of Rs. 1,00,000 each	-	201.80
Nil (2023 : 42) 7.09% Canara Bank 2036 face value of Rs. 1,00,00,000 each	-	4,262.90
Nil (2023 : 42,000) 8.57% Raj Sdl Spl 2027 face value of Rs. 100 each	-	42.79
Nil (2023 : 2,11,000) 8.67% Up Sdl Spl 2027 face value of Rs. 100 each	-	211.56
	2,127.99	4,913.82
(D) Investment in Equity Shares -		
a) Unquoted##		
(i) Investment carried at Fair value through other comprehensive income		
Equity shares of face value of Rs 10 each		
3,50,000 (2023 : 350,000) SAMCO Ventures Private Limited	2,100.00	2,100.00
20,44,628 (2023 : 20,44,628) Care Health Insurance Company Limited (formerly known as Religare Health Insurance Co Limited)	3,271.40	2,923.82
5,600 (2023 : 5,600) The Hindustan Times Limited	39.20	304.67
30,000 (2023 : 20000) National Stock Exchange Limited	960.00	560.59
4,381 (2023: 4,381) Nivaata System Private Limited	262.86	224.04
8,00,000 (2023 : 8,00,000) Mapple Leaf Trading & Services Limited	210.16	200.00
2,550 (2023 : 2,550) Avision Systems Limited	1,632.00	1,632.00
	8,475.62	7,945.13
b) Quoted		
(i) Investment carried at Fair value through other comprehensive income		
65,21,725 (2023 : 65,21,725) shares of Rs 2 /-each LKP Securities Limited	1171.95	737.61
	1,171.95	737.61
(ii) Investment carried at Fair value through profit and loss		
Quoted		
Equity shares of face value of Rs 10 each		
1,85,000 (2023: 3,00,000) Religare Enterprises Limited	387.30	435.15
4,572 (2023 : 762) Sandur Manganese & Iron Ores Limited	16.57	7.83
55,600 (2023 : 10,55,600) Central Bank Of India	33.24	255.03
10,00,000 (2023 : 10,00,000) IDFC First Bank Limited \$	753.90	550.20
10,00,000 (2023 : Nil) Spice jet Limited	600.1	-
30,00,000 (2023 : Nil) Jaiprakash Power Ventures Limited	458.4	-
6,00,000 (2023 : Nil) NHPC Limited	537.78	-

Notes forming part of standalone financial statements

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
1,87,000 (2023 : Nil) Systematix Corporate Services Limited	1458.60	-
4,00,000 (2023: Nil) Union bank of India	613.8	-
2,00,000 (2023 : Nil) Valor Estate Limited	393.4	-
13,474 (2023 : Nil) Raymond Limited	243.68	-
20,000 (2023 : Nil) Praveg Limited	198.09	-
5,400 (2023 : 5,400) Cremica Agro Foods Limited#	-	-
Nil (2023: 50,000) Solara Activa Pharma Limited	-	164.20
Nil (2023 : 332) Linde India Limited	-	13.38
Nil (2023 : 33,000) Veranda Leasing Solutions Limited	-	67.19
Nil (2023: 17,000) Solid Stone Company Limited	-	5.72
Nil (2023 : 2,00,000) JSW Ispat Special Product Limited	-	62.22
Nil (2023 : 2,00,000) JSW Energy Limited	-	481.40
Nil (2023 : 1,12,000) Repro India Limited	-	399.62
Nil (2023 : 4,000) Annapurna Swadisht Limited	-	7.60
Nil (2023 : 1,683) Poddar Housing and Development Limited	-	1.37
Nil (2023 : 750) Jyoti Resins & Adhesives Limited	-	9.53
Nil (2023 : 20,000) Chemtech Industrial Valves Limited	-	3.22
Nil (2023 : 16,191) Shri Keshav Cements & Infra Limited	-	20.28
Nil (2023: 7,10,000) Subex Limited	-	201.43
Nil (2023 : 4,241) John Cockeril India Limited	-	61.58
Equity shares of face value of Rs 5 each		
Nil (2023: 67,500) Prime Securities Limited	-	74.13
Equity shares of face value of Rs 2 each		
50,000 (2023: Nil) Patanjali Food Limited	667.925	-
5,00,000 (2023: Nil) Jyoti Structure Limited	104.55	-
Nil (2023 : 50,000) Ambuja Cement Limited	-	182.73
Equity shares of face value of Re 1 each		
1,00,000 (2023 : 1,00,000) Himadri Speciality Chemical Limited	301.65	87.36
20,00,000 (2023 : 10,00,000) South India Bank Limited	818.70	146.20
25,00,000 (2023: Nil) Infibeam Avenues Limited	853.00	-
5,00,000 (2023: Nil) Bajaj Hindusthan Sugar Limited	145.15	-
30,000 (2023: Nil) Lloyds Metals and Energy Limited	180.89	-
2,200 (2023: Nil) Nagarjuna Fertilizers & Chemicals Limited	0.20	-
Nil (2023: 2,00,000) Transformers and Rectifiers (India) Limited	-	114.76
Nil (2023: 3,34,604) Elpro International Limited	-	200.76
Nil (2023: 50,000) Greaves Cotton Limited	-	63.10
Nil (2023 : 2,50,000) Zomato Limited	-	127.40
Nil (2023 : 1,00,000) Delta Corp. Limited	-	180.70
Nil (2023 : 1,00,000) Zee Entertainment Enterprises Limited \$	-	211.70
Nil (2023 : 1,00,000) Aegis Logisitic Limited	-	378.95
Investment in portfolio management services (PMS)		
Mutual Funds		
Kotal Liquid fund Direct Plan (G)	-	2.58
HDFC Liquid fund Direct paln (G)	-	2.58
Equity shares of face value of Rs 10 each		
Nil (2023 : 1,599) ICICI Prudential Life Insurance Company Limited	-	6.97
Nil (2023 : 208) Timken India Limited	-	5.18

Notes forming part of standalone financial statements

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
Nil (2023 : 954) Mas Financial Services Limited	-	7.65
Equity shares of face value of Rs 5 each		
Nil (2023 : 659) Kotak Mahindra Bank Limited	-	11.42
Equity shares of face value of Rs 2 each		
Nil (2023 : 133) Bajaj Finance Limited	-	7.47
Nil (2023 : 147) L&T Technology Services Limited	-	4.97
Nil (2023 : 1,069) Jubilant Foodwork Limited	-	4.70
Equity shares of face value of Rs 1 each		
Nil (2023 : 4,270) City Union Bank Limited	-	5.37
Nil (2023 : 682) HDFC Bank Limited	-	10.98
Nil (2023 : 1155) Tata Consumer Product Limited	-	8.19
Nil (2023 : 438) Titan Company Limited	-	11.02
Nil (2023 : 339) Tube Investment of India Limited	-	8.63
NIL(2023 : 2,574) FSN - E Commerce Venture Limited	-	3.20
	8,766.91	4,615.66
(E) Investment in Preference shares		
Unquoted		
Investment carried at Fair value through other comprehensive income		
Preference shares of Rs 100 each		
5,00,000 (2023 : 5,00,000) of Atcom Limited##	10.00	10.00
	10.00	10.00
(F) Investment in Subsidiary - Measured at amortized cost		
Unquoted		
In Wholly owned subsidiary- equity shares of Rs 100 each		
9,95,000 (2023 : 9,95,000) of Bond Street Capital Private Limited	3086.00	3,086.00
(G) Others		
Unquoted		
Investments In Alternate Investment Funds (AIF)		
Investment carried at Fair value through profit and loss		
4,579.59 (2023 : 3,073.50) Edelweiss Infra Yield Plus of Rs. 10,000/- each	530.79	398.71
Nil (2023: 26,824.35) Edelweiss Credit Opportunity Fund of Rs 1,000/- each	-	13.31
Nil(2023 : 2,000) Edelweiss Stressed & Troubled Assets Revival Fund of Rs 10,000/- each	-	10.17
	530.79	422.19
Total Investments (A+B+C+D+E+F+G)	32,802.50	23,796.96

^ are marked as lien against secured loan from banks viz. Bank of India Limited and Federal Bank Limited

** HDFC Mutual fund amounting to Rs. Nil (2023: 1044.69 lakhs) are marked as lien against secured loan from NBFC viz. Barclays Investment and Loan (India) Private Limited. Mutual fund of Rs. 554.41 lakhs is attached by the recovery officer. (refer note 30(b))

\$ During the previous year investments were marked as lien against secured loan from NBFC viz. Tata Capital Financial Services Limited.

For related party transactions refer note 36

Refer note 48

Out of Above	31 March 2024	31 March 2023
In India	32,802.50	23,796.96
Outside India	-	-
Aggregate book value / market value of quoted investments	18,067.50	6,921.58
Aggregate book value of unquoted investments (including subsidiary)	14,735.00	16,875.38
Aggregate market value of unquoted investments other than subsidiary	11,649.00	13,789.38
Investment in subsidiary is stated at cost	3,086.00	3,086.00

Notes forming part of standalone financial statements

(Rs. in Lakhs)

	31 March 2024	31 March 2023
7 Other financial assets		
Unsecured and considered good		
Security Deposits- others	14.05	13.98
Advance for investment application money	-	292.04
Other advances	102.67	2.85
Total	116.72	308.87
8 (a) Current tax assets (net)		
Balance with Government Authorities		
Advance direct tax (net of provisions)	29.54	241.03
Total	29.54	241.03
(b) Current tax liabilities (net)		
Provision for tax (net of advance tax)	151.81	-
	151.81	-

9 Property, plant and equipment

(Rs. in Lakhs)

Description of Assets	Buildings	Furniture & Fixtures	Vehicles	Computers	Total
I. Gross Block					
Balance as at 31 March 2022	5.17	-	4.15	1.56	10.89
Additions during the year	-	0.44	-	0.88	1.31
Disposals/Adjustment/Deductions	3.63	-	-	-	3.63
Balance as at 31 March 2023	1.54	0.44	4.15	2.44	8.57
Additions during the year	-	-	-	0.36	0.36
Disposals/Adjustment/Deductions	-	-	-	-	-
Balance as at 31 March 2024	1.54	0.44	4.15	2.79	8.93
II. Accumulated Depreciation					
Balance as at 31 March 2022	1.64	-	0.70	0.36	2.70
Additions during the year	0.44	0.02	0.49	0.64	1.59
Disposals/Adjustment/Deductions	2.04	-	-	-	2.04
Balance as at 31 March 2023	0.04	0.02	1.19	0.99	2.25
Additions during the year	-	0.04	0.49	0.81	1.35
Disposals/Adjustment/Deductions	-	-	-	-	-
Balance as at 31 March 2024	0.04	0.06	1.69	1.81	3.60
Net block					
As at 31 March 2024	1.50	0.38	2.46	0.99	5.33
As at 31 March 2023	1.50	0.42	2.96	1.44	6.32

Notes forming part of standalone financial statements
9(a) Right-of-use assets

Description of Assets	(Rs. in Lakhs)	
	Office Premises	
I. Gross Block		
Balance as at 31 March 2022		-
Additions (refer note 29)		13.02
Disposals/Adjustment/Deductions		-
Balance as at 31 March 2023		13.02
Additions (refer note 29)		-
Disposals/Adjustment/Deductions		-
Balance as at 31 March 2024		13.02
II. Accumulated Depreciation		
Balance as at 31 March 2022		-
Additions during the year		1.99
Disposals/Adjustment/Deductions		-
Balance as at 31 March 2023		1.99
Additions during the year		4.34
Disposals/Adjustment/Deductions		-
Balance as at 31 March 2024		6.33
Net block		
As at 31 March 2024		6.69
As at 31 March 2023		11.03

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
10 Other non-financial assets		
Prepaid expenses	42.16	17.74
Defined Benefit Asset -'Gratuity (refer note 35)	43.71	40.59
	85.87	58.33
Deposit with Debt Recovery Tribunal (DRT) (Refer note 30 b)	1,126.22	1,126.22
Total	1,212.09	1,184.55
11 Financial liabilities		
Payables		
I) Trade payables (refer note 33 a and b)		
i) total outstanding dues of micro enterprises and small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	43.64
Total	-	43.64
II) Other payables (refer note 33a)		
i) total outstanding dues of micro enterprises and small enterprises	3.13	6.12
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	36.77	3.96
Total	39.90	10.08

Trade payables and other payables are non-interest bearing and are normally settled as per contractual terms.

For related party transactions refer note 36

For ageing of trade payables refer note 33(b)

Notes forming part of standalone financial statements

(Rs. in Lakhs)

	31 March 2024	31 March 2023
12 Borrowings		
At Amortised cost		
Loans repayable on demand		
From Banks (note 1 below)	1,894.41	3,954.03
From Financials Institution (note 2 and 3 below)	-	1,175.10
From Other Parties (note 4 below)	3,596.65	3,596.65
Total	5,491.06	8,725.77

Note No.-

- 1 a) Cash Credit/ Overdraft from Bank of India of Rs. 63.83 lakhs (2023: Rs. Nil) with sanction limit of Rs. 85.00 lakh are secured with 15% margin on fixed deposit with the bank. The loan carries interest at weighted average underlying fixed deposit (FD) + 100 bps and charge is yet to be registered with the Registrar of Companies.
- b) Working Capital facility from Bank of India Rs.1,608.79 lakhs (2023 : Rs. 3,754.05 lakhs) with sanction limit of Rs. 10,000.00 lakhs are secured against pledge of approved debt securities rated 'A' with 25% margin and debt securities rated 'AA' and above, with 15% margin ,with the bank and personal guarantee of the Promoter. The loan is repayable on demand and carries interest of 10.85% p.a. (2023 : 9.75 % p.a.) viz. one year MCLR+ BSS+CRP.
- c) Working Capital facility from Federal Bank Limited of Rs. Nil (2023: Rs. 199.98 lakhs) with Sanction limit of Rs. 7,500.00 lakhs (Rs. 5,000 for intraday and Rs. 2,500 for overnight) are secured against pledge of Government Securities in CGSL account with Federal Bank Limited. The loan is repayable on demand and carries interest of 9.80% p.a (2023 : 9.95 % p.a.) viz. one year MCLR plus 50 bps.
- d) Overdraft from Yes Bank Limited of Rs. 221.79 lakhs (2023: Rs. Nil) with sanction limit of Rs. 2,000 lakhs (2023: 630 lakhs) are secured against 110% pledge of fixed deposits with banks. The loan is repayable on demand. It carries interest at weighted average underlying fixed deposit + 50 bps and charge is yet to be registered with the Registrar of Companies.
- (e) Overdraft from Federal Bank Limited of Rs. Nil (2023: Rs. Nil) with sanction limit of Rs. 500 lakhs are secured against 110% pledge of fixed deposits with banks. The loan is repayable on demand. It carries interest at weighted average underlying fixed deposit + 50 bps and charge is yet to be registered with the Registrar of Companies.
- 2 Working capital outstanding loan of Rs. Nil (2023: Rs. 375.10 lakhs) with sanction limit of Rs. Nil (2023 : Rs. 1,500.00 lakhs borrowed from Tata Capital Financial Services Limited are secured against securities amounting to Rs. Nil (2023 : Rs. 761.90 lakhs) . Loan is repayable on demand and carries interest of Nil (2023 :10.05) % p.a. floating. The loan has been repaid during the year. The charge is neither created nor satisfied with Registrar of Companies.
- 3 Revolving Demand loan facility from Barclay Investment and Loan (India) Private Limited outstanding loan of Rs. Nil (2023: Rs. 800.00 lakhs) with sanction limit of Rs. Nil (2023 : Rs. 2,500.00 lakhs are secured against HDFC Liquid Mutual Fund. Loan is repayable on demand and carries interest of Nil (2023 : 9.00)% p.a. floating. The loan has been repaid during the year . The charge is yet to be satisfied with Registrar of Companies.
- 4 Borrowings of Rs.3,596.65 lakhs (2023: Rs. 3,596.65 lakhs) is considered interest free and repayable on demand in the absence of term sheet and confirmation (refer note 30b).
- 5 The Company has not been declared as a wilful defaulter by any lender.
- 6 The Company has used the borrowings from banks and financial institution for the purpose for which it was taken.

(Rs. in Lakhs)

	31 March 2024	31 March 2023
13 Lease Liabilities		
Lease liabilities	7.20	11.21
	7.20	11.21
14 Other financial liabilities		
Unclaimed dividends #	40.61	43.92
Employee benefit payable *	97.79	40.50
Total	138.40	84.42
# There are no undisputed amounts which are due and remained unpaid to Investor Education and Protection Fund as at the balance sheet date .		
*For related party transactions refer note 36		
15 Provisions		
Provision for standard assets	39.23	51.12
Total	39.23	51.12

Notes forming part of standalone financial statements

			(Rs. in Lakhs)	
			31 March 2024	31 March 2023
16	Deferred tax liabilities (net)			
	Deferred tax liabilities/ (assets)			
	Difference in Right-of-use assets and lease liabilities		(0.13)	(0.04)
	Allowance for credit losses		(154.59)	(224.28)
	Fair valuation of financial instruments		1,132.66	650.46
	Total		977.94	426.13
17	Other non-financial liabilities			
	Statutory dues payable		80.20	26.08
	Total		80.20	26.08

			(Rs. in Lakhs)	
			31 March 2024	31 March 2023
18	Equity Share capital			
	Authorised*			
	20,000,000 (2023:20,000,000) Equity Shares of Rs 10/- each		2,000.00	2,000.00
			2,000.00	2,000.00
	Issued, subscribed and fully paid up			
	12,568,623 (2023:12,568,623) Equity Shares of Rs 10/- each		1,256.86	1,256.86
			1,256.86	1,256.86

*Authorised share capital of 2024: Rs 1,000 Lakhs (2023: Rs 1,000 Lakhs); consisting of Redeemable Cumulative Preference shares of Rs. 10 each is not considered above in accordance with the requirement of Ind AS.

