

# N.P. AIRAN & CO.

CHARTERED ACCOUNTANTS

N.P. AIRAN  
M.Com, F.C.A.

☎ : 2529794  
(M):94074-13950

315, Silver Sanchora Castl  
R.N.T. Marg, Indore

## INDEPENDENT AUDITOR'S REPORT

To  
The Members  
Swastika Fin-Mart Private Limited

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Swastika Fin-Mart Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity 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 Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial



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

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



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

### Report on other legal and regulatory requirements

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

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with Rule 7 of the Companies (Account) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure-B**"; and
- g) Since no managerial remuneration for the year ended 31st March, 2023 has been paid/provided by the Company to its directors, the provisions of Section 197 is not applicable to the Company.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
  1. The Company does not have any pending litigations which would impact its financial position;
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  4.
    - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or



- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (a) and (b) contain any material mis-statement.
5. No Dividend is declared or paid by the company during the year.

**For N.P. Airan & Co.**  
**Chartered Accountants**  
**FRN - 07116C**

*N.P. Airan*



**N.P. Airan**  
**Proprietor**  
**Membership No.076150**  
**UDIN – 23076150BGRXPU3362**

**Place: Indore**  
**Date: 04.05.2023**

**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Swastika Fin-Mart Private Limited for the year ended March 31, 2023**

**(Referred in paragraph 1 under the heading "Report on other Legal and Regulatory Requirement" of our report of even date to the members of Swastika Fin-Mart Private Limited for the year ended 31<sup>st</sup> March, 2023)**

- (I) (a) The Company has maintained proper record showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) As informed to us, the management of the Company has physically verified the Property, Plant and Equipment at reasonable intervals, which in our opinion is reasonable, having regards to the size of the Company and nature of its assets and no material discrepancies were noticed on such verification.
- (c) As per the information and explanations given to us there is no immovable property.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31 March, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (II) (a) As explained to us, the business of Company is financing; hence the Company does not possess any inventory. Consequently the provisions stated in paragraph 3(ii)(a) of the Order are not applicable and hence, not commented upon.
- (b) During any point of time of the year, the company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets. Therefore, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company.
- (III) (a) According to the information and explanation given to us, the Companies principal business of giving loans the requirements to report on clause 3(iii)(a) of the order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the terms and conditions of all loans granted by the company are not prejudicial to the interest of the company.
- (c) The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated and the repayments or receipts are regular.
- (d) In respect of the aforesaid loans, there is no overdue amount of loans granted to companies in the register maintained under section 189 of the Act.
- (e) According to the information and explanation given to us, the Companies principal business of giving loans the requirements to report on clause 3(iii)(e) of the order is not applicable.
- (f) The company has not granted any loans or advances which is repayable on demand or without specifying any terms or period of repayment;
- (IV) As per the information and explanation given to us, the company has complied with the provisions of section 186 of the Act in respect of loan and advances granted by the Company. In our opinion and as per the information and explanation given to us, the Company has not made any investment or provided guarantees during the year.
- (V) In our opinion and as per the information and explanation given to us, the Company has not

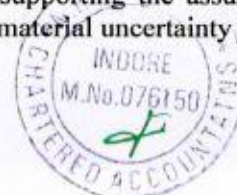


accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and rules framed there under to the extent notified. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (VI) As informed to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (VII) (a) According to the information and explanation given to us, and the records of the company examined by us, in our opinion, the Company is generally regular in depositing undisputed dues relating to Provident Fund, Employees' State Insurance, Income Tax, Duties of Customs, Duties of Excise, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues as applicable to it with appropriate authorities. There are no undisputed statutory dues payable which are outstanding as at March 31st, 2023 for a period of more than 6 months from the date they became payable.
- (b) According to the information given to us, and the records of the company examined by us, there are no dues of Income tax, Sales Tax, Custom duty, Excise duty, Value added tax, Goods and Service Tax, Cess and Professional tax which have not been deposited with appropriate authorities on account of any dispute.
- (VIII) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (IX) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution(s), bank(s), government(s) or dues to debenture holder(s).
- (b) According to information and explanation given to us, the company has not declared wilful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanation given to us, and based on the documents provided to us the company was not applied for Term loans for any purpose.
- (d) According to the information and explanation given to us, and based on the documents provided to us and on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes during the year by the Company.
- (e) According to the information and explanation given to us, and based on the documents provided to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year.
- (f) According to the information and explanation given to us, and based on the documents provided to us the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (X) (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x) (b) of the Order is not applicable to the Company.



- (XI) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanation given to us, and based on the documents provided to us Company has no whistle-blower complaints received during the year. Accordingly, the requirement to report on these is not applicable to the Company.
- (XII) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (XIII) According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, wherever applicable. The details of such transactions have been disclosed in the financial statements as required under applicable Accounting Standards.
- The provision of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to Section 177 of the act is not applicable to the Company.
- (XIV) (a) The company has an internal audit system commensurate with the size and nature of its business;
- (b) Company is not required to appoint internal auditor. Accordingly paragraph 3(xv)(b) of the Order is not applicable of the Company and hence, not commented upon.
- (XV) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with Directors or Persons connected with them.
- (XVI) (a) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraphs 3(XVII) (C) of the Order are not applicable.
- (d) As per the information and explanations received, the group does not have any CIC as part of the group, hence the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (XVII) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (XVIII) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (XIX) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, 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 ,our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as



on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(XX)

- a. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, there was no such unspent amount to be transferred to fund specified in Schedule VII to the Companies Act. Accordingly, paragraphs 3(xx)(a) of the Order are not applicable.
- b. The Company does not have ongoing projects under section 135 of the Companies Act. Accordingly, paragraphs 3(xx)(b) of the Order are not applicable.

(XXI) According to the information and explanations given to us and based on our examination of the records of the Company, since the company does not have any subsidiary or associate or joint venture the Company is not required to prepare consolidated financial statement. Accordingly, paragraphs 3(xxi) of the Order are not applicable.

**For N.P. Airan & Co.**  
**Chartered Accountants**  
**FRN - 07116C**

*N.P. Airan*

**N.P. Airan**  
**Proprietor**  
**Membership No.076150**  
**UDIN - 23076150BGRXPU3362**



**Place: Indore**  
**Date: 04.05.2023**

**Annexure B to the Independent Auditor's Report of even date on the of Swastika Fin-Mart Private Limited for the year ended March 31, 2023**

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

We have audited the internal financial controls with reference to financial statements of **Swastika Fin-Mart Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

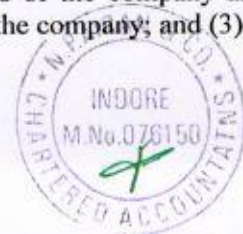
Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls with reference to financial statements**

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



reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

### **Opinion**

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

**For N.P. Airan & Co.**  
**Chartered Accountants**  
**FRN