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	(Rs. in Lakhs)			
	31 March 2024		31 March 2023	
	Number of Equity shares	(Rs. in Lakhs)	Number of Equity shares	(Rs. in Lakhs)
At the beginning of the year	1,25,68,623	1,256.86	1,25,68,623	1,256.86
Changes during the year	-	-	-	-
Outstanding at the end of the year	1,25,68,623	1,256.86	1,25,68,623	1,256.86

b) Terms/rights attached to equity shares

- The Company has issued only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

c) Details of shareholders holding more than 5% shares in the Company:

Name of shareholders	31 March 2024		31 March 2023	
	Number of shares	% Holding	Number of shares	% Holding
Mahendra V Doshi	11,49,363	9.14%	14,49,363	11.53%
Mahendra V Doshi-Partner M/s L K Panday	20,72,482	16.49%	20,72,482	16.49%
Sea Glimpse Investments Private Limited	17,13,962	13.64%	25,47,515	20.27%
Bhavana Holdings Private Limited	2,43,058	1.93%	14,09,505	11.21%
Authum Investment and Infrastructure Limited	-	-	8,79,090	6.99%
	51,78,865	41.20%	83,57,955	66.50%

Notes forming part of standalone financial statements
d) Shareholding of promoters

Shares held by promoters at the end of the year	As at 31 March 2024		As at 31 March 2023		% of Change During the year
	Number of Shares	% of total shares	Number of Shares	% of total shares	
Sea Glimpse Investments Private Limited	17,13,962	13.64%	25,47,515	20.27%	-32.72%
Bhavana Holdings Private Limited	2,43,058	1.93%	14,09,505	11.21%	-82.76%
Mahendra Vasantrai Doshi	11,49,363	9.14%	14,49,363	11.53%	-20.70%
Pratik M Doshi	1,00,722	0.80%	1,00,722	0.80%	0.00%
Mahendra Vasantrai Doshi (Held On Behalf of Lk Panday, Partnership Firm)	20,72,482	16.49%	20,72,482	16.49%	0.00%
Ira Pratik Doshi	2,00,000	1.59%	2,00,000	1.59%	0.00%
Samaya Pratik Doshi	2,00,000	1.59%	2,00,000	1.59%	0.00%
Shital A Sonpal	16,725	0.13%	16,725	0.13%	0.00%

(Rs. in Lakhs)

	31 March 2024	31 March 2023
19 Other Equity		
Securities Premium		
As per last balance sheet	370.03	370.03
	370.03	370.03
Reserve u/s 45-IC of Reserve Bank of India Act, 1934		
As per last balance sheet	6,722.88	6,479.14
Add: Transfer from Retained Earnings	1,101.10	243.74
	7,823.98	6,722.88
General Reserve		
As per last balance sheet	6,146.06	6,146.06
	6,146.06	6,146.06
Retained Earnings		
Balance as per last balance sheet	12,995.87	12,398.06
Profit for the year	5,505.51	1,218.69
Remeasurement gains/(losses) on defined benefit plans	(1.19)	(0.08)
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	(1,101.10)	(243.74)
Dividend paid (Final and interim dividend)	(502.74)	(377.06)
	16,896.35	12,995.87
Other Comprehensive income - fair value on equity instruments		
As per last balance sheet	1,840.02	2,117.52
Gain /(Loss) on fair value of financial asset measured through other comprehensive income (net of tax)	590.97	(277.50)
	2,430.99	1,840.02
Total Other Equity	33,667.41	28,074.87

Notes forming part of standalone financial statements

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
20 Revenue from operations		
(i) Interest Income *		
On financial assets measured at amortised cost		
Interest -Loans	969.10	1,188.64
-Investments	185.67	143.23
-Deposit with Banks	98.63	34.97
-Retirement benefits	3.17	2.78
Total	1,256.57	1,369.63
* For related party transactions Refer note 36		
(ii) Dividend Income	69.36	34.12
Total	69.36	34.12
(iii) Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss (FVTPL)		
Realised gain on securities held for trade (net) at FVTPL	1,802.81	717.60
Realised gain on investments (net) at FVTPL	2,613.56	457.34
Unrealised gain/(loss) (net) on Securities at FVTPL	2,452.54	(97.49)
Total	6,868.91	1,077.45
Realised profit on sale of securities (net) is Rs. 4,531.36 lakhs (2023 : Rs. 2163.75 lakhs considering original cost of the investments.		
(iv) Other operating income		
Income from Stock lending and Borrowing Mechanism (SLBM)	47.64	-
Income from Alternate Investment Fund (AIF)	17.35	18.92
Advisory fees	0.21	0.10
Total	65.20	19.02
21 Other income		
Profit on disposal of property, plant and equipment	-	5.91
Short term capital gain from Alternate Investment Fund (AIF) Units	10.25	-
Interest on income tax refund	10.57	1.40
Unwinding of discount on security deposit	0.03	0.02
Total	20.85	7.33
	31 March 2024	31 March 2023
22 Finance Costs		
On financial liabilities measured at amortised cost:		
Interest on borrowings	284.42	255.58
Interest on lease liabilities	0.91	0.53
Interest on late payment of statutory dues	0.01	4.28
Other financial charges	37.41	42.81
Total	322.75	303.19
23 Fees and commission expense		
Commission and sub-brokerage	52.72	-
Total	52.72	-

Notes forming part of standalone financial statements

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
24 Impairment on financial instruments		
Impairment / (Reversal of Impairment) on financial instruments		
At amortised cost		
Loan - Standard assets	(11.89)	0.42
Loan - Substandard/ doubtful assets	175.00	260.00
Trade receivables	(80.00)	-
Bad debts/Loan written off	200.00	8.23
	283.11	268.65
25 Employee benefits expense		
Salaries and other allowances *	519.49	319.35
Contribution to provident and other funds	2.78	2.84
Staff welfare expenses	1.02	0.67
Gratuity expense	2.23	1.70
Total	525.52	324.56
* For related party transactions Refer note 36		
26 Depreciation, amortisation and impairment		
Depreciation on property, plant and equipment	1.35	1.59
Depreciation on right of use assets	4.34	1.99
Total	5.69	3.57

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
27 Other expenses*		
Rent	9.84	20.07
Rates and taxes	18.52	15.81
Repairs and maintenance - others	1.92	3.20
Communication expenses	4.81	5.21
Printing and stationery	1.56	2.02
Directors sitting fees	14.00	10.00
Payments to auditors (refer note 32)	11.84	11.86
Legal and professional charges	63.29	72.76
Electricity expenses	3.76	2.98
Travelling and conveyance expenses	6.72	9.48
Corporate social responsibility expenses (refer note 41)	105.70	84.00
Donation	60.00	-
Miscellaneous expenses	6.19	10.37
Total	308.15	247.76

* For related party transactions Refer note 36

Notes forming part of standalone financial statements
28 Tax Expense
(a) The major components of income tax for the year are as under:

Income tax related to items recognised directly in the statement of profit and loss

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
Current tax		
Current tax on profits for the year - current year	791.43	201.16
- earlier year	16.03	(5.73)
Deferred tax (Credit) / Charge		
Fair valuation of financial instruments	400.37	(37.76)
Difference in Right-of-use assets and lease liabilities	(0.08)	(0.04)
Allowance for credit losses	69.69	(16.51)
Total	1,277.44	141.13
Effective tax rate #	18.83%	10.38%

A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31 March 2024.

ii) Deferred tax related to items recognised in the other comprehensive income (OCI) during the year

	31 March 2024	31 March 2023
Fair value change on equity instruments through other comprehensive income	(81.83)	49.04
Deferred tax charged to OCI	(81.83)	49.04

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

	31 March 2024	31 March 2023
Accounting Profit before tax	6,782.95	1,359.82
Income tax expense calculated at corporate tax rate	1,707.13	342.24
Tax effect on non-deductible expenses and unabsorbed losses	-	(25.24)
Effect of exempt income and income tax at Lower rates and unabsorbed losses	(445.72)	(170.13)
Current tax -earlier period	16.03	(5.73)
Tax expense recognized in the statement of profit and loss	1,277.44	141.13

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 25.168 % for the year ended 31 March 2024 and 25.168 % for the year ended 31 March 2023 .

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 16.

(c) Deferred tax relates to the following:

Reconciliation of deferred tax (assets) / liabilities net:	31 March 2024	31 March 2023
Opening balance	426.13	529.48
Fair valuation of financial instruments	482.20	(37.76)
Allowances for credit losses	69.69	(65.54)
Difference in Right-of-use assets and lease liabilities	(0.08)	(0.04)
Total	977.94	426.13

Deferred tax recognized in statement of profit or loss

For the year ended	31 March 2024	31 March 2023
Fair valuation of financial instruments	400.37	(37.76)
Allowances for credit losses	69.69	(16.51)
Difference in Right-of-use assets and lease liabilities	(0.08)	(0.04)
Total	469.98	(54.31)

Notes forming part of standalone financial statements

Deferred tax recognized in statement of Other Comprehensive Income

For the year ended	31 March 2024	31 March 2023
Fair valuation of financial instruments	81.83	(49.04)
Total	81.83	(49.04)

- (d) The Company does not have any unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961.

29 Leases

For short-term leases (lease term of twelve months or less) and leases of low-value assets, the Company has opted to recognise a lease expense on a straight-line basis as permitted by In AS 116. This expense is presented within 'other expenses' forming part of the Financial Statements. Lease rentals of Rs.9.84 lakhs (2023 : Rs.20.07 Lakhs) pertaining to short term leases and low value asset has been charged to statement of profit and loss.

Right-of-use assets- Disclosures as per Ind AS 116 "Leases"

- a) Right-of-use assets (ROU) comprises leased assets of office/branch premises that do not meet the definition of investment property.

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Opening Balance	11.03	-
Additions during the year	-	13.02
Deletion during the year (net)	-	-
Depreciation during the year	4.34	1.99
Closing Balance	6.69	11.03

The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

- b) **The following is the break-up of current and non-current lease liabilities**

	31 March 2024	31 March 2023
Current	4.64	4.64
Non current	2.56	6.57
Closing Balance	7.20	11.21

- c) The following is the movement in lease liabilities

	31 March 2024	31 March 2023
Opening Balance	11.21	-
Additions during the year	-	12.90
Finance cost incurred during the year	0.91	0.53
Payment of lease liabilities	4.92	2.23
Closing Balance	7.20	11.21

- d) **Lease liabilities maturity analysis**

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Maturity analysis - contractual undiscounted cash flows		
Less than one year	4.92	4.92
One to five years	2.46	7.56
More than five years	-	-
Total undiscounted lease liabilities	7.38	12.48

Notes forming part of standalone financial statements

30 Contingent Liabilities and Litigations

- a) Against a penalty order Rs 180 Lakhs (for 2023: Rs 180 Lakhs) received from the Enforcement Directorate in respect of a matter which arose in 1996 pertaining to the erstwhile money changing division of the Company, the Company has preferred an appeal in the Honourable Madras High Court. The Company has provided a bank guarantee in the form of fixed deposit with bank to cover the demand. The matter is pending. The Management is of the opinion that a cash outflow is unlikely and therefore no provision is considered necessary.
- b) State Bank of India obtained an Order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines Limited, United Breweries (Holdings) Limited and Others for recovery of dues from them. In the earlier years, the Company received a garnishee order from the Recovery Officer, DRT, Bangalore claiming Rs. 2,500 Lakhs (plus interest) as the financial statements of Kingfisher Finvest India Limited (lender) reflected the amount due from the Company. The Company has contested the claim and deposited Rs. 1,126.22 Lakhs and investment in mutual fund of Rs. 554.41 lakhs was attached by the recovery officer. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai.
- c) The Company has given Corporate Guarantee for securing non rated, unlisted, secured, redeemable, taxable, transferable, non-convertible debentures (NCD) issued by LKP Securities Limited not exceeding Rs. 3,000 lakhs (2023 : Nil). NCD outstanding as at 31 March 2024 is Rs. 815 lakhs (2023 : Rs. Nil).
- d) Claims against the Company, not acknowledged as debts in respect of income tax matters amounted to Rs. Nil (2023 : Rs. 3.11 lakhs)

Other Litigations

- e) A winding up petition filed by the Company against a borrower has been admitted by the Honourable High court of Mumbai. The recovery if any will be accounted for when the money is received from official Liquidator.
- f) The Company has filed an arbitration case Rs. 26.18 Lakhs (2023 : Rs. 26.18 Lakhs) against borrowers for which it has received a favourable award from the arbitrators. The opposing parties have filed an appeal in the Honourable High court of Mumbai for which the matter is pending.
- g) The Department of Company Affairs had filed a complaint in the Small Causes Court, Mumbai against, the Company, its Directors and the KMPs for non filing of information in Form INV5 in respect of Unclaimed Dividend as on 31 March 2013. Though the Company has already filed the Form, The Company and Others have made an application for compounding with the Regional Director. During the year ended 31 March 2023 the matter was compounded on payment of compounding fees and accordingly the case is as disposed off and proceeding is closed by the said court.
- h) The Company has filed various cases for recovery of dues and suits are pending in various courts/tribunals. The Company has engaged advocates to protect the interest of the Company and expects favourable decision.
- i) The Company has filed claim with the Official Liquidator of United Breweries (Holdings) Limited (under liquidation) for an amount recoverable of Rs 3,181.20 lakhs. The Company's claim for enforcement of lien on 6,71,560 equity shares of United Spirits Limited pertaining to the said recovery is pending before DRT Bangalore.

(i) Capital Commitments

Uncalled capital contribution on investments is Rs. Nil (2023 : Rs. 168.75 lakhs).

31 Segment Informations

Disclosure under Indian Accounting Standard 108 – 'Operating Segments' is not given as, in the opinion of the management, the entire business activity falls under one segment viz. Investment and financing activities. The Company conducts its business only in one Geographical Segment viz. India.

32 Payment to Auditors

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Audit fees	10.00	10.00
Tax audit fees	1.00	1.00
Other matters & taxation	0.84	0.86
Total	11.84	11.86

33 Micro, small and medium enterprises

- (a) The Company has Rs. 3.13 lakhs (31 March 2023 : Rs. 6.12 lakhs) outstanding dues to party related to Micro, Small and Medium enterprises on the basis of information provided by the parties and available on record. Further, there is no interest paid / payable to micro and small enterprises during the year.

Trade payables and other payables include amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 02 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

Notes forming part of standalone financial statements

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Principal amount remaining unpaid to any supplier as at the year end	3.13	6.12
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
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.	-	-

The Company has compiled the relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

- (b) There are no trade payables as at 31 March 2024 .

Trade Payables ageing schedule for the year ended 31st March 2023

Particulars	(Rs. in lakhs)					Total
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	43.64	-	-	-	-	43.64
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

34 Financial Instruments

- i) The Company's principal financial assets include investments, loans, trade receivables, other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations.

a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

b) Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term loan from banks.

Interest rate risk exposure

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings*	1,894.41	5,129.13

*The above figures does not include amount due from other parties in the absence of term sheet and confirmation. Refer note 30 (b)

Notes forming part of standalone financial statements

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

	(Rs. in lakhs)	
	Increase / decrease in basis points	Effect on Profit before tax
As at 31 March 2024	+ 50 / - 50	9.47
As at 31 March 2023	+ 50 / - 50	25.65

2) Equity Price Risk :

The Company's quoted equity investments carry a risk of change in prices. To manage its price risk arising from investments in equity securities, the Company periodically monitors the sectors it has invested in, performance of the investee companies, measures mark-to-market gains/losses. The fair value of some of the Company's investments exposes the Company to equity price risk.

3) Foreign currency risk:

The Company does not have any foreign currency risk. Hence no sensitivity analysis is required

4) Credit Risk:

Credit risk is the risk that the Company will incur a loss because its Loans and receivable fail to discharge their contractual obligations. The Company has a framework for monitoring credit quality of its Loans and receivables based on days past due monitoring at period end. Repayment by individual Loans and receivables are tracked regularly and required steps for recovery are taken through follow ups and legal recourse. Credit risk arises from loans and advances, receivables, cash and cash equivalents and deposits with banks .

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's Loans and advances, receivables, cash and cash equivalents, deposits with banks and investments .

The Company measures the expected credit loss of Loans and receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss is based on actual credit loss experienced and past trends based on the historical data.

(i) Credit risk management

Company considers probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Definition of Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which NBFC operates and other macro-economic factors.

For Trade receivables, definition of default has been considered at 360 days past due after looking at the historical trend of receiving the payments.

Provision for expected credit losses

Company provides for expected credit loss based on following:

The Company classifies its financial assets in three stages having the following characteristics :

Stage 1 :- Unimpaired and without significant increase in credit risk since initial recognition on which a twelve months allowance for ECL is recognised;

Stage 2 :- a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised; and

Stage 3 :-Objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which lifetime ECL is recognised.

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are thirty days past due (DPD) on the reporting date and are accordingly transferred from stage 1 to stage 2 .For Stage 1 an ECL allowance is calculated on a twelve months point in time probability weighted probability of default . For stage 2 and 3 assets a life time ECL is calculated on a lifetime probability of default

	(Rs. in lakhs)	
Trade Receivables	31 March 2024	31 March 2023
More than six months	-	150.00
Others	-	0.22
Total	-	150.22

Notes forming part of standalone financial statements

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	80.00	80.00
Add :- Provided during the year	-	-
Less :- Reversal during the year	(80.00)	-
Balance as at 31 March	-	80.00
Net Trade receivable	-	70.22

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings assigned by credit rating agencies. Investments primarily include investment in Securities.

b) Liquidity Risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Company 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:

	(Rs. in lakhs)				
	Carrying Amount / Fair value	31 March 2024			Total
		Less than 1 year	2-5 years	More than 5 years	
Financial Liabilities :					
Trade payables	-	-	-	-	-
Other payables	39.90	39.90	-	-	39.90
Lease liabilities	7.20	4.64	2.56	-	7.20
Other financial liabilities	138.40	138.40	-	-	138.40
Borrowings	5,491.06	5,491.06	-	-	5,491.06
	5,676.56	5,674.00	2.56	-	5,676.56

	(Rs. in lakhs)				
	Carrying Amount / Fair value	31 March 2023			Total
		Less than 1 year	2-5 years	More than 5 years	
Financial Liabilities :					
Trade payables	43.64	43.64	-	-	43.64
Other payables	10.08	10.08	-	-	10.08
Borrowings	8,725.77	8,725.77	-	-	8,725.77
Lease liabilities	11.21	4.64	6.57	-	11.21
Other financial liabilities	84.42	84.42	-	-	84.42
	8,875.12	8,868.55	6.57	-	8,875.12

ii) Capital Management

For the purpose of Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Notes forming part of standalone financial statements

The Company monitors capital using gearing ratio, which is Net debt divided by total capital.

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Gross debt	5,491.06	8,725.77
Less: Cash and cash equivalents	192.19	692.29
Net debt	5,298.87	8,033.48
Total equity	34,924.27	29,331.73
Total capital	40,223.14	37,365.21
Gearing ratio	13.17%	21.50%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

iii) Categories of financial instruments and fair value thereof

	(Rs. in lakhs)					
	As at 31 March 2024			As at 31 March 2023		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
A) Financial assets (other than investment in subsidiaries)						
Cash and cash equivalents	-	-	192.19	-	-	692.29
Bank balance other than above	-	-	1,873.63	-	-	1,032.37
Trade receivables	-	-	-	-	-	70.22
Loans	-	-	5,611.32	-	-	11,366.54
Investments	9,657.58	20,058.92	3,086.00	8,692.74	12,018.22	3,086.00
Other financial assets	-	-	116.72	-	-	308.87
Total financial assets	9,657.58	20,058.92	10,879.86	8,692.74	12,018.22	16,556.29
						(Rs. in lakhs)
B) Financial liabilities	As at 31 March 2024			As at 31 March 2023		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
Trade payables	-	-	-	-	-	43.64
Lease liabilities	-	-	7.20	-	-	11.21
Other payables	-	-	39.90	-	-	10.08
Borrowings	-	-	5,491.06	-	-	8,725.77
Other financial liabilities	-	-	138.40	-	-	84.42
Total financial liabilities	-	-	5,676.56	-	-	8,875.12

The management assessed that cash and cash equivalents and bank balances, trade receivables, 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.

iv) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2024

Notes forming part of standalone financial statements

(Rs. in lakhs)

Financial assets	As at 31 March 2024				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at FVTOCI					
Investments	9,657.58	9,657.58	1,171.95	-	8,485.62
Financial assets measured at FVTPL					
Investments	20,058.92	20,058.92	16,895.54	2,632.60	530.79
Total	29,716.50	29,716.50	18,067.49	2,632.60	9,016.41

Financial assets	As at 31 March 2023				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at FVTOCI					
Investments	8,692.74	8,692.74	737.61	-	7,955.13
Financial assets measured at FVTPL					
Investments	12,018.22	12,018.22	6,183.96	5,412.07	422.19
Total	20,710.96	20,710.96	6,921.57	5,412.07	8,377.32

Fair Value Hierarchy :

- Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.
- Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI
- Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

Note : All financial instruments for which fair value is recognised or disclosed are categorised within the Fair Value Hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

Foreign currency risk:

The Company does not have any foreign currency risk. Hence No sensitivity analysis is required.

35 Employee benefit plans
A Gratuity and other post employment benefit plans

The Company has a gratuity plan for its employee's which is governed by the Payment of Gratuity Act, 1972. The gratuity benefit payable to the employees of the Company is greater of the provisions of the Payment of Gratuity Act, 1972 and the Company's gratuity scheme. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the employee's length of service, managerial grade and salary at retirement age. The gratuity plan is a funded plan and the Company makes contributions to approved gratuity fund .

The disclosures of employee benefits as defined in the Ind AS 19 "Employee Benefits" are given below:

- Details of post retirement gratuity plan are as follows:
 - Expenses recognised during the year in the statement of profit and loss**

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Current service cost	2.23	1.70
Interest cost (net)	(3.17)	(2.78)
Past Service cost	-	-
Net expenses	(0.94)	(1.08)

Notes forming part of standalone financial statements
II Expenses recognised during the year in other comprehensive income (OCI)

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Actuarial (Gain)/Loss recognized for the period	0.89	(0.76)
Return on plan assets excluding net interest	0.30	0.83
Unrecognized actuarial (gain)/loss from previous period	-	-
Recognised during the year	1.19	0.08

III Net liability recognised in the balance sheet

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Fair value of plan assets	109.33	99.22
Present value of obligation	65.62	58.63
Liability / (Assets) recognized in balance sheet	(43.71)	(40.59)

IV Reconciliation of opening and closing balances of defined benefit obligation

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Defined benefit obligation as at the beginning of the year	58.63	54.01
Current service costs	2.23	1.70
Interest costs	4.06	3.67
Benefit paid	(0.19)	-
Actuarial (gain)/ loss on obligation	0.89	(0.77)
Defined benefit obligation at the end of the year	65.62	58.63

V Reconciliation of opening and closing balance of fair value of plan assets

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Fair value of plan assets at the beginning of the year	99.22	92.62
Adjustment to opening balance	-	0.01
Interest income	7.23	6.46
Contributions paid by employer	3.37	0.96
Benefits paid	(0.19)	-
Return on plan asset	(0.30)	(0.83)
Fair value of plan assets at year end	109.33	99.22

VI Actuarial Assumptions

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Discount rate (Per annum)	6.97%	7.17%
Rate of escalation in salary (per annum)	5.00%	5.00%
Expected average remaining service	9.56	9.83
Attrition rate	PS: 0 to 10 :7%	PS: 0 to 10 :7%
	PS: 10 to 20 :0%	PS: 10 to 20 :0%
	PS: 20 to 52 :7%	PS: 20 to 52 :7%
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult

VII Quantitative Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points

Notes forming part of standalone financial statements

	31 March 2024	31 March 2023
Projected benefit obligation on current assumptions		
Increase by 1% in Discount rate	62.57	55.74
Decrease by 1% in Discount rate	69.01	61.82
Increase by 1% in Rate of salary increase	68.02	60.73
Decrease by 1% in Rate of salary increase	63.27	56.61

VIII Maturity analysis of projected benefit obligation : from the fund

	(Rs. in lakhs)	
Projected benefits payable in future years from the date of reporting	31 March 2024	31 March 2023
1st Following Year	5.71	4.07
2nd Following Year	5.12	5.22
3rd Following Year	19.94	4.71
4th Following Year	17.10	18.23
5th Following Year	1.96	16.52
Sum of years 6 to 10	17.49	15.62

Notes:

- (a) The current service cost recognized as an expense is included in the Note 25 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- (b) The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (c) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

B Provident fund

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Company recognised expense of Rs. 2.78 Lakhs (2023: 2.84 lakhs) towards contribution made to provident fund under defined contribution plan

36 Disclosure of transactions with related party as require by Ind AS 24
(i) List of related parties
Subsidiary Company

Bond Street Capital Private Limited

Key Management Personnel

Mahendra V. Doshi

Sajid Mohamed

Pratik M. Doshi

Dinesh Waghela

Vineet N. Suchanti

Anjali Suresh

G B Innani

S S Gulati

Nature of relationship

Executive Chairman & Managing Director

Independent Director

Non-Executive Director

Non-Executive additional Director

Independent Director (upto 31 March 2024)

Independent Director

G.M Legal & Company Secretary

Head Corporate Affairs & Chief Financial Officer

Other related parties with whom transactions have taken place during the year.

LKP Securities Limited

MKM Share & Stock Brokers Limited

Bhavana Holding Private Limited

Alpha Commodity Private Limited

Sea Glimpse Investments Private Limited

Keynote Fincorp Limited

Mapple Leaf Trading & Services Limited (Formerly known as Keynote Commodities Limited)

Notes forming part of standalone financial statements
(ii) Transactions with Related parties:

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Remuneration to Key Management Personnel		
Key Management Personnel	307.98	200.54
Mahendra V Doshi	245.19	139.85
S.S. Gulati	38.86	38.86
Girish Inani	23.93	21.84
Interest Income	34.37	110.83
LKP Securities Limited	11.48	77.81
Mapple Leaf Trading & Services Limited	15.92	33.02
Keynote Fincorp Limited	4.52	-
Bond Street Capital Private Limited	2.45	-
Interest expenses	73.92	68.85
Bond Street Capital Private Limited	66.22	68.85
Sea Glimpse Investments Private Limited	4.43	-
Bhavana Holdings Private Limited	3.28	-
Rent paid	-	0.35
LKP Securities Limited	-	0.35
Brokerage and Depository Charges Paid	92.42	36.22
LKP Securities Limited	92.42	36.22
Loans given	1,882.00	3,800.00
LKP Securities Limited	850.00	3,200.00
Mapple Leaf Trading & Services Limited	150.00	400.00
Sea Glimpse Investments Private Limited	-	200.00
Bond Street Capital Private Limited	582.00	-
Keynote Fincorp Limited	300.00	-
Repayment Received	2,322.52	3,652.50
LKP Securities Limited	850.00	3,200.00
Mapple Leaf Trading & Services Limited	590.52	252.50
Bond Street Capital Private Limited	582.00	-
Keynote Fincorp Limited	300.00	-
Sea Glimpse Investments Private Limited	-	200.00
Loans taken	30,225.00	46,429.50
Bond Street Capital Private Limited	29,025.00	46,429.50
Sea Glimpse Investments Private Limited	600.00	-
Bhavana Holdings Private Limited	600.00	-
Loans Repaid	30,225.00	46,429.50
Bond Street Capital Private Limited	29,025.00	46,429.50
Sea Glimpse Investments Private Limited	600.00	-
Bhavana Holdings Private Limited	600.00	-
Corporate Guarantee given	3,000.00	-
LKP Securities Limited (Debt outstanding against guarantee Rs. 815.00 lakhs)	3,000.00	-
Investment made	-	700.00
LKP Securities Limited	-	500.00
Mapple Leaf Trading & Services Limited	-	200.00
Directors sitting fees paid	14.00	10.00
Sajid Mohamed	2.50	2.00
Pratik M. Doshi	2.50	2.00
Dinesh Waghela	3.00	2.00
Vineet N. Suchanti	3.00	2.00
Smt. Anjali Suresh	3.00	2.00
Impairment / (Reversal of Impairment) on financial instruments	(80.00)	-
MKM Shares & Stock Brokers Limited	(80.00)	-

Notes forming part of standalone financial statements

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Outstanding balance as on		
Director Remuneration / Commission Payable	97.79	35.50
Mahendra V. Doshi		
Loans given / Other Advances (Including Interest)		
Mapple Leaf Trading & Services Limited	-	440.52
Trade payables		
LKP Securities Limited	-	43.64
Trade Receivables		
MKM Share & Stock Brokers Limited	-	150.00
Investments		
Bond Street Capital Private Limited	3,086.00	3,086.00
LKP Securities Limited	1,171.95	737.61
Mapple Leaf Trading & Services Limited	210.16	200.00
Corporate Guarantee given		
LKP Securities Limited (Debt outstanding against guarantee Rs. 815.00 lakhs)	3,000.00	-
Other advances/ Other receivables		
LKP Securities Limited	102.67	-
Provision for Impairment		
MKM Shares & Stock Brokers Limited	-	80.00

*Closing balance of trade payable and trade receivable includes transaction pertaining to purchase and sale of securities in the ordinary course of business

Transactions effected on exchange platforms are not considered.

37 Earnings per share

	31 March 2024	31 March 2023
Profit after tax (Rs. In lakhs)	5,505.51	1,218.69
Weighted average number of equity shares		
- for Basic Earnings per share	1,25,68,623	1,25,68,623
- for Diluted Earnings per share	1,25,68,623	1,25,68,623
Face value of equity share (Rs/share)	10	10
Basic Earnings per share (Rs/share)	43.80	9.70
Diluted Earnings per share (Rs/share)	43.80	9.70

38 Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

	(Rs. in lakhs)					
	As at 31 March 2023	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2024
				Interest Accrued	Other Charges	
Borrowings	8,725.77	8,39,602.83	(8,42,844.26)	6.72	-	5,491.06
	As at 31 March 2022	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2023
				Interest Accrued	Other Charges	
Borrowings	8,226.07	8,85,044.44	(8,84,544.74)	-	-	8,725.77

*Includes daily overdraft facility amount

39 The Company has provided the disclosure by IND AS 115 "Revenue from Contracts with Customers".

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Interest income	1,256.57	1,369.63
Dividend income	69.36	34.12
Net gain on fair value changes	6,868.91	1,077.45
Income from Stock Lending and Borrowing Mechanism (SLBM)	47.64	-
Income from Alternate Investment Fund (AIF)	17.35	18.92
Advisory fees	0.21	0.10
Total	8,260.04	2,500.22

Notes forming part of standalone financial statements
Revenue Disaggregation by Industrial Vertical & Geography is as follows

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Revenue by offerings		
Financial services - India	8,260.04	2,500.22
Total	8,260.04	2,500.22

Timing of Revenue Recognition

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Income accounted at point in time	6,955.83	1,130.60
Income accounted over period of time	1,304.21	1,369.63
Total	8,260.04	2,500.22

- 40 The Company, has no long-term contracts including derivative contracts having material foreseeable losses as at 31 March 2024 except below-
 Details of open interest (short) in Shares

Name of Shares/ Securities	Quantity		Provision for mark to market (loss)/ profit	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Ef Auropharma 25Apr24	1,00,100.00	-	-	-
Ef Rblbank 25Apr24	4,67,500.00	-	-	-
Futstk Adani Ports 27 Apr 2023	-	1,00,000.00	-	(4.30)
Total	5,67,600.00	1,00,000.00	-	(4.30)

- 41 As per section 135 of the Companies Act, 2013, Rs. 105.25 lakhs (2023 : Rs. 83.95 lakhs) is required to be spent by the Company during the year ended 31 March 2024 on Corporate Social Responsibility (CSR).

		(Rs. in lakhs)	
		31 March 2024	31 March 2023
(i)	Amount required to be spent by the Company during the year	105.25	83.95
(ii)	Amount of expenditure incurred	105.70	84.00
(iii)	Shortfall at the end of the year	-	-
(iv)	Total of previous years shortfall	Nil	Nil
(v)	Reason for shortfall	N.A.	N.A.
(vi)	Nature of CSR activities	Relief & rehabilitation of the disabled person and conducting ENT surgery, Medical Treatment, Prevent the occurrence of blindness, Upliftment of Eco-Socio Backward Society by providing Education and Self-Employment. Education activities and rural development.	Upliftment of Eco- Socio Backward Society by providing Education and Self-Employment. Education activities and rural development .
(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.	No Provision	No Provision

Notes forming part of standalone financial statements

42 Dividend Recommendation:

The board proposed dividend on equity shares after the balance sheet date

(Rs. in lakhs)

	31 March 2024	31 March 2023
Proposed dividend on equity shares for the year ended on 31 March 2024 : Rs. Nil per share (31 March 2023: Rs.1/-per share) (Face Value Rs.10/-per share)*	-	125.69
Interim dividend paid on equity shares for the year ended on 31 March 2024 : Rs.3/-per share (31 March 2023: Rs. Nil per share) (Face Value Rs.10/-per share)	377.06	-

*Payment of the proposed dividend is subject to its approval by the shareholder, in the ongoing Annual General Meeting of the Company . The Company has not proposed dividend during the year.

There are no unclaimed dividend for a period of more than seven years. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as on 31 March 2024.

43 Struck off companies

There are no transactions during the year with struck off companies as at 31 March 2024.

44 The Company has not traded or invested in crypto currency or Virtual currency during the year.

45 No proceedings are initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

46 During the year the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of Company (ultimate beneficiaries) or (ii) provide any guarantee, security or the like to or behalf of the ultimate beneficiaries.

47 During the year the Company has not received any fund from any person(s) or entity(ies) including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the funding party (ultimate beneficiaries) or (iii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

48 The Company has investments in unquoted securities of Rs 8,485.62 lakhs. The Company could not obtain valuation report for securities of Rs 2,110.00 lakhs as at 31 March 2024. Further, in respect of securities of Rs 4,533.46 lakhs and Rs 210.16 lakhs, the Company has carried out valuation as on 15 December 2023 and 8 February 2024 respectively. The management considers that the value of securities is not fluctuating and not easily marketable and hence valuation is appropriate and no change is required in the carrying value of these investments.

49 Financial Ratio

Sr. No.	Ratio	Numerator	Denominator	31 March 2024	31 March 2023	Variance %	Reason for variance more than 25%
1	Tier I Capital	Tier I Capital	Risk Weighted Assets	84.98	74.58	13.94	-
2	Tier II Capital	Tier II Capital	Risk Weighted Assets	0.12	0.14	(14.29)	-
3	CRAR	Tier I Capital + Tier II Capital	Risk Weighted Assets	85.10	74.44	14.32	-
4	Liquidity Coverage Ratio	Cash and Cash Equivalent + Liquid Assets*100	Financial Liabilities	338.06	138.46	144.16	Liquid assets increased during the year

50 Balance Sheet of a non deposit taking Non-Banking Financial Company (As required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms {Reserve Bank} Directions, 2007)

Liabilities Side:

(Rs. in lakhs)

Liabilities :		
1.	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	
		Amount outstanding
(a)	Debtures : Secured	-
	: Unsecured	-
	(other than falling within the meaning of public deposits)	-
(b)	Deferred credits	-
(c)	Term loans	-
(d)	Inter-corporate loans and borrowing	3,596.65
(e)	Commercial paper	-
(f)	Public deposits	-
(g)	Other loans- Working Capital, Overdraft and cash credit	1,894.41

Notes forming part of standalone financial statements

		(Rs. in lakhs)
2. Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debenture		
(b) In the form of partly secured debenture i.e. debentures where there is a shortfall in the value of security	-	
	-	
(c) Other public deposits		
Assets :		(Rs. in lakhs)
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below]		
(a) Secured		-
(b) Unsecured		6,969.67
4. Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		-
(b) Operating lease		-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire		-
(b) Repossessed assets		-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-
5. Break-up of Investments :		
<u>Current Investments :</u>		
<u>Quoted :</u>		
(i) Shares : (a) Equity *		8,766.91
(b) Preference		-
(ii) Debentures and Bonds*		2,127.99
(iii) Units of mutual funds		8,128.63
(iv) Government Securities		504.60
(v) Others		-
<u>Unquoted :</u>		
(i) Shares : (a) Equity		-
(b) Preference		10.00
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-
<u>Long Term Investments :</u>		
<u>Quoted :</u>		
(i) Shares : (a) Equity		1,171.95
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-
<u>Unquoted :</u>		
(i) Shares : (a) Equity		11,561.63
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		530.79

Notes forming part of standalone financial statements
6. Borrower group-wise classification of assets financed as in (3) and (4) above :

Category	(Rs. in lakhs)		
	Amount net of provisions		
	Secured	Unsecured	Total
Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	Nil	-	-
(c) Other related parties	Nil	-	-
Other than related parties	Nil	6,969.67	6,969.67
Total	Nil	6,969.67	6,969.67

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	(Rs. in lakhs)	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	3,086.00	3,086.00
(b) Companies in the same group	-	-
(c) Other related parties	1,382.11	1,382.11
2. Other than related parties	28,334.39	28,334.39
	32,802.50	32,802.50

** As per Indian Accounting Standard issue by ICAI

8. Other Information

	(Rs. in lakhs)
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	575.00
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

Disclosure Pursuant To Reserve Bank Of India Notification RBI/2022-23/26/DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April, 2022 pertaining to Notes to Accounts of NBFC's:

(A) Exposures to Real Estate Sector:

Particulars	(Rs. in lakhs)	
	31 March 2024	31 March 2023
(i) Direct Exposure		
(a) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
(b) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits.	-	-
(c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
(i) Residential	-	-
(ii) Commercial Real Estate	-	-
(ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	-	-

Notes forming part of standalone financial statements
(B) Exposure to Capital Market

(a) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	18,414.49	13,298.39
(b) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	292.04
(c) 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;	-	-
(d) 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;	-	-
(e) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(f) 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;	-	-
(g) bridge loans to companies against expected equity flows / issues;	-	-
(h) Underwriting commitments taken up by the Company in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(i) Financing to stockbrokers for margin trading	-	-
(j) All exposures to Alternative Investment Funds:	-	-
(i) Category I	-	-
(ii) Category II	-	-
(iii) Category III	530.79	422.19
Total Exposure to Capital Market	18,945.27	14,012.63

(C) Sectoral Exposure

(Rs. in lakhs)

Sectors Particulars	31 March 2024			31 March 2023		
	Total Exposure (includes on balance sheet and off-sheet exposure)	Gross NPAs	% of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and sheet exposure)	Gross NPAs	% of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	796.80	360.00	45.18
2. Industry	-	-	-	-	-	-
3. Services						
(i) NBFC	-	-	-	-	-	-
(ii) Mortgage backed real estate exposure	-	-	-	-	-	-
(iii) Others	4,681.74	-	-	10,719.30	-	-
Total of Services	4,681.74	-	-	10,719.30	-	-
4. Personal Loans	-	-	-	-	-	-
5. Others, if any (please specify)	1,504.58	575.00	38.22%	610.44	400.00	65.53%
Total	6,186.32	575.00	9.29%	12,126.54	760.00	6.27%

(D) Intra Group Exposures

Particulars	31 March 2024	31 March 2023
(i) Total amount of intra-group exposures	4,257.95	3,823.61
(ii) Total amount of top 20 intra-group exposures	4,257.95	3,823.61
(iii) Percentage of intra-group exposures to total exposures of the NBFC on borrowers	68.83%	31.53%

(E) There were no unhedged foreign currency transactions for the year ended 31 March 2024 and 31 March 2023.

Notes forming part of standalone financial statements

51 Analysis of change in the gross carrying amount and corresponding ECL allowance in relation to Loans

The Table below shows the credit quality and the maximum exposure to credit risk based on the Company's year end stage classification. The amounts presented are gross of impairment allowances. Policies on ECL allowances are set out in Note 2 .

Reconciliation of changes in gross carrying amount and corresponding ECL allowances for loans and advances to corporate and retail customers:

The following disclosures provides stage wise reconciliation of the Company's gross carrying amount and ECL allowances for loans and advances to corporate and retail customers. The transfer of financial assets represents the impact of stage transfers upon the gross carrying amount and associated allowance for ECL. The net remeasurement of ECL arising from stage transfers represents the increase or decrease due to these transfers.

The new assets originated/ repayments received (net) represents the gross carrying amount and associated allowance ECL impact from transactions within the Company's lending portfolio.

Reconciliation / movement for the year ended 31 March 2024

(Rs. in lakhs)

	Stage 1		Stage 2		Stage 3		Total	
	Loans Gross	Impairment loss allowances	Loans Gross	Impairment loss allowances	Loans Gross	Impairment loss allowances	Loans Gross	Impairment loss allowances
Balance as at 31 March 2023	11,151.54	-	-	-	975.00	760.00	12,126.54	760.00
Transfers during the year								
Balance written off	-	-	-	-	(360.00)	(360.00)	(360.00)	(360.00)
Transfer to Stage 1 from stage 3	50.00	-	-	-	(450.00)	(400.00)	(400.00)	(400.00)
Transfer to Stage 2 from stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 3 from stage 2	-	-	-	-	-	-	-	-
Increase in impairment loss allowance during the year	(410.00)	-	410.00	410.00	-	165.00	-	575.00
Purchase of credit impaired financial assets	-	-	-	-	-	-	-	-
New assets originated/ repayments received (net)	(5,180.22)	-	-	-	-	-	(5,180.22)	-
New Credit Exposures during the year, net of repayment	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	5,611.32	-	410.00	410.00	165.00	165.00	6,186.32	575.00

Reconciliation / movement for the year ended 31 March 2023

(Rs. in lakhs)

	Stage 1		Stage 2		Stage 3		Total	
	Loans Gross	Impairment loss allowances	Loans Gross	Impairment loss allowances	Loans Gross	Impairment loss allowances	Loans Gross	Impairment loss allowances
Balance as at 31 March 2022	12,687.09	-	400.00	100.00	400.00	400.00	13,487.09	500.00
Transfers during the year								
Transfer to Stage 1 from stage 3	40.00	-	-	-	-	-	40.00	-
Transfer to Stage 3 from stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 3 from stage 2	-	-	(400.00)	(100.00)	360.00	100.00	(40.00)	-
Increase in impairment loss allowance during the year	-	-	-	-	-	260.00	-	260.00
Purchase of credit impaired financial assets	-	-	-	-	215.00	-	215.00	-
New assets originated/ repayments received (net)	(1,575.55)	-	-	-	-	-	(1,575.55)	-
New Credit Exposures during the year, net of repayment	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	11,151.54	-	-	-	975.00	760.00	12,126.54	760.00

Notes forming part of standalone financial statements
Rs. In Lakhs unless otherwise stated

52	Details of non-performing financial assets purchased:	31 March 2024	31 March 2023
	1. (a) No. of accounts purchased during the year	3	3
	(b) Aggregate outstanding	165	215
	2. (a) Of these, number of accounts restructured during the year	-	-
	(b) Aggregate outstanding	-	-
	During the current financial year Company has purchased three non performing assets account hence no accounts restructured during the year		

53 The disclosures as required by the NBFC Master Directions issued by RBI - A comparison between provision required under income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments' as at 31 March 2024 .

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	5,611.32	39.23	5,572.09	22.45	16.78
	Stage 2	-	-	-	-	-
Subtotal						
Non-Performing Assets (NPA)						
Substandard	Stage 2	410.00	410.00	-	82.00	328.00
Doubtful - up to 1 year	Stage 3	165.00	165.00	-	41.25	123.75
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total						
	Stage 1	5,611.32	39.23	5,572.09	22.45	16.78
	Stage 2	410.00	410.00	-	82.00	328.00
	Stage 3	165.00	165.00	-	41.25	123.75
	Total	6,186.32	614.23	5,572.09	145.70	468.53

54 Assets Liability Management - Maturity pattern of Assets and Liabilities

(Rs. In Lakhs)

	As at 31 March 2024			As at 31 March 2023		
	Within 12 months Current	After 12 Months Non-Current	Total	Within 12 months Current	After 12 Months Non-Current	Total
Financial Assets						
(a) Cash and cash equivalents	192.19	-	192.19	692.29	-	692.29
(b) Bank balance other than (a) above	1,873.63	-	1,873.63	1,032.37	-	1,032.37
(c) Trade receivables	-	-	-	70.22	-	70.22
(d) Loans	5,611.32	-	5,611.32	7,731.54	3,635.00	11,366.54
(e) Investments	19,538.13	13,264.37	32,802.50	11,606.03	12,190.93	23,796.96
(f) Other financial assets	116.72	-	116.72	308.87	-	308.87
Total Financial Assets	27,331.99	13,264.37	40,596.36	21,441.32	15,825.93	37,267.25
Non-Financial Assets						
(a) Current tax assets (net)	-	29.54	29.54	-	241.03	241.03
(b) Property, plant and equipments	-	5.33	5.33	-	6.32	6.32
(c) Right-of-use assets	-	6.69	6.69	-	11.03	11.03
(d) Other non-financial assets	42.16	1,169.93	1,212.09	-	1,184.55	1,184.55
Total Non-Financial Assets	42.16	1,211.49	1,253.65	-	1,442.93	1,442.93

(Rs. In Lakhs)

	As at 31 March 2024			As at 31 March 2023		
	Within 12 months Current	After 12 Months Non-Current	Total	Within 12 months Current	After 12 Months Non-Current	Total
Financial Liabilities						
(a) (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	-	-	-	43.64	-	43.64
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	3.13	-	3.13	6.12	-	6.12
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	36.77	-	36.77	3.96	-	3.96
(b) Borrowings	5,491.06	-	5,491.06	8,725.77	-	8,725.77
(c) Lease liabilities	4.64	2.56	7.20	4.64	6.57	11.21
(d) Other financial liabilities	138.40	-	138.40	84.42	-	84.42
Total Financial Liabilities	5,674.00	2.56	5,676.56	8,868.55	6.57	8,875.12
Non-Financial Liabilities						
(a) Current tax liabilities (net)	151.81	-	151.81	-	-	-
(b) Provisions	-	39.23	39.23	-	51.12	51.12
(c) Deferred tax liabilities (net)	-	977.94	977.94	-	426.13	426.13
(d) Other non-financial liabilities	80.20	-	80.20	26.08	-	26.08
Total Non-financial liabilities	232.01	1,017.17	1,249.18	26.08	477.25	503.33

55 Events after reporting date

There have been no events after the reporting date that require adjustment/ disclosures in these financials statements

56 Previous year's figures have been regrouped/reclassified/rearranged wherever necessary to correspond with the current year's classifications / disclosures. Figures in brackets pertain to previous year.

In terms of our Report of even dated attached

For and on behalf of the board

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Hitendra Bhandari

Partner

Membership Number 107832

Place : Mumbai

Date : 26 April, 2024

LKP Finance Limited
M.V Doshi

Executive Chairman & Managing Director

DIN : 00123243

G.B Inani

G.M (Legal) & Company Secretary

Pratik Doshi

Director

DIN : 00131122

S.S Gulati

Head Corporate Affairs &

Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF CONSOLIDATED IND AS FINANCIAL STATEMENTS

To

The Members of
LKP Finance Limited

1. Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of **LKP Finance Limited** ("the Holding Company or the Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group), which comprise the consolidated balance sheet as at 31 March 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated Ind AS financial statements including a summary of material accounting policies and other explanatory information (herein after referred to as "consolidated Ind AS financial statements").

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

2. Basis for Qualified Opinion

- (a) The Group has investments in unquoted securities. In respect of investments aggregating to Rs.7,310.87 lakhs, the Group has not obtained fair valuation report as at 31 March 2024 as required by Ind AS 109 "Financial Instruments". In the absence of fair valuation report, we are unable to comment on the carrying value of these investments and the consequent impact thereof on Other Comprehensive Income.
- (b) The Group could not obtain/ receive balance confirmation / term sheet from two lenders aggregating to Rs 3,596.65 lakhs, included in borrowings and therefore external confirmations as required by Standards on Auditing ("SAs")-505 were not available. Further, in respect of one lender of Rs 2,122.40 lakhs, the Group received a garnishee Order from the Recovery Officer, DRT, Bangalore claiming Rs. 2,500 lakhs (plus interest). The Group has contested the claim and deposited Rs 1,126.22 lakhs, included in other non-financial assets and investment in mutual fund of Rs 554.41 lakhs was attached by the Recovery officer. The matter is presently pending

before the Debt Recovery Appellate Tribunal, Chennai. The outcome of the matter is uncertain. In the absence of external confirmations and pending litigation, we are unable to comment on adjustments or disclosure, if any, that may arise.

Our opinion for the year ended 31 March 2023, was also modified in respect of the above matters.

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS financial statements.

3. Emphasis of Matter

As described in Note 30(i) to the consolidated financial statement, regarding claim filed with the Official Liquidator of United Breweries (Holdings) Limited (UBHL). The Group's claim for enforcement of lien on equity shares of United Spirits Limited pertaining to the said recovery, is pending before DRT Bangalore. The outcome of the matter is uncertain. Our opinion is not modified in respect of this matter.

4. Key Audit Matters

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

Sr. No	Key Audit Matter	Auditor's Response
1.	Expected Credit Loss under Ind AS 109 "Financial Instruments" The Group recognises Expected Credit Losses (ECL) on loan assets under Ind AS 109 "Financial Instruments" based on the Expected Credit Loss model developed by the Company. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD) and Probability at Default (PD) using historical information. Hence, we have considered the estimation of ECL as a Key Audit Matter.	<ul style="list-style-type: none"> - Assessed the accounting policy for impairment of financial assets and its compliance with Ind AS 109. - Obtained an understanding of the Group's Expected Credit Loss (ECL) calculation and the underlying assumptions. - Tested the key controls over the assessment and identification of significant increase in credit risk and staging of assets. - Sample testing of the accuracy and appropriateness of information used in the estimation. - Tested the arithmetical accuracy of the computation of PD and also performed analytical procedures to verify the reasonableness of the computation. - Assessed the disclosure made in relation to Ind AS 109 for ECL allowance. Further, we also assessed whether the disclosure of key judgements and assumptions are adequate.

5. Other Information

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

Our opinion on the consolidated 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 consolidated 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 consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there

is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

6. Management's Responsibility for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the Companies are responsible for assessing the Group'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 the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies are responsible for overseeing the Group's financial reporting process.

7. Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated Ind AS financial statements.

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

8. Report on Other Legal and Regulatory requirements

- I. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought, except for the matter described in the "Basis for Qualified Opinion" paragraph above, and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the effects/possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) Except for the effects/possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - 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/payable by the Group to its directors during the year is in accordance with the provisions of 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 Group has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements. (Refer 30 of the consolidated Ind AS financial statements)
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
 - iv. (a) The respective managements of the Holding Company and its subsidiary have represented, that, to the best of their knowledge and belief, as referred in notes to the accounts, 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 and the subsidiary 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 Holding Company and the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - (b) The respective managements of the Holding Company and its subsidiary has represented, that, to the best of its knowledge and belief, as referred in the notes to the accounts, no funds have been received by the Holding Company and the subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and the subsidiary 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; and
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by the Holding Company and its subsidiary, nothing has come to our notice that has caused us to believe that the representations under subclause iv(a) and (b) contain any material misstatement.
- v. As stated in Note 42 to the consolidated Ind AS financial statements
 - (a) The final dividend proposed in the previous year declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act.
 - (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
 - vi. Based on our examination which included test checks, the Holding Company and its subsidiary company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- II 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 us for the Company and its subsidiary included in the consolidated Ind AS 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 **MGB & Co LLP**
Chartered Accountants
Firm Registration Number 101169W/W-100035

Hitendra Bhandari
Partner
Membership Number 107832
Mumbai, 26 April, 2024
UDIN: 24107832BKEOCB1111

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") as referred to in paragraph 8(g) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of the LKP Finance Limited on the consolidated Ind AS financial statements for the year ended 31 March, 2024.**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2024, we have audited the internal financial controls with reference to Consolidated Ind AS financial statements of **LKP Finance Limited** (hereinafter referred to as the "Company" or the Holding Company) and its subsidiary company, incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary company, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 "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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary company, incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 internal financial controls system over financial reporting of the Company and its subsidiary company, incorporated in India.

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 consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS 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.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, material weaknesses have been identified in respect of:

- i) Independent Confirmation/ term sheet which were not obtained /received from two lenders for the balances outstanding as at 31 March, 2024.
- ii) Fair valuation of unquoted equity shares as required by the Ind AS 109 "Financial Instruments".

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is reasonable possibility that a material misstatement of the Group's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects of the material weakness described in the 'Basis for qualified opinion' paragraph above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary company incorporated in India have maintained, 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 of 31 March 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated Ind AS financial statements of the Holding Company as at and for the year ended 31 March 2024, and the material weaknesses have affected our opinion on the consolidated Ind AS financial statements of the Group and we have issued a qualified opinion on the consolidated Ind AS financial statements

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

Hitendra Bhandari

Partner

Membership Number 107832

Mumbai, 26 April, 2024

UDIN: 24107832BKEOCB1111

Consolidated Balance Sheet as at 31 March 2024

	Notes	31 March 2024	(Rs. in Lakhs) 31 March 2023
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3(a)	221.62	767.39
(b) Bank balance other than (a) above	3(b)	4,361.57	3,519.65
(c) Trade receivables	4	-	70.22
(d) Loans	5	5,862.79	11,598.20
(e) Investments	6	33,653.36	24,615.65
(f) Other financial assets	7	130.92	322.84
Total Financial Assets		44,230.26	40,893.95
(2) Non-Financial Assets			
(a) Current tax assets (net)	8(a)	30.53	241.03
(b) Deferred tax assets (net)	16(a)	-	9.08
(c) Property, plant and equipment	9	6.19	7.19
(d) Right-of-use assets	9(a)	6.69	11.03
(e) Goodwill on Consolidation		143.00	143.00
(f) Other non-financial assets	10	1,218.95	1,189.10
Total Non-Financial Assets		1,405.36	1,600.43
TOTAL ASSETS		45,635.62	42,494.38
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	43.64
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		3.58	6.57
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		51.97	6.12
(b) Borrowings	12	8,445.64	12,107.52
(c) Lease liabilities	13	7.20	11.21
(d) Other financial liabilities	14	162.48	118.50
Total Financial Liabilities		8,670.87	12,293.56
(2) Non-Financial Liabilities			
(a) Current tax liabilities (net)	8(b)	151.81	11.45
(b) Provisions	15	39.67	51.35
(c) Deferred tax liabilities (net)	16(b)	990.29	426.15
(d) Other non-financial liabilities	17	81.31	26.18
Total Non-financial liabilities		1,263.08	515.13
(3) Equity			
(a) Equity Share capital	18	1,256.86	1,256.86
(b) Other Equity	19	34,444.81	28,428.83
Total Equity		35,701.67	29,685.69
TOTAL LIABILITIES AND EQUITY		45,635.62	42,494.38

Notes forming part of the Consolidated financial statements 1-57

In terms of our Report of even dated attached

For and on behalf of the board

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number:
101169W/W-100035

LKP Finance Limited

Hitendra Bhandari
Partner
Membership Number: 107832

M.V Doshi
Executive Chairman &
Managing Director
DIN: 00123243

G.B Innani
G.M (Legal) &
Company Secretary

Pratik Doshi
Director
DIN: 00131122

S.S Gulati
Head Corporate
Affairs & Chief
Financial Officer

Place : Mumbai
Date : 26 April, 2024

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

	Note	31 March 2024	(Rs. in Lakhs) 31 March 2023
Revenue from operations			
(i) Interest Income	20	1,482.82	1,486.19
(ii) Dividend Income		74.89	40.02
(iii) Net gain on fair value changes		7,369.12	1,268.94
(iv) Other operating income		65.20	19.02
Total Revenue from operations		8,992.03	2,814.17
Other Income			
	21	20.85	7.60
Total Income		9,012.88	2,821.77
Expenses			
(i) Finance costs	22	476.10	366.02
(ii) Fees and commission expense	23	68.72	0.59
(iii) Impairment on financial instruments	24	283.11	268.65
(iv) Employee benefits expense	25	531.71	333.29
(v) Depreciation, amortisation and impairment	26	5.69	4.96
(vi) Other expenses	27	315.09	262.58
Total Expenses		1,680.42	1,236.09
Profit before tax		7,332.46	1,585.68
Tax expenses			
Current tax - Current Year		882.77	293.66
- Earlier Year		7.23	(6.07)
Deferred tax (credit) / charge		497.57	(89.24)
Total tax expenses		1,387.56	198.35
Profit after tax		5,944.90	1,387.33
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss (net of tax)			
- Remeasurement gains/(losses) on defined benefit plan		(1.21)	(0.08)
- Fair value change on equity instruments through other comprehensive income		575.02	(255.07)
Other Comprehensive Income/ (loss) for the year		573.81	(255.15)
Total comprehensive Income for the year		6,518.71	1,132.18
Earning per equity share (face value of Rs. 10 each)			
Basic (in Rs.)		47.30	11.04
Diluted (in Rs.)		47.30	11.04

Notes forming part of the Consolidated financial statements 1-57

In terms of our Report of even dated attached

For and on behalf of the board

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number:
101169W/W-100035

LKP Finance Limited

Hitendra Bhandari
Partner
Membership Number: 107832

M.V Doshi
Executive Chairman &
Managing Director
DIN: 00123243

G.B Innani
G.M (Legal) &
Company Secretary

S.S Gulati
Head Corporate
Affairs & Chief
Financial Officer

Place : Mumbai
Date : 26 April, 2024

Consolidated Statement of Cash flow for the year ended 31 March 2023

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
A. Cash flow from operating activities		
Profit before tax	7,332.46	1,585.68
Adjustments for:		
Depreciation, amortisation and impairment	5.69	4.96
Loss/ (profit) on disposal of property, plant and equipments	-	(5.91)
Interest expenses	438.69	287.14
Interest income	(489.26)	(217.30)
Dividend income	(74.89)	(40.02)
Net loss/ (gain) on fair value changes	(7,369.12)	(1,268.93)
Impairment on financial instruments	283.11	268.65
Operating profit before working capital changes	126.68	614.27
Adjustments for:		
(Increase) / decrease in trade receivables	70.22	104.28
Increase / (decrease) in trade payables and other payables	(0.60)	49.36
(Increase)/ decrease in Loans (net)	5,440.41	1,120.23
(Increase) / decrease in financial assets	(109.90)	1.69
(Increase) / decrease in non financial assets	(31.04)	(14.57)
Increase / (decrease) other non-financial liabilities	55.13	(71.17)
Increase / (decrease) other financial liabilities	57.09	(561.27)
Cash generated from operations	5,607.99	1,242.81
Direct tax paid (net of refunds)	(540.42)	(170.03)
Net cash from/ (used in) operating activities (A)	5,067.57	1,072.79
B. Cash flow from investing activities		
Sale of Property, plant and equipment	-	7.50
Purchase of Property, plant and equipment	(0.36)	(1.32)
(Increase)/decrease in Investments	(724.58)	(4,866.14)
Advance for purchase of Investments	-	(292.04)
(Increase)/ decrease in bank deposits	(847.62)	(716.41)
Interest received	494.96	217.30
Dividend received	74.89	40.02
Net cash from/ (used in) investing activities (B)	(1,002.71)	(5,611.09)
C. Cash flow from financing activities		
Dividend Paid	(506.05)	(372.77)
Payment of lease liabilities	(4.92)	(2.23)
Increase / (decrease) in borrowings	(3,673.99)	3,881.45
Interest paid	(425.67)	(286.62)
Net cash from/ (used in) financing activities (C)	(4,610.63)	3,219.83
Net changes in cash and cash equivalents (A+B+C)	(545.77)	(1,318.47)
Cash and cash equivalents at the beginning of the year	767.39	2,085.86
Cash and bank balances at the end of the year	221.62	767.39
Notes:		
1. Previous year figures have been regrouped or recast wherever, considered necessary		
2. As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 38		
3. Cash and cash equivalents consists of :		
Cash on Hand	0.03	0.03
Balances with banks:		
In current accounts	219.39	767.36
Cheques on hand	2.21	-
Total	221.62	767.39

In terms of our Report of even dated attached

For and on behalf of the board
For MGB & Co. LLP
 Chartered Accountants
 Firm Registration Number:
 101169W/W-100035

LKP Finance Limited
Hitendra Bhandari
 Partner
 Membership Number: 107832

M.V Doshi
 Executive Chairman &
 Managing Director
 DIN: 00123243

Pratik Doshi
 Director
 DIN: 00131122

 Place : Mumbai
 Date : 26 April, 2024

G.B Innani
 G.M (Legal) &
 Company Secretary

S.S Gulati
 Head Corporate
 Affairs & Chief
 Financial Officer

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
1 Corporate information

LKP Finance Limited ("the Parent Company") is domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange(BSE) in India. The Company's registered office is located at 203, Embassy centre, Nariman point, Mumbai 400021, Maharashtra, India. The Company along with its subsidiary (collectively referred to as "the Group") is engaged in the business of finance and trading and investment in shares and securities, derivatives etc.

The Holding Company obtained permission from the Reserve Bank of India (RBI) for carrying on the business of Non-Banking Financial Institutions on 7 August 1999 vide Regn No. B.13.01282.

The consolidated financial statement (hereinafter referred to as "Financial Statements" or "Consolidated Financial Statements") of the Group for the year ended 31 March 2024 were authorised for issued by the Board of Directors at the meeting held on 26 April 2024.

2 Material accounting policies
(a) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company (Reserve Bank) Directions, 2016 (the NBFC Master Directions') issued by RBI.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

The financial statements have been prepared on a going concern basis. The Group 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)/(RS), which is also its functional currency and all values are rounded to the nearest lakh as per the requirement of schedule III (except per share data), unless otherwise stated '0' (zero) denotes amount less than thousand.

Principles of Consolidation

The consolidated financial statements incorporate the financial statements of LKP Finance Limited and entity controlled by LKP Finance Limited.

Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiary are consolidated from the date control commences until the date control ceases.

The financial statements of the Group are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary (as listed in the table below).

Name of the Subsidiaries	Proportion of Interest (including beneficial interest) / Voting Power (either directly / indirectly or through Subsidiary)	Principal place of business
Direct Subsidiary		
Bond Street Capital Private Limited	100% (100%)	India

Figures for preparation of consolidated financial statements have been derived from the audited financial statements of the respective companies in the Group.

(b) Presentation of financial statements

The Group presents its Balance Sheet in order of liquidity. The Group 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 Group 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 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 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) Property, plant and equipment

Property, Plant and Equipments are stated at cost less accumulated depreciation and accumulated impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Right of Use Assets (ROU): The Group as a lessee records an ROU asset for each lease with an original term greater than 12 months. ROU assets includes Office premises, with the corresponding lease liabilities disclosed in the financial liabilities. Depreciation on ROU asset is being charged on the basis of lease term.

(d) Depreciation on property, plant and equipment

Depreciable amount for property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

(e) Derecognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is derecognised.

(f) Leases

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

At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

(ii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of rented premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(g) Cash and cash equivalents

(i) Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

(ii) For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined as they are considered as integral part of Group's cash management.

(h) Fair value measurement

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(I) 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 recognized 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 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. This category generally applies to trade and other receivables.

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 recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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 categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized 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 recognized in the statement of profit and loss.

Equity investments

The Group measures its equity investments other than in subsidiary 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 statement of profit and loss.

Derivative financial instruments

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

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Group recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in Statement of Profit and Loss. A favourable change for such assets creates an impairment gain.

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 or
- 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, issued irrevocable loan commitments and financial guarantee contracts 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 12-month ECL. 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, issued irrevocable loan commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the probability of default (PD) will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Group considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Group; or
- the borrower is unlikely to pay its credit obligations to the Group in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing if the borrower is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators. The information assessed

depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal (NCLT), which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Group uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument.

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. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

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.
- where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component.

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 group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the group'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 group'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 recognized 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:

- 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 liability are subsequently measured at amortized 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 amortization process. Amortized 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 at fair value through profit or loss

After initial recognition, loans, borrowings and deposits 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 amortization process. The EIR amortisation is included in finance costs in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

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.

(i) Borrowing 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.

(j) Provisions, contingent liabilities and contingent assets

The group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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

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 embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

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

(k) Revenue recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfil these contracts.

A. Revenue - Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of service rendered is net of variable consideration on account of various discount and schemes offered by the Group as part of contract.

- a) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably.
- b) Dividend income is recognised when the group's right to receive dividend is established.
- c) Advisory fees is measured and recognised as per the term of the agreement

Transaction price is accounted net of GST. Since GST is not received by the group on its own account, rather, it is collected by the group on behalf of the government. Accordingly, it is excluded from revenue.

(d) The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss.

(e) The Group recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

B. Contract Costs

In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalized and amortized over the contract term if the cost are expected to be recoverable. The group does not capitalize incremental costs to obtain a contract where the contract duration is

expected to be one year or less.

C. Arrangements with Multiple Performance Obligations

The group's contracts with customers may include multiple performance obligations. For such arrangements, the group allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

D. Contract assets and liabilities

Contract assets relate primarily to the group's rights to consideration for work completed but not billed at each reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the group issues an invoice to a customer.

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

(l) Retirement and other employee benefits

(i) The group operates both defined benefit and defined contribution schemes for its employees.

For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For defined benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. The Holding Company's plan is funded.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses (excluding interest on the net defined benefit liability/ (asset)) are recognised in Other Comprehensive Income (OCI). Such remeasurements are not reclassified to the statement of profit and loss, in the subsequent periods.

(ii) Short term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability.

(m) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity.

Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that affects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the statement of profit and loss, except to the extent they relate to items that are recognized in other comprehensive income, in which case, the current and deferred tax income / expense are recognised in other comprehensive income.

(n) Impairment of non-financial assets

The carrying amounts of non financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of an asset's or cash generating unit's, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged

to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

(o) 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.

(p) Goodwill

Goodwill represents excess of the cost of acquisition over the net fair value of the identifiable assets and liabilities or recognition at deemed cost on the date of transition. No amortisation is charged on the goodwill. Goodwill recognized is tested for impairment annually and when there are indications that the carrying amount may exceed the recoverable amount.

(q) Provisions

Provision is recognised when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at the balance sheet date and adjusted to reflect the current management estimates.

(r) Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.

(s) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(t) Exceptional items

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 financial statements.

(u) Trade receivables

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

(v) Critical accounting judgment and estimates

The preparation of financial statements requires management to exercise judgment in applying the group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the a grouping disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

a Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the group. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

b Useful lives and residual values

The group reviews the useful lives and residual values of property, plant and equipment and intangible assets at each financial year end.

c 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.

d 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 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 recognized.

e Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 35, 'Employee benefits'.

f Fair value measurement

A number of Group's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.

g Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

• Determining whether an arrangement contains a lease

In determining whether an arrangement is or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is or contains a lease date if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

h Recent pronouncements

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
3(a) Cash and cash equivalents		
Cash on hand	0.03	0.03
Balances with bank		
- In Current accounts #	219.39	767.36
Cheques on hand	2.21	-
Total	221.62	767.39

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
3(b) Bank balance other than (a) above		
Unpaid dividend accounts	40.61	43.92
Earmarked balance with bank against bank deposits *	4,320.96	3,475.73
Total	4,361.57	3,519.65

includes debit balance in overdraft facilities

*(2024: Rs 4,126.37 Lakhs)(2023: Rs 3,294.25 Lakhs) including interest is lien against cash credit and bank Overdraft taken from bank and (2024: Rs 194.59 Lakhs) (2023: Rs 181.48 Lakhs) including interest lien marked against bank guarantee given to Government Authority. (Refer note 30a)

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
4 Trade receivables		
Considered good - unsecured	-	0.22
Significant increase in credit risk	-	150.00
Less: Impairment loss allowance	-	(80.00)
Total	-	70.22

For related party transactions refer note 36

There are no trade receivables as at 31 March 2024.

Particular	(Rs. in Lakhs)					Total
	31 March 2023					
	Less than 6 Months	6 Months to 1 Years	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	
Undisputed trade receivables – considered good	0.22	-	-	-	-	0.22
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	150.00	150.00
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
Total	0.22	-	-	-	150.00	150.22

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
5 Loans		
At amortised cost		
Considered good - secured by securities	-	3,000.00
Considered good - unsecured*	5,859.89	8,381.10
Significant increase in credit risk	410.00	760.00
Less: Impairment loss allowance	410.00	760.00
	5,859.89	11,381.10
Loans to employees		
- Considered good	2.90	2.10
Others		
Credit impaired financial assets acquired from banks and financial institutions	165.00	215.00
Less: Impairment loss allowance	165.00	-
	-	215.00
Total	5,862.79	11,598.20

Loans

- Others	6,437.79	12,358.20
Total (Gross)	6,437.79	12,358.20
Less: Impairment loss allowance	575.00	760.00
Total (Net)	5,862.79	11,598.20

* Includes Rs. Nil (2023 : 440.62 lakhs) (including interest) due from a Private Limited Company in which director is interested as director

*For related party transactions refer note 36

Type of Borrower	(Rs. in Lakhs)			
	31 March 2024		31 March 2023	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Repayable on demand				
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	440.62	3.57

(Rs. in Lakhs)
 31 March 2024 31 March 2023

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
6 Investments		
(A) Investment in Mutual Funds		
Quoted		
Investment carried at Fair value through profit and loss		
Face value of Rs. 1,000 each**	4,086.10	1,568.31
Face value of Rs. 100 each	4,042.53	-
	8,128.63	1,568.31
(B) Investments in Government securities		
Investment carried at Fair value through profit and loss		
5,00,000 (2023 : 5,00,000) 6.18% Government of India 2024 face value of Rs. 100 each	504.60	498.25
	504.60	498.25

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

	(Rs. in Lakhs)		(Rs. in Lakhs)	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
(C) Investments in debentures or bonds ^			(D) Investment in Equity Shares -	
Investment carried at Fair value through profit and loss			a) Unquoted##	
20,000 (2023: 20,000) units of 10.00% Nido Home Finance Ltd 2026 (Formerly known as 10.00% Edelweiss Housing Finance Limited 2026) face value of Rs.1,000 each	195.07	194.77	(i) Investment carried at Fair value through other comprehensive income Equity shares of face value of Rs. 10 each	
20 (2023: Nil) 7.30% Tata Capital Financial Services Limited 2031 face value of Rs.10,00,000 each	199.79	-	3,50,000 (2023 : 350,000) SAMCO Ventures Private Limited	2,100.00
5 (2023 : Nil) 7.44% Tata Capital Financial Services Limited 2031 face value of Rs.1,00,00,000 each	488.26	-	20,44,628 (2023 : 20,44,628) Care Health Insurance Company Limited (formerly known as Religare Health Insurance Co Limited)	3,271.40
9 (2023 : Nil) 7.59% Power Finance Corporation Limited 2028 face value of Rs.10,00,000 each	91.92	-	5,600 (2023 : 5,600) The Hindustan Times Limited	39.20
18 (2023 : Nil) 7.60% Tata Capital Financial Services Limited 2030 face value of Rs.10,00,000 each	180.63	-	30,000 (2023 : 20,000) National Stock Exchange Limited	960.00
15 (2023 : Nil) 7.70% Kerala Financial Corporation 2030 face value of Rs.2,00,000 each	28.94	-	4,381 (2023: 4,381) Nivaata System Private Limited	262.86
21 (2023: Nil) 8.22% NABARD 2028 (13.12.28) face value of Rs.10,00,000 each	221.27	-	8,00,000 (2023 : 8,00,000)Mapple Leaf Trading & Services Limited	210.16
17 (2023 : Nil) 8.30% Indian Railway Finance Corporation Limited 2029 face value of Rs.10,00,000 each	182.26	-	2,550 (2023 : 2,550) Avision Systems Limited	1,632.00
15 (2023 : Nil) 8.55% HDFC Limited 2029 face value of Rs.10,00,000 each	154.64	-	50,000 (2023 : 1,50,000) Lava International Limited	62.50
16 (2023: Nil) 8.79% Indian Railway Finance Corporation Limited 2030 face value of Rs.10,00,000 each	170.56	-	50,000 (2023 : 50,000) HDB Financial Services Limited	300.55
20 (2023 : Nil) 9.00% HDFC Limited 2028 face value of Rs.10,00,000 each	214.65	-	12,00,000 (2023 : Nil) API Holdings	94.20
1,500 (2023 : Nil) 7.64% Axis Bank Limited 2034 (face value of Rs. 1,00,000 each)	1,507.54	-	2,000 (2023 : 2,000) MKM Shares & Stock Brokers Limited	-
4 (2023 : Nil) 7.88% Axis Bank Limited 2032 (face value of Rs. 1,00,00,000 each)	409.47	-	490 (2023 : 490) Peak Plastonics Private Limited	-
1000 (2023 : Nil) 8.16% Aditya Birla Finance Limited 2029 (face value of Rs. 1,00,000 each)	1,010.26	-	1,470 (2023 : 1,470) Sea Glimpse Investments Private Limited	-
Nil (2023 : 47) 7.25% NIIF Infrastructure Finance Limited 2031 (face value of Rs. 10,00,000 each)	-	476.83	8,932.87	8,467.67
Nil (2023 : 30) 7.97% HDFC Limitd 2033 (face value of Rs. 1,00,000 each)	-	30.04	b) Quoted	
Nil (2023 : 25) 8.65% Cholamandalam Invest & Finance Company Limited 2032 (face value of Rs. 1,00,00,000 each)	-	2,570.64	(i) Investment carried at Fair value through other comprehensive income Equity shares of face value of Rs. 10 each	
Nil (2023 : 200) 13.75% South Indian Bank 2025 face value of Rs. 1,00,000 each	-	201.80	8,153 (2023 : 8,153) Everlon Financial Services Limited	5.75
Nil (2023 : 42) 7.09% Canara Bank 2036 face value of Rs. 1,00,00,000 each	-	4,262.90	1,500 (2023 : 1,500) IDBI Bank Limitd	1.19
Nil (2023 : 42,000) 8.57% Raj Sdl Spl 2027 face value of Rs. 100 each	-	42.79	2,300 (2023 : 2,300) Indus Network Limited	-
Nil (2023 : 2,11,000) 8.67% Up Sdl Spl 2027 face value of Rs. 100 each	-	211.56	8,400 (2023: 8,400) IND Renewable Energy Limited	1.74
	5,055.25	7,991.33	5,000 (2023 : 5,000) MRPL Limited	10.98
			10,000 (2023 : 10,000) Sanghi Polyester Limited	1.00
			Equity shares of face value of Rs. 2 each	
			65,23,525 (2023 : 65,23,525) shares of LKP Securities Limited	1172.27
			3,500 (2023 : 3,500) Yes Bank Limited	0.81
			1,193.74	745.68
			(ii) Investment carried at Fair value through profit and loss	
			Quoted	
			Equity shares of face value of Rs 10 each	
			10,00,000 (2023 : 10,00,000) IDFC First Bank Limited \$	753.90
			1,85,000 (2023: 3,00,000) Religare Enterprises Limited	387.30

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

	(Rs. in Lakhs)						
	31 March 2024	31 March 2023					
(F) Others							
Investments In Alternate Investment Funds (AIF)							
Unquoted							
Investment carried at Fair value through profit and loss							
4,579.59 (2023 : 3,073.50) Edelweiss Infra Yield Plus of Rs. 10,000/- each	530.79	398.71					
Nil (2023: 26,824.35) Edelweiss Credit Opportunity Fund of Rs 1,000/- each	-	13.31					
Nil (2023 : 2,000) Edelweiss Stressed & Troubled Assets Revival Fund of Rs 10,000/- each	-	10.17					
	<u>530.79</u>	<u>422.19</u>					
Total Investments (A+B+C+D+E+F)	<u>33,653.36</u>	<u>24,615.65</u>					
<p>^ are marked as lien against secured loan from banks viz. Bank of India Limited and Federal Bank Limited</p> <p>** HDFC Mutual fund amounting to Rs. Nil (2023: 1044.69 lakhs) are marked as lien against secured loan from NBFC viz. Barclays Investment and Loan (India) Private Limited. Mutual fund of Rs. 554.41 lakhs is attached by the recovery officer. (refer note 30b)</p> <p>\$ During the previous year investments were marked as lien against secured loan from NBFC viz. Tata Capital Financial Services Limited.</p> <p>## refer note 48</p> <p>For related party transactions refer note 36</p>							
Out of Above	31 March 2024	31 March 2023					
In India	33,653.36	24,615.65					
Outside India	-	-					
Aggregate book value / market value of quoted investments	18,619.85	7,226.20					
Aggregate book value / market value of unquoted investments	15,033.51	17,389.45					
	(Rs. in Lakhs)						
	31 March 2024	31 March 2023					
7 Other financial assets							
Unsecured and considered good							
Security Deposits- others	18.25	17.88					
Deposit with BSE for membership	10.00	10.00					
Advance for investment application money	-	292.04					
Other advances	102.67	2.92					
Total	<u>130.92</u>	<u>322.84</u>					
8 (a) Current tax assets (net)							
Balance with Government Authorities							
Advance direct tax (net of provisions)	30.53	241.03					
Total	<u>30.53</u>	<u>241.03</u>					
(b) Current tax liabilities (net)							
Provision for tax (net of advance tax)	151.81	11.45					
	<u>151.81</u>	<u>11.45</u>					
9 Property, plant and equipment							
Description of Assets	Buildings	Furniture & Fixtures	Vehicles	Computers	Total		
I. Gross Block							
Balance as at 31 March 2022	11.47	0.04	4.15	1.56	17.21		
Additions during the year	-	0.44	-	0.88	1.32		
Disposals/Adjustment/ Deductions	3.63	-	-	-	3.63		
Balance as at 31 March 2023	7.84	0.48	4.15	2.44	14.89		
Additions during the year	-	-	-	0.36	0.36		
Disposals/Adjustment/ Deductions	-	-	-	-	-		
Balance as at 31 March 2024	7.84	0.48	4.15	2.79	15.25		
II. Accumulated Depreciation							
Balance as at 31 March 2022	6.82	0.04	0.70	0.36	7.92		
Additions during the year	1.82	0.02	0.49	0.64	2.97		
Disposals/Adjustment/ Deductions	2.04	-	-	-	2.04		
Balance as at 31 March 2023	6.60	0.06	1.19	0.99	8.85		
Additions during the year	-	0.04	0.49	0.81	1.35		
Disposals/Adjustment/ Deductions	-	-	-	-	-		
Balance as at 31 March 2024	6.60	0.10	1.69	1.81	10.20		
Net block							
As at 31 March 2024	2.37	0.38	2.46	0.99	6.19		
As at 31 March 2023	2.37	0.42	2.96	1.44	7.19		
9(a) Right-of-use assets							
Description of Assets			(Rs. in Lakhs)				
			Office Premises				
I. Gross Block							
Balance as at 31 March 2022			-				
Additions (refer note 29)			13.02				
Disposals/Adjustment/Deductions			-				
Balance as at 31 March 2023			13.02				
Additions (refer note 29)			-				
Disposals/Adjustment/Deductions			-				
Balance as at 31 March 2024			13.02				
II. Accumulated Depreciation							
Balance as at 31 March 2022			-				
Additions during the year			1.99				
Disposals/Adjustment/Deductions			-				
Balance as at 31 March 2023			1.99				
Additions during the year			4.34				
Disposals/Adjustment/Deductions			-				
Balance as at 31 March 2024			6.33				
Net block							
As at 31 March 2024			6.69				
As at 31 March 2023			11.03				
10 Other non-financial assets							
			(Rs. in Lakhs)				
			31 March 2024	31 March 2023			
Prepaid expenses			49.03	22.29			
Defined Benefit Asset -'Gratuity (refer note 35)			43.71	40.59			
			<u>92.73</u>	<u>62.88</u>			
Deposit with Debt Recovery Tribunal (DRT) (Refer note 30)			1,126.22	1,126.22			
Total			<u>1,218.95</u>	<u>1,189.10</u>			

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

		(Rs. in Lakhs)	
		31 March 2024	31 March 2023
11	Financial liabilities		
	Payables		
I)	Trade payables (refer note 33 a and b)		
	i) total outstanding dues of micro enterprises and small enterprises	-	-
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	43.64
	Total	-	43.64
II)	Other payables (refer note 33a)		
	i) total outstanding dues of micro enterprises and small enterprises	3.58	6.57
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	51.97	6.12
	Total	55.55	12.69
	Trade payables and other payables are non-interest bearing and are normally settled as per contractual terms. For related party transactions refer note 36 For ageing of trade payables refer note 33(b)		
		31 March 2024	31 March 2023
12	Borrowings		
	At Amortised cost		
	Loans repayable on demand		
	From Banks (Note 1 below)	4,848.99	7,335.78
	From Financials Institution (Note 2 and 3 below)	-	1,175.10
	From Other Parties (Note 4 below)	3,596.65	3,596.65
	Total	8,445.64	12,107.52
	Note No.-		
1	a) Cash Credit/ Overdraft from Bank of India of Rs. 63.83 lakhs (2023: Rs. Nil) with sanction limit of Rs. 85.00 lakh are secured with 15% margin on fixed deposit with the bank. The loan carries interest at weighted average underlying fixed deposit + 100 bps and charge is yet to be registered with the Registrar of Companies.		
	b) Working Capital facility from Bank of India Rs. 1,608.79 lakhs (2023 : Rs.3,754.05 lakhs) with sanction limit of Rs. 10,000.00 lakhs are secured against pledge of approved debt securities rated 'A' with 25% margin and debt securities rated 'AA' and above, with 15% margin, with the bank and personal guarantee of the Promoter. The loan is repayable on demand and carries interest of 10.85% p.a. (2023 : 9.75 % p.a.) viz.one year MCLR+ BSS+CRP.		
	c) Working Capital facility from Federal Bank Limited of Rs. Nil (2023: Rs. 199.98 lakhs) with Sanction limit of Rs. 7,500.00 lakhs (Rs. 5,000 for intraday and Rs. 2,500 for overnight) are secured against pledge of Government Securities in CGSL account with Federal Bank Limited. The loan is repayable on demand and carries interest of 9.80% p.a (2023 : 9.95 % p.a.) viz.one year MCLR plus 50 bps .		
	d) Overdraft from Yes Bank Limited of Rs. 221.79 lakhs (2023: Rs. Nil) with sanction limit of Rs. 2,000 lakhs (2023: 630 lakhs) are secured against 110% pledge of fixed deposits with banks. The loan is repayable on demand. It carries interest at weighted average underlying fixed deposit + 50 bps and charge for the same with the Registrar of Companies is yet to be registered.		
	e) Cash Credit/ Overdraft from Federal Bank Limited of Rs. 2,559.90 lakhs (2023: Rs. 2695.93 lakhs) with sanction limit of Rs.5,000 lakh are secured against pledge of Government Securities in CSGL account and corporate bonds in demat account with Federal Bank Limited. The loan is repayable on demand and carries interest of 9.90% p.a (2023 : 9.95 % p.a.) viz. one year MCLR plus 50 bps.		
	f) Working Capital facility from Federal Bank Limited of Rs. 228.22 lakhs (2023: Rs.267.41) with Sanction limit of Rs. 2,000 lakhs (2023: 1,000 Lakhs) secured against 110% pledge of fixed deposits with bank. The loan is repayable on demand and carries interest of 8.20% p.a on overdraft of Rs. 876.60 Lakhs and 8.40% p.a. on overdraft of Rs. 900 Lakhs (2023 : 9.95% p.a) viz.weighted average fixed deposit + 50 bps.		
	g) Working Capital facility from South Indian Bank Limited of Rs. 166.46 lakhs (2023: Rs.418.41 lakhs) with Sanction limit of Rs. 450 lakhs secured against 110% pledge of fixed deposits with bank. The loan is repayable on demand and carries interest at weighted average underlying fixed deposit + 100 bps .		
	h) Overdraft from Federal Bank Limited of Rs. Nil (2023: Rs. Nil) with sanction limit of Rs. 500 lakhs are secured against 110% pledge of fixed deposits with banks. The loan is repayable on demand. It carries interest at weighted average underlying fixed deposit + 50 bps and charge is yet to be registered with the Registrar of Companies.		
2	Working capital outstanding loan of Rs. Nil (2023: Rs. 375.10 lakhs) with sanction limit of Rs. Nil (2023 : Rs. 1,500.00 lakhs borrowed from Tata Capital Financial Services Limited are secured against securities amounting to Rs. Nil (2023 : Rs. 761.90 lakhs). Loan is repayable on demand and carries interest of Nil (2023 :10.05 % p.a.) floating. The loan has been repaid during the year. The charge is neither created nor satisfied with Registrar of Companies.		
3	Revolving Demand loan facility from Barclay Investment and Loan (India) Private Limited outstanding loan of Rs. Nil (2023: Rs. 800.00 lakhs) with sanction limit of Rs. Nil (2023 : Rs. 2,500.00 lakhs) are secured against HDFC Liquid Mutual Fund. Loan is repayable on demand and carries interest of Nil (2023 : 9.00)% p.a. floating .The loan has been repaid during the year . The charge is yet to be satisfied with Registrar of Companies.		
4	Borrowings of Rs. 3,596.65 lakhs (2023: Rs. 3,596.65 lakhs) is considered interest free and repayable on demand in the absence of term sheet and confirmation. Refer note 30 (b)		
5	The Group has not been declared as a wilful defaulter by any lender.		
6	The Group has used the borrowings from banks and financial institution for the purpose for which it was taken.		
		(Rs. in Lakhs)	
		31 March 2024	31 March 2023
13	Lease liabilities		
	Lease liabilities	7.20	11.21
	Total	7.20	11.21
14	Other financial liabilities		
	Unclaimed dividends #	40.61	43.92
	Employee benefit payable *	121.87	74.58
	Total	162.48	118.50
	# There are no undisputed amounts which are due and remained unpaid to Investor Education and Protection Fund as at the balance sheet date . *For related party transactions refer note 36		
15	Provisions		
	Provision for standard assets	39.23	51.12
	Gratuity payable	0.44	0.23
	Total	39.67	51.35
16	Deferred tax liabilities (net)		
	(a) Deferred tax liabilities/ (assets)		
	Property, plant and equipments	-	0.72
	Unabsorbed depreciation and business losses	-	(6.21)
	Fair valuation of financial instruments	-	(3.58)
	Total	-	(9.08)
	(b) Deferred tax liabilities/ (assets)		
	Difference in Right-of-use assets and lease liabilities	(0.13)	(0.04)
	Allowance for credit losses	(154.58)	(224.28)
	Fair valuation of financial instruments	1,144.31	650.46
	Property, plant and equipments	0.69	-
	Total	990.29	426.15

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
17 Other non-financial liabilities		
Statutory dues payable	81.31	26.18
Total	81.31	26.18

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
18 Equity Share capital		
Authorised*		
20,000,000 (2023:20,000,000) Equity Shares of Rs 10/- each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, subscribed and fully paid up		
12,568,623 (2023:12,568,623) Equity Shares of Rs 10/- each	1,256.86	1,256.86
	1,256.86	1,256.86

*Authorised share capital of 2024: Rs 1,000 Lakhs (2023: Rs 1,000 Lakhs); consisting of Redeemable Cumulative Preference shares of Rs. 10 each is not considered above in accordance with the requirement of Ind AS.

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	(Rs. in Lakhs)			
	31 March 2024		31 March 2023	
	Number of Equity shares	(Rs. in Lakhs)	Number of Equity shares	(Rs. in Lakhs)
At the beginning of the year	1,25,68,623	1,256.86	1,25,68,623	1,256.86
Changes during the year	-	-	-	-
Outstanding at the end of the year	1,25,68,623	1,256.86	1,25,68,623	1,256.86

b) Terms/rights attached to equity shares

- The Company has issued only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

c) Details of shareholders holding more than 5% shares in the company:

Name of shareholders	31 March 2024		31 March 2023	
	Number of Shares	% Holding	Number of Shares	% Holding
Mahendra V Doshi	11,49,363	9.14%	14,49,363	11.53%
Mahendra V Doshi-Partner M/s L K Panday	20,72,482	16.49%	20,72,482	16.49%
Sea Glimpse Investments Private Limited	17,13,962	13.64%	25,47,515	20.27%
Bhavana Holdings Private Limited	2,43,058	1.93%	14,09,505	11.21%
Authum Investment and Infrastructure Limited	-	-	8,79,090	6.99%
	51,78,865	41.20%	83,57,955	66.50%

d) Shareholding of promoters

Promoter Name	As at 31 March 2024		As at 31 March 2023		% of Change During the year
	Number of Shares	% of total shares	Number of Shares	% of total shares	
Sea Glimpse Investments Pvt Ltd	17,13,962	13.64%	25,47,515	20.27%	-32.72%
Bhavana Holdings Private Limited	2,43,058	1.93%	14,09,505	11.21%	-82.76%
Mahendra Vasantrai Doshi	11,49,363	9.14%	14,49,363	11.53%	-20.70%
Pratik M Doshi	1,00,722	0.80%	1,00,722	0.80%	0.00%
Mahendra Vasantrai Doshi (Held On Behalf Of Lk Panday, Partnership Firm)	20,72,482	16.49%	20,72,482	16.49%	0.00%
Ira Pratik Doshi	2,00,000	1.59%	2,00,000	1.59%	0.00%
Samaya Pratik Doshi	2,00,000	1.59%	2,00,000	1.59%	0.00%
Shital A Sonpal	16,725	0.13%	16,725	0.13%	0.00%

19 Other Equity

	(Rs. in Lakhs)	
	31 March 2024	31 March 2023
Securities Premium		
As per last balance sheet	370.03	370.03
	370.03	370.03

Reserve u/s 45-IC of Reserve Bank of India Act, 1934

As per last balance sheet	6,756.61	6,479.14
Add: Transfer from Retained Earnings	1,101.10	277.47
	7,857.71	6,756.61

General Reserve

As per last balance sheet	6,149.10	6,149.10
	6,149.10	6,149.10

Retained Earnings

Balance as per last balance sheet	13,301.82	12,569.09
Profit for the year	5,944.90	1,387.33
Remeasurement gains/(losses) on defined benefit plans	(1.21)	(0.08)
Transfer on account of derecognition of financial instruments on measured through Other comprehensive income (OCI)	23.08	-
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	(1,101.10)	(277.47)
Dividend paid (Final and interim dividend)	(502.74)	(377.06)
	17,664.76	13,301.82

Other Comprehensive income - fair value on equity instruments

As per last balance sheet	1,851.27	2,106.34
Transfer on account of derecognition of financial instruments on measured through Other comprehensive income (OCI)	(23.08)	-
Gain/(Loss) on fair value of financial asset measured through other comprehensive income (net of tax)	575.02	(255.07)
	2,403.21	1,851.27

Total Other Equity

	34,444.81	28,428.83
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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
28 Tax Expense
(a) The major components of income tax for the year are as under:

Income tax related to items recognised directly in the statement of profit and loss (Rs. Lakhs)

	31 March 2024	31 March 2023
Current tax		
Current tax on profits for the year - current year	882.77	293.66
- earlier year	7.23	(6.07)
Deferred tax (Credit) / Charge		
Property, plant and equipment	(0.03)	(13.31)
Fair valuation of financial instruments	421.77	(13.34)
Difference in Right-of-use assets and lease liabilities	(0.08)	(0.04)
Preliminary expenses as per section 35D	-	1.52
Unabsorbed depreciation and business losses	6.21	(4.73)
Allowances for credit losses	69.70	(59.34)
Total	1,387.56	198.35
Effective tax rate #	18.92%	12.74%

A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31 March 2024

ii) Deferred tax related to items recognised in the other comprehensive income (OCI) during the year

	31 March 2024	31 March 2023
Fair value change on equity instruments through other comprehensive income	75.64	43.92
Deferred tax charged to OCI	75.64	43.92

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

	31 March 2024	31 March 2023
Accounting Profit/(Loss) before tax	7,332.46	1,585.68
Income tax expense calculated at corporate tax rate	1,845.43	399.08
Tax effect on non-deductible expenses and unabsorbed losses	-	(34.67)
Effect of exempt income and income tax at lower rates and unabsorbed losses	(465.10)	(156.40)
Current tax -earlier period	7.23	(6.07)
Tax expense recognized in the statement of profit and loss	1,387.56	198.35

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 25.168 % for the year ended 31 March 2024 and 25.168 % for the year ended 31 March 2023 .

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 16.

(c) Deferred tax relates to the following:

Reconciliation of deferred tax (assets) / liabilities net:	31 March 2024	31 March 2023
Opening balance	417.07	550.22
Property, plant and equipment	(0.03)	(13.31)
Fair valuation of financial instruments	497.43	(57.26)
Allowances for credit losses	69.70	(59.34)
Preliminary expenses as per section 35D	-	1.52
Unabsorbed depreciation and business losses	6.21	(4.73)
Difference in Right-of-use assets and lease liabilities	(0.08)	(0.04)
Total	990.29	417.07

Deferred tax recognized in statement of profit or loss

For the year ended	31 March 2024	31 March 2023
Fair valuation of financial instruments	421.77	(62.39)
Allowances for credit losses	69.70	(16.50)
Property, plant and equipments	(0.03)	(13.31)
Preliminary expenses as per section 35D	-	1.52
Unabsorbed depreciation and business losses	6.21	1.48
Difference in Right-of-use assets and lease liabilities	(0.08)	(0.04)
Total	497.57	(89.24)

Deferred tax recognized in statement of Other Comprehensive Income

For the year ended	31 March 2024	31 March 2023
Fair valuation of financial instruments	75.64	(43.92)
Total	75.64	(43.92)

(d) The Group does not have any unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961.

29 Leases

For short-term leases (lease term of twelve months or less) and leases of low-value assets, the Group has opted to recognise a lease expense on a straight-line basis as permitted by Ind AS 116. This expense is presented within 'other expenses' forming part of the Financial Statements. Lease rentals of Rs.9.84 lakhs (2023- Rs.20.36 Lakhs) pertaining to short term leases and low value asset has been charged to statement of profit and loss.

Right-of-use assets- Disclosures as per Ind AS 116 "Leases"

a) Right-of-use assets (ROU) asset comprises leased assets of office/branch premises that do not meet the definition of investment property.

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Opening Balance	11.03	-
Additions during the year	-	13.02
Deletion during the year (Net)	-	-
Depreciation during the year	4.34	1.99
Closing Balance	6.69	11.03

The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

b) The following is the break-up of current and non-current lease liabilities

	31 March 2024	31 March 2023
Current	4.64	4.64
Non current	2.56	6.57
Closing Balance	7.20	11.21

c) The following is the movement in lease liabilities

	31 March 2024	31 March 2023
Opening Balance	11.21	-
Additions during the year	-	12.90
Finance cost incurred during the year	0.91	0.53
Payment of lease liabilities	4.92	2.23
Closing Balance	7.20	11.21

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
d) Lease liabilities maturity analysis

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Maturity analysis - contractual undiscounted cash flows		
Less than one year	4.92	4.92
One to five years	2.46	7.56
More than five years	-	-
Total undiscounted lease liabilities	7.38	12.48

30 Contingent Liabilities and Litigations

- a) Against a penalty order Rs 180 Lakhs (for 2023: Rs 180 Lakhs) received from the Enforcement Directorate in respect of a matter which arose in 1996 pertaining to the erstwhile money changing division of the Group, the Group has preferred an appeal in the Honorable Madras High Court. The Group has provided a bank guarantee in the form of fixed deposit with bank to cover the demand. The matter is pending. The Management is of the opinion that a cash outflow is unlikely and therefore no provision is considered necessary.
- b) State Bank of India obtained an Order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines Limited, United Breweries (Holdings) Limited and Others for recovery of dues from them. In the earlier years, the Group received a garnishee order from the Recovery Officer, DRT, Bangalore claiming Rs. 2,500 Lakhs (plus interest) as the financial statements of Kingfisher Finvest India Limited (lender) reflected the amount due from the Group. The Group has contested the claim and deposited Rs. 1,126.22 Lakhs and investment in mutual fund of Rs. 554.41 lakhs was attached by the recovery officer. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai.
- c) The Group has given Corporate Guarantee for securing the non rated, unlisted, secured, redeemable, taxable, transferable, non-convertible debentures issued by LKP Securities Limited not exceeding Rs. 3,000 lakhs. NCD outstanding as at 31 March 2024 is Rs. 815 lakhs (2023 : Rs. Nil).
- d) Claims against the Group, not acknowledged as debts in respect of income tax matters amounted to Rs. 0.44 lakhs (2023 : Rs. 3.11 lakhs)

Other Litigations

- e) A winding up petition filed by the Group against a borrower has been admitted by the Honourable High court of Mumbai. The recovery if any will be accounted for when the money is received from official Liquidator.
- f) The Group has filed an arbitration case Rs. 26.18 Lakhs (2023 : Rs. 26.18 Lakhs) against borrowers for which it has received a favourable award from the arbitrators. The opposing parties have filed an appeal in the Honourable High court of Mumbai for which the matter is pending.
- g) The Department of Company Affairs had filed a complaint in the Small Causes Court, Mumbai against, the Group, its Directors and the KMPs for non filing of information in Form INV5 in respect of Unclaimed Dividend as on 31 March 2013. Though the Group has already filed the Form, The Group and Others have made an application for compounding with the Regional Director. During the previous year the matter was compounded on payment of compounding fees and accordingly the case is as disposed off and proceeding is closed by the said court.
- h) The Group has filed various cases for recovery of dues and suits are pending in various courts/tribunals. The Group has engaged advocates to protect the interest of the Group and expects favourable decision.
- i) The Group has filed claim with the Official Liquidator of United Breweries (Holdings) Limited (under liquidation) for an amount recoverable of Rs 3,181.20 lakhs. The Group's claim for enforcement of lien on 6,71,560 equity shares of United Spirits Limited pertaining to the said recovery is pending before DRT Bangalore.
- (i) **Capital Commitments**
 Uncalled capital contribution on investments is Rs. Nil (2023 : Rs. 168.75 lakhs).

31 Segment Informations

Disclosure under Indian Accounting Standard 108 – 'Operating Segments' is not given as, in the opinion of the management, the entire business activity falls under one segment viz. Investment and financing activities. The Group conducts its business only in one Geographical Segment viz. India.

32 Payment to Auditors

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Audit fees	10.00	10.00
Tax audit fees	1.00	1.00
Other matters	0.84	0.86
Subsidiary Company		
Audit fees including Limited Review fees	2.27	2.00
Total	14.11	13.86

33 Micro, small and medium enterprises

- (a) The Group has Rs. 3.58 lakhs (31 March 2023 : Rs. 6.57 lakhs) outstanding dues to party related to Micro, Small and Medium enterprises on the basis of information provided by the parties and available on record. Further, there is no interest paid / payable to micro and small enterprises during the year.

Trade payables and other payables include amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 02 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Principal amount remaining unpaid to any supplier as at the year end	3.58	6.57
Interest due thereon	-	-
Amount of interest paid by the Group in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
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.	-	-

The Group has compiled the relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(b) There are no trade payables as at 31st March 2024 .

Trade Payables ageing schedule for the year ended 31st March 2023

Particulars	(Rs. in lakhs)					Total
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	43.64	-	-	-	-	43.64
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

34 Financial Instruments

i) The Group's principal financial assets include investments, loans, trade receivables, other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations.

a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

1 Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term loan from banks.

Interest rate risk exposure

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings*	4,848.99	8,510.87

*The above figures does not include amount due from other parties in the absence of term sheet and confirmation. Refer note 30 (b)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

	(Rs. in lakhs)	
	Increase / decrease in basis points	Effect on Profit before tax
As at 31 March 2024	+ 50 / - 50	24.24
As at 31 March 2023	+ 50 / - 50	42.55

2) Equity Price Risk :

The Group's quoted equity investments carry a risk of change in prices. To manage its price risk arising from investments in equity securities, the Group periodically monitors the sectors it has invested in, performance of the investee companies, measures mark-to-market gains/losses. The fair value of some of the Group's investments exposes the Group to equity price risk.

3) Foreign currency risk:

The Group does not have any foreign currency risk. Hence no sensitivity analysis is required

4) Credit Risk:

Credit risk is the risk that the Group will incur a loss because its Loans and receivable fail to discharge their contractual obligations. The Group has a framework for monitoring credit quality of its Loans and receivables based on days past due monitoring at period end. Repayment by individual Loans and receivables are tracked regularly and required steps for recovery are taken through follow ups and legal recourse. Credit risk arises from loans and advances, receivables , cash and cash equivalents, and deposits with banks .

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's Loans and advances, receivables, cash and cash equivalents, deposits with banks and investments .

The Group measures the expected credit loss of Loans and receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss is based on actual credit loss experienced and past trends based on the historical data.

(i) Credit risk management

Group considers probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Definition of Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which NBFC operates and other macro-economic factors.

For Trade receivables, definition of default has been considered at 360 days past due after looking at the historical trend of receiving the payments.

Provision for expected credit losses

Group provides for expected credit loss based on following:

The Group classifies its financial assets in three stages having the following characteristics :

Stage 1 :- Unimpaired and without significant increase in credit risk since initial recognition on which a twelve months allowance for ECL is recognised ; Stage 2 :- a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised ; and

Stage 3 :-Objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which lifetime ECL is recognised.

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are thirty days past due (DPD) on the reporting date and are accordingly transferred from stage 1 to stage 2 .For Stage 1 an ECL allowance is calculated on a twelve months point in time probability weighted probability of default . For stage 2 and 3 assets a life time ECL is calculated on a lifetime probability of default

Trade Receivables	(Rs. in lakhs)	
	31 March 2024	31 March 2023
More than six months	-	150.00
Others	-	0.22
Total	-	150.22

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	80.00	80.00
Add :- Provided during the year	-	-
Less :- Reversal during the year	(80.00)	-
Balance as at 31 March	-	80.00
Net Trade receivable	-	70.22

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks with high credit ratings assigned by credit rating agencies. Investments primarily include investment in Securities.

b) 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 :

	(Rs. in lakhs)				
	Carrying Amount / Fair value	31 March 2024			
	Less than 1 year	2-5 years	More than 5 years	Total	
Financial Liabilities :					
Trade payables	-	-	-	-	-
Other payables	55.55	55.55	-	-	55.55
Lease liabilities	7.20	4.64	2.56	-	7.20
Other financial liabilities	162.48	162.48	-	-	162.48
Borrowings	8,445.64	8,445.64	-	-	8,445.64
	8,670.87	8,668.31	2.56	-	8,670.87

	(Rs. in lakhs)			
	Carrying Amount / Fair value	31 March 2023		
	Less than 1 year	2-5 years	More than 5 years	Total
Financial Liabilities :				
Trade payables	43.64	43.64	-	43.64
Other payables	12.69	12.69	-	12.69
Borrowings	12,107.52	12,107.52	-	12,107.52
Lease liabilities	11.21	4.64	6.57	11.21
Other financial liabilities	118.50	118.50	-	118.50
	12,293.56	12,286.99	6.57	- 12,293.56

ii) Capital Management

For the purpose of Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's Capital Management is to maximize shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is Net debt divided by total capital.

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Gross debt	8,445.64	12,107.52
Less: Cash and cash equivalents	221.62	767.39
Net debt	8,224.02	11,340.13
Total equity	35,701.67	29,685.69
Total capital	43,925.69	41,025.82
Gearing ratio	18.72%	27.64%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

iii) Categories of financial instruments and fair value thereof

	(Rs. in lakhs)					
	As at 31 March 2024			As at 31 March 2023		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
A) Financial assets						
Cash and cash equivalents	-	-	221.62	-	-	767.39
Bank balance other than above	-	-	4,361.57	-	-	3,519.65
Trade receivables	-	-	-	-	-	70.22
Loans	-	-	5,862.79	-	-	11,598.20
Investments	10,136.61	23,516.75	-	9,223.35	15,392.30	-
Other financial assets	-	-	130.92	-	-	322.84
Total financial assets	10,136.61	23,516.75	10,576.90	9,223.35	15,392.30	16,278.30

	(Rs. in lakhs)					
	As at 31 March 2024			As at 31 March 2023		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
B) Financial liabilities						
Trade payables	-	-	-	-	-	43.64
Lease liabilities	-	-	7.20	-	-	11.21
Other payables	-	-	55.55	-	-	12.69
Borrowings	-	-	8,445.64	-	-	12,107.52
Other financial liabilities	-	-	162.48	-	-	118.50
Total financial liabilities	-	-	8,670.87	-	-	12,293.56

The management assessed that cash and cash equivalents and bank balances, trade receivables, 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.

iv) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2024

Financial assets	(Rs. in lakhs)				
	As at 31 March 2024				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at FVTOCI					
Investments	10,136.61	10,136.61	1,193.74	-	8,942.87
Financial assets measured at FVTPL					
Investments	23,516.75	23,516.75	17,426.11	5,559.85	530.79
Total	33,653.36	33,653.36	18,619.85	5,559.85	9,473.66

Financial assets	(Rs. in lakhs)				
	As at 31 March 2023				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at FVTOCI					
Investments	9,223.35	9,223.35	745.68	-	8,477.67
Financial assets measured at FVTPL					
Investments	15,392.30	15,392.30	6,480.52	8,489.59	422.19
Total	24,615.65	24,615.65	7,226.20	8,489.59	8,899.86

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
Fair Value Hierarchy :

- a) Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.
- b) Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI
- c) Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

Note : All financial instruments for which fair value is recognised or disclosed are categorised within the Fair Value Hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

Foreign currency risk:

The Group does not have any foreign currency risk. Hence No sensitivity analysis is required.

35 Employee benefit plans
A Gratuity and other post employment benefit plans

The Group has a gratuity plan for its employee's which is governed by the Payment of Gratuity Act, 1972. The gratuity benefit payable to the employees of the Company is greater of the provisions of the Payment of Gratuity Act, 1972 and the Group's gratuity scheme. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the employee's length of service, managerial grade and salary at retirement age. The gratuity plan is a funded plan and the Holding Company makes contributions to approved gratuity fund.

The disclosures of employee benefits as defined in the Ind AS 19 "Employee Benefits" are given below:

- a Details of post retirement gratuity plan are as follows:

I Expenses recognised during the year in the statement of profit and loss

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Current service cost	2.23	1.70
Interest cost (net)	(3.17)	(2.78)
Past Service cost	-	-
Net expenses	(0.94)	(1.08)

II Expenses recognised during the year in other comprehensive income (OCI)

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Actuarial (Gain)/Loss recognized for the period	0.89	(0.76)
Return on plan assets excluding net interest	0.30	0.83
Unrecognized actuarial (gain)/loss from previous period	-	-
Recognised during the year	1.19	0.08

III Net liability recognised in the balance sheet

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Fair value of plan assets	109.33	99.22
Present value of obligation	65.62	58.63
Liability / (Assets) recognized in balance sheet	(43.71)	(40.59)

IV Reconciliation of opening and closing balances of defined benefit obligation

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Defined benefit obligation as at the beginning of the year	58.63	54.01
Current service costs	2.23	1.70
Interest costs	4.06	3.67
Benefit paid	(0.19)	-
Actuarial (gain)/ loss on obligation	0.89	(0.77)
Defined benefit obligation at the end of the year	65.62	58.63

V Reconciliation of opening and closing balance of fair value of plan assets

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Fair value of plan assets at the beginning of the year	99.22	92.62
Adjustment to opening balance	-	0.01
Interest income	7.23	6.46
Contributions paid by employer	3.37	0.96
Benefits paid	(0.19)	-
Return on plan asset	(0.30)	(0.83)
Fair value of plan assets at year end	109.33	99.22

VI Actuarial Assumptions

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Discount rate (Per annum)	6.97%	7.17%
Rate of escalation in salary (per annum)	5.00%	5.00%
Expected average remaining service	9.56	9.83
Attrition rate	PS: 0 to 10 :7%	PS: 0 to 10 :7%
	PS: 10 to 20 :0%	PS: 10 to 20 :0%
	PS: 20 to 52 :7%	PS: 20 to 52 :7%
Mortality table	IALM (2012-14) ult	IALM (2012-14) ult

VII Quantitative Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Projected benefit obligation on current assumptions		
Increase by 1% in Discount rate	62.57	55.74
Decrease by 1% in Discount rate	69.01	61.82
Increase by 1% in Rate of salary increase	68.02	60.73
Decrease by 1% in Rate of salary increase	63.27	56.61

VIII Maturity analysis of projected benefit obligation : from the fund

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Projected benefits payable in future years from the date of reporting		
1st Following Year	5.71	4.07
2nd Following Year	5.12	5.22
3rd Following Year	19.94	4.71
4th Following Year	17.10	18.23
5th Following Year	1.96	16.52
Sum of years 6 to 10	17.49	15.62

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
In case of Subsidiary

I Expenses recognised during the year in the statement of profit and loss		
	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Current service cost	0.17	0.23
Interest cost (net)	0.02	-
Past Service cost	-	-
Net expenses	0.19	0.23
II Expenses recognised during the year in other comprehensive income (OCI)		
	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Actuarial (Gain)/Loss recognized for the period	0.02	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Recognised during the year	0.02	-
III Net liability recognised in the balance sheet		
	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Fair value of plan assets	-	-
Present value of obligation	0.44	0.23
Liability / (Assets) recognized in balance sheet	0.44	0.23
IV Reconciliation of opening and closing balances of defined benefit obligation		
	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Defined benefit obligation as at the beginning of the year	0.23	-
Current Service Costs	0.17	0.23
Interest Costs	0.02	-
Benefit Paid	-	-
Actuarial (gain)/ loss on obligation	0.02	-
Defined benefit obligation at the end of the year	0.44	0.23
V Actuarial Assumptions		
	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Discount rate (Per annum)	7.20%	7.45%
Rate of escalation in salary (per annum)	5.00%	5.00%
Attrition rate (per annum)	Age 25 & below : 7%	Age 25 & below : 7%
	Age 25 to 35 : 7%	Age 25 to 35 : 7%
	Age 35 to 45 : 7%	Age 35 to 45 : 7%
	Age 45 to 55 : 7%	Age 45 to 55 : 7%
	55 & above : 7%	55 & above : 7%
Mortality Table	IALM (2012-14) ult	IALM (2012-14) ult

VI Quantitative Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Projected benefit obligation on current assumptions		
Increase by 0.5 % in Discount rate	0.42	0.22
Decrease by 0.5% in Discount rate	0.47	0.24
Increase by 0.5 % in Rate of salary increase	0.47	0.24
Decrease by 0.5% in Rate of salary increase	0.42	0.22

VII Maturity analysis of projected benefit obligation : from the fund

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Projected benefits payable in future years from the date of reporting		
1st Following Year	0.00	-
2nd Following Year	0.00	-
3rd Following Year	0.00	-
4th Following Year	0.05	-
5th Following Year	0.05	0.03
Sum of years 6 to 10	0.22	0.13

Notes:

- The current service cost recognized as an expense is included in the Note 25 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

B Provident fund

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Group recognized expense of Rs. 2.78 Lakhs (2023: 2.84 lakhs) towards contribution made to provident fund under defined contribution plan .

36 Disclosure of transactions with related party as require by Ind AS 24
(i) List of related parties
Subsidiary Company

Bond Street Capital Private Limited

Key Management Personnel

Mahendra V. Doshi

Sajid Mohamed

Pratik M. Doshi

Dinesh Waghela

Vineet N. Suchanti

Anjali Suresh

G B Innani

S S Gulati

Nature of relationship

Executive Chairman & Managing Director

Independent Director

Non-Executive Director

Non-Executive additional Director

Independent Director (upto 31 March 2024)

Independent Director

G.M Legal & Company Secretary

Head Corporate Affairs & Chief Financial Officer

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
Other related parties with whom transactions have taken place during the year.

LKP Securities Limited
 MKM Share & Stock Brokers Limited
 Bhavana Holding Private Limited
 Alpha Commodity Private Limited
 Sea Glimpse Investments Private Limited
 Keynote Fincorp Limited
 Mapple Leaf Trading & Services Limited (Formerly known as Keynote Commodities Limited)

(ii) Transactions with Related parties:

(Rs. in lakhs)

	31 March 2024	31 March 2023
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Remuneration to Key Management Personnel

Key Management Personnel	307.98	200.54
Mahendra V. Doshi	245.19	139.85
S.S. Gulati	38.86	38.86
Girish Inani	23.93	21.84

Interest Income

LKP Securities Limited	11.48	77.81
Mapple Leaf Trading & Services Limited	15.92	33.02
Keynote Fincorp Limited	4.52	-
Alpha Commodity Private Limited	12.00	11.87

Interest expenses

Sea Glimpse Investments Private Limited	5.17	-
Bhavana Holdings Private Limited	3.76	-

Rent paid

LKP Securities Limited	-	0.35
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Brokerage and Depository Charges Paid

LKP Securities Limited	95.20	36.37
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Loans given

LKP Securities Limited	850.00	3,200.00
Mapple Leaf Trading & Services Limited	150.00	400.00
Alpha Commodity Private Limited	-	122.30
Sea Glimpse Investments Private Limited	-	200.00
Keynote Fincorp Limited	300.00	-

Repayment Received

LKP Securities Limited	850.00	3,200.00
Mapple Leaf Trading & Services Limited	590.52	252.50
Alpha Commodity Private Limited	-	2.30
Keynote Fincorp Limited	300.00	-
Sea Glimpse Investments Private Limited	-	200.00

Loans taken

Sea Glimpse Investments Private Limited	850.00	-
Bhavana Holdings Private Limited	950.00	-

Loans Repaid

Sea Glimpse Investments Private Limited	850.00	-
Bhavana Holdings Private Limited	950.00	-

Corporate Guarantee given

LKP Securities Limited (Debt outstanding against guarantee Rs. 815.00 lakhs)	3,000.00	-
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(Rs. in lakhs)

	31 March 2024	31 March 2023
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Investment made

LKP Securities Limited	-	700.00
Mapple Leaf Trading & Services Limited	-	200.00

Directors sitting fees paid

	14.00	10.00
Sajid Mohamed	2.50	2.00
Pratik M. Doshi	2.50	2.00
Dinesh Waghela	3.00	2.00
Vineet N. Suchanti	3.00	2.00
Smt. Anjali Suresh	3.00	2.00

Impairment / (Reversal of Impairment) on financial instruments

MKM Shares & Stock Brokers Limited	(80.00)	-
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(Rs. in lakhs)

	31 March 2024	31 March 2023
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Outstanding balance as on

Director Remuneration / Commission Payable	97.79	35.50
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Loans given / Other Advances (Including Interest)

Mapple Leaf Trading & Services Limited	-	440.52
Alpha Commodity Private Limited	141.48	130.68

Trade payables

LKP Securities Limited	-	43.64
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Trade Receivables

MKM Share & Stock Brokers Limited	-	150.00
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Investments

LKP Securities Limited	1,172.27	737.81
Mapple Leaf Trading & Services Limited	210.16	200.00

Other advances/ Other receivables

LKP Securities Limited	102.67	-
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Corporate Guarantee given

LKP Securities Limited (Debt outstanding against guarantee Rs. 815.00 lakhs)	3,000.00	-
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Provision for Impairment

MKM Shares & Stock Brokers Limited	-	80.00
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*Closing balance of trade payable and trade receivable includes transaction pertaining to purchase and sale of securities in the ordinary course of business

Transactions effected on exchange platforms are not considered.

37 Earnings per share

	31 March 2024	31 March 2023
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Profit after tax (Rs. In lakhs)	5,944.90	1,387.33
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Weighted average number of equity shares

- for Basic Earnings per share	1,25,68,623	1,25,68,623
- for Diluted Earnings per share	1,25,68,623	1,25,68,623

Face value of equity share (Rs/ share)	10	10
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Basic earnings per share (Rs.)	47.30	11.04
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Diluted Earnings per share (Rs/share)	47.30	11.04
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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

38 Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 “Statement of Cash Flows” is as under:

(Rs. in lakhs)						
As at 31 March 2023	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2024	
			Interest Accrued	Other Charges		
Borrowings	12,107.52	10,34,084.03	(10,37,752.63)	6.72	-	8,445.64

As at 31 March 2022	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2023	
			Interest Accrued	Other Charges		
Borrowings	8,226.07	10,52,343.22	(10,48,461.77)	-	-	12,107.52

* Includes daily overdraft facility amount

39 The Group has provided the disclosure by IND AS 115 “Revenue from Contracts with Customers”

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Interest income	1,482.82	1,486.19
Dividend income	74.89	40.02
Net gain on fair value changes	7,369.12	1,268.94
Income from Stock lending and Borrowing Mechanism (SLBM)	47.64	-
Income from Alternate Investment Fund (AIF)	17.35	18.92
Advisory fees	0.21	0.10
Total	8,992.03	2,814.17

Revenue Disaggregation by Industrial Vertical & Geography is as follows

Revenue by offerings	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Financial services - India	8,992.03	2,814.17
Total	8,992.03	2,814.17

Timing of Revenue Recognition

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
Income accounted at point in time	7,461.57	1,327.97
Income accounted over period of time	1,530.46	1,486.19
Total	8,992.03	2,814.17

40 The Group, has no long-term contracts including derivative contracts having material foreseeable losses as at 31 March 2024 except below-

Details of open interest (short) in Shares

Name of Shares/ Securities	Quantity		Provision for mark to market (loss) / profit (Rs. In lakhs)	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Ef Auropharma 25Apr24	1,00,100.00	-	-	-
Ef Rbl bank 25Apr24	4,67,500.00	-	-	-
Futstk Adani Ports 27 Apr 2023	-	1,00,000.00	-	(4.30)
Total	5,67,600.00	1,00,000.00	-	(4.30)

41 As per section 135 of the Companies Act, 2013, Rs. 105.25 lakhs (2023 : Rs. 83.95 lakhs) is required to be spent by the Group during the year ended 31 March 2024 on Corporate Social Responsibility (CSR).

	(Rs. in lakhs)	
	31 March 2024	31 March 2023
(i) Amount required to be spent by the Group during the year	105.25	83.95
(ii) Amount of expenditure incurred	105.70	84.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	Nil	Nil
(v) Reason for shortfall	N.A.	N.A.
(vi) Nature of CSR activities	Relief & rehabilitation of the disabled person and conducting ENT surgery, Medical Treatment, Prevent the occurrence of blindness, Upliftment of Eco- Socio Backward Society by providing Education and Self- Employment. Education activities and rural development.	Upliftment of Eco- Socio Backward Society by providing Education and Self- Employment. Education activities and rural development.
(vii) Details of related party transactions e.g. contribution to a Trust controlled by the Group 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.	No Provision	No Provision

42 Dividend Recommendation:

The board proposed dividend on equity shares after the balance sheet date	(Rs. in lakhs)	
	2024	2023
Proposed dividend on equity shares for the year ended on 31 March 2024 : Rs. Nil per share (31 March 2023: Rs.1/-per share) (Face Value Rs.10/-per share)*	-	125.69
Interim dividend paid on equity shares for the year ended on 31 March 2024 : Rs. 3/-per share (31 March 2023: Rs.1/-per share) (Face Value Rs.10/-per share)	377.06	-

*Payment of the proposed dividend is subject to its approval by the shareholder, in the ongoing Annual General Meeting of the Company . The Company has not proposed dividend during the year.

There are no unclaimed dividend for a period of more than seven years. Further, there are no amounts due and outstanding to be credited to Investor’s Education and Protection Fund as on 31 March 2024.

43 Struck of companies

There are no transactions during the year with struck off Companies as at 31 March 2024.

44 The Group has not traded or invested in crypto currency or Virtual currency during the year.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

- 45 No proceedings are initiated or pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- 46 During the year the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of Group (ultimate beneficiaries) or (ii) provide any guarantee, security or the like to or behalf of the ultimate beneficiaries.
- 47 During the year the Group has not received any fund from any person(s) or entity(ies) including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall (i) directly or indirectly lend or invest in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the funding party (ultimate beneficiaries) or (iii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- 48 The Group has investments in unquoted securities of Rs 8,942.87 lakhs. The Group could not obtain valuation report for securities of Rs 2,567.25 lakhs as at 31 March 2024. Further, in respect of securities of Rs 4,533.46 lakhs and Rs 210.16 lakhs, the Group has carried out valuation as on 15 December 2023 and 8 February 2024 respectively. The management considers that the value of securities is not fluctuating and not easily marketable and hence valuation is appropriate and no change is required in the carrying value of these investments.
- 49 **Financial Ratio**

Sr. No.	Ratio	Numerator	Denominator	31 March 2024	31 March 2023	Variance %	Reason for variance more than 25%
1	Tier I Capital	Tier I Capital	Risk Weighted Assets	71.83	73.38	(2.11)	-
2	Tier II Capital	Tier II Capital	Risk Weighted Assets	0.09	0.14	(35.71)	Standard assets provision decreased during the year
3	CRAR	Tier I Capital + Tier II Capital	Risk Weighted Assets	71.92	73.52	(2.18)	-
4	Liquidity Coverage Ratio	Cash and Cash Equivalent + Liquid Assets*100	Financial Liabilities	261.47	128.01	104.26	Liquid assets are increased during the year

- 50 **Balance Sheet of a non deposit taking Non-Banking Financial Company (As required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms {Reserve Bank} Directions, 2007) pertaining to Holding Company LKP Finance Limited .**

Liabilities Side:
(Rs. in lakhs)
Liabilities :

1. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
(a) Debentures : Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits)		
(b) Deferred credits	-	-
(c) Term loans	-	-
(d) Inter-corporate loans and borrowing	3,596.65	-
(e) Commercial paper	-	-
(f) Public deposits	-	-
(g) Other loans- Working Capital , Overdraft and cash credit	1,894.41	-

2. Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :

(a) In the form of Unsecured debenture	
(b) In the form of partly secured debenture i.e. debentures where there is a shortfall in the value of security	-
(c) Other public deposits	

Assets : (Rs. in lakhs)
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below]

(a) Secured	-
(b) Unsecured	6,969.67

4. Break up of Leased Assets and stock on hire and other assets counting towards AFC activities

(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	-
(b) Operating lease	-
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	-
(b) Repossessed assets	-
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-

5. Break-up of Investments :
Current Investments :
Quoted :

(i) Shares : (a) Equity *	8,766.91
(b) Preference	-
(ii) Debentures and Bonds*	2,127.99
(iii) Units of mutual funds	8,128.63
(iv) Government Securities	504.60
(v) Others	-

Unquoted :

(i) Shares : (a) Equity	
(b) Preference	10.00
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-

Long Term Investments :
Quoted :

(i) Shares : (a) Equity	1,171.95
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(Rs. in lakhs)

Unquoted :

(i) Shares : (a) Equity	11,561.63
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	530.79

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

(Rs. in lakhs)

Category	Amount net of provisions		
	Secured	Unsecured	Total
Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	Nil	-	-
(c) Other related parties	Nil	-	-
Other than related parties	Nil	6,969.67	6,969.67
Total	Nil	6,969.67	6,969.67

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(Rs. in lakhs)

Category	Market Value / Break up or fair value or NAV	Book Value
		(Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	3,086.00	3,086.00
(b) Companies in the same group	-	-
(c) Other related parties	1,382.43	1,382.43
2. Other than related parties	28334.07	28,334.07
	32,802.50	32,802.50

** As per Indian Accounting Standard issue by ICAI

8. Other Information

(Rs. in lakhs)

(i) Gross Non-Performing Assets

(a) Related parties	-
(b) Other than related parties	575.00

(ii) Net Non-Performing Assets

(a) Related parties	-
(b) Other than related parties	-

(iii) Assets acquired in satisfaction of debt

Disclosure Pursuant To Reserve Bank Of India Notification RBI/2022-23/26/DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April, 2022 pertaining to Notes to Accounts of NBFC's:

(A) Exposures to Real Estate Sector: (Rs. in lakhs)

Particulars	31 March 2024	31 March 2023
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(i) Direct Exposure

(a) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-

(b) Commercial Real Estate

Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits.

(c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures

(i) Residential	-	-
(ii) Commercial Real Estate	-	-

(ii) Indirect Exposure

Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.

Total Exposure to Real Estate Sector	-	-
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(B) Exposure to Capital Market

(a) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	19,424.09	14,120.40
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(b) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	292.04
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(c) 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;	-	-
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(d) 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;	-	-
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(e) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
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(f) 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;	-	-
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(g) bridge loans to companies against expected equity flows / issues;	-	-
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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(h) Underwriting commitments taken up by the Company in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(i) Financing to stockbrokers for margin trading	-	-
(j) All exposures to Alternative Investment Funds:	-	-
(i) Category I	-	-
(ii) Category II	-	-
(iii) Category III	530.79	422.19
Total Exposure to Capital Market	19,954.88	14,834.65

(C) Sectoral Exposure

Sectors	31 March 2024			31 March 2023		
	Total Exposure (includes on balance sheet and off-sheet exposure)	Gross NPAs	% of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and sheet exposure)	Gross NPAs	% of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	796.80	360.00	45.18
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
(i) NBFC	-	-	-	-	-	-
(ii) Mortgage backed real estate exposure	-	-	-	-	-	-
(iii) Others	4,933.21	-	-	10,950.96	-	-
Total of Services	4,933.21	-	-	10,950.96	-	-
4. Personal Loans	-	-	-	-	-	-
5. Others, if any (please specify)	1,504.58	5,608.42	372.76%	610.44	400.00	65.53%
Total	6,437.79	5,608.42	87.12%	12,358.20	760.00	6.15%

(D) Intra Group Exposures

Particulars	31 March 2024	31 March 2023
(i) Total amount of intra-group exposures	1,172.27	737.81
(ii) Total amount of top 20 intra-group exposures	1,172.27	737.81
(iii) Percentage of intra-group exposures to total exposures of the NBFC on borrowers	18.21%	5.97%

(E) There were no unhedged foreign currency transactions for the year ended 31 March 2024 and 31 March 2023.

51 Analysis of change in the gross carrying amount and corresponding ECL allowance in relation to Loans

The Table below shows the credit quality and the maximum exposure to credit risk based on the Group's year end stage classification. The amounts presented are gross of impairment allowances. Policies on ECL allowances are set out in Note 2 .

Reconciliation of changes in gross carrying amount and corresponding ECL allowances for loans and advances to corporate and retail customers:

The following disclosures provides stage wise reconciliation of the Group's gross carrying amount and ECL allowances for loans and advances to corporate and retail customers. The transfer of financial assets represents the impact of stage transfers upon the gross carrying amount and associated allowance for ECL. The net remeasurement of ECL arising from stage transfers represents the increase or decrease due to these transfers.

The new assets originated/ repayments received (net) represents the gross carrying amount and associated allowance ECL impact from transactions within the Group's lending portfolio.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
Reconciliation / movement for the year ended 31 March 2024
(Rs. in lakhs)

	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowances	Loans	Impairment loss allowances	Loans	Impairment loss allowances	Loans	Impairment loss allowances
	Gross		Gross		Gross		Gross	
Balance as at 31 March 2023	11,151.54	-	-	-	975.00	760.00	12,126.54	760.00
Transfers during the year								
Balance written off during the year					(360.00)	(360.00)	(360.00)	(360.00)
Transfer to Stage 1 from stage 3	50.00	-	-	-	(450.00)	(400.00)	(400.00)	(400.00)
Transfer to Stage 3 from stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 3 from stage 2	-	-	-	-	-	-	-	-
Increase in impairment loss allowance during the year	(410.00)	-	410.00	410.00	-	165.00	-	575.00
Purchase of credit impaired financial assets					-	-	-	-
New assets originated/ repayments received (net)	(5,180.22)	-	-	-	-	-	(5,180.22)	-
New Credit Exposures during the year, net of repayment		-	-	-			-	-
Balance as at 31 March 2024	5,611.32	-	410.00	410.00	165.00	165.00	6,186.32	575.00

Reconciliation / movement for the year ended 31 March 2023
(Rs. in lakhs)

	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowances	Loans	Impairment loss allowances	Loans	Impairment loss allowances	Loans	Impairment loss allowances
	Gross		Gross		Gross		Gross	
Balance as at 31 March 2022	12,687.09	-	400.00	100.00	400.00	400.00	13,487.09	500.00
Transfers during the year								
Transfer to Stage 1 from stage 3	40.00	-	-	-	-	-	40.00	-
Transfer to Stage 3 from stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 3 from stage 2	-	-	(400.00)	(100.00)	360.00	100.00	(40.00)	-
Increase in impairment loss allowance during the year	-	-	-	-	-	260.00	-	260.00
Purchase of credit impaired financial assets					215.00	-	215.00	-
New assets originated/ repayments received (net)	(1,575.55)	-	-	-	-	-	(1,575.55)	-
New Credit Exposures during the year, net of repayment		-	-	-			-	-
Balance as at 31 March 2023	11,151.54	-	-	-	975.00	760.00	12,126.54	760.00

Rs. In Lakhs unless otherwise stated

52 Details of non-performing financial assets purchased:	31 March 2024	31 March 2023
1. (a) No. of accounts purchased during the year	3	3
(b) Aggregate outstanding	165.00	215.00
2. (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

During the current financial year Group has purchased three non performing assets account hence no accounts restructured during the year

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

53 The disclosures as required by the NBFC Master Directions issued by RBI - A comparison between provision required under income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments' as at 31 March 2024 .

(Rs. in lakhs)						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	5,862.79	39.23	5,823.56	23.45	15.78
	Stage 2	-	-	-	-	-
Subtotal						
Non-Performing Assets (NPA)						
Substandard	Stage 2	410.00	410.00	-	82.00	328.00
Doubtful - up to 1 year	Stage 3	165.00	165.00	-	41.25	123.75
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total	Stage 1	5,862.79	39.23	5,823.56	23.45	15.78
	Stage 2	410.00	410.00	-	82.00	328.00
	Stage 3	165.00	165.00	-	41.25	123.75
	Total	6,437.79	614.23	5,823.56	146.70	467.53

54 Assets Liability Management - Maturity pattern of Assets and Liabilities

		As at 31 March 2024			As at 31 March 2023		
		Within 12 months Current	After 12 Months Non-Current	Total	Within 12 months Current	After 12 Months Non-Current	Total
Financial Assets							
(a)	Cash and cash equivalents	221.62	-	221.62	767.39	-	767.39
(b)	Bank balance other than (a) above	4,361.57	-	4,361.57	3,519.65	-	3,519.65
(c)	Trade receivables	-	-	-	70.22	-	70.22
(d)	Loans	5,862.79	-	5,862.79	7,963.20	3,635.00	11,598.20
(e)	Investments	22,431.55	11,221.81	33,653.36	14,980.11	9,635.55	24,615.65
(f)	Other financial assets	120.72	10.20	130.92	322.84	-	322.84
Total Financial Assets		32,998.25	11,232.01	44,230.26	27,623.41	13,270.55	40,893.95
Non-Financial Assets							
(a)	Current tax assets (net)	-	30.53	30.53	-	241.03	241.03
(b)	Deferred assets tax (net)	-	-	-	-	9.08	9.08
(c)	Property, plant and equipment	-	6.19	6.19	-	7.19	7.19
(d)	Right-of-use assets	-	6.69	6.69	-	11.03	11.03
(e)	Goodwill on Consolidation	-	143.00	143.00	-	143.00	143.00
(f)	Other non-financial assets	48.97	1,169.98	1,218.95	-	1,189.10	1,189.10
Total Non-Financial Assets		48.97	1,356.39	1,405.36	-	1,600.43	1,600.43

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(Rs. In Lakhs)

		As at 31 March 2024			As at 31 March 2023		
		Within 12 months Current	After 12 Months Non-Current	Total	Within 12 months Current	After 12 Months Non-Current	Total
Financial Liabilities							
(a) (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	-	-	-	43.64	-	43.64
(II)	Other payables						
	(i) total outstanding dues of micro enterprises and small enterprises	3.58	-	3.58	6.57	-	6.57
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	51.97	-	51.97	6.12	-	6.12
(b)	Borrowings	8,445.64	-	8,445.64	12,107.52	-	12,107.52
(c)	Lease liabilities	4.64	2.56	7.20	4.64	6.57	11.21
(d)	Other financial liabilities	162.48	-	162.48	118.50	-	118.50
Total Financial Liabilities		8,668.31	2.56	8,670.87	12,286.99	6.57	12,293.56
Non-Financial Liabilities							
(a)	Current tax liabilities (net)	151.81	-	151.81	11.45	-	11.45
(b)	Provisions	-	39.67	39.67	-	51.35	51.35
(c)	Deferred tax liabilities (net)	-	990.29	990.29	-	426.15	426.15
(d)	Other non-financial liabilities	81.31	-	81.31	26.18	-	26.18
Total Non-financial liabilities		233.12	1,029.96	1,263.08	37.63	477.50	515.13

55 Additional information, as required in consolidated financial statements as per Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary

	Net Assets i.e. total assets minus total liabilities		Share of Profit/ (Loss)		Share of Other Comprehensive Income	
	As a % of Consolidated net assets	Rs. in Lakhs	As a % of Consolidated Profit and Loss	Rs. in Lakhs	As a % of Consolidated OCI	Rs. in Lakhs
LKP Finance Limited	97.82	34,924.26	92.61	5,505.51	102.78	589.78
Wholly owned subsidiary						
Bond Street Capital Private Limited	10.42	3,720.40	7.39	439.39	(2.78)	(15.97)
Elimination	(8.24)	(2,942.99)				
Total	100.00	35,701.67	100.00	5,944.90	100.00	573.81

56 Events after reporting date

There have been no events after the reporting date that require adjustment/ disclosures in these financial statements

57 Previous year's figures have been regrouped / reclassified/rearranged wherever necessary to correspond with the current year's classifications / disclosures. Figures in brackets pertain to previous year.

In terms of our Report of even dated attached

For and on behalf of the board
For MGB & Co. LLP
 Chartered Accountants
 Firm Registration Number:
 101169W/W-100035

LKP Finance Limited
Hitendra Bhandari
 Partner
 Membership Number: 107832

M.V Doshi
 Executive Chairman & Managing Director
 DIN: 00123243

Pratik Doshi
 Director
 DIN: 00131122

 Place : Mumbai
 Date : 26 April, 2024

G.B Innani
 G.M (Legal) &
 Company Secretary

S.S Gulati
 Head Corporate Affairs &
 Chief Financial Officer



LKP Finance Limited
203, Embassy Centre,
Nariman Point,
Mumbai - 400 021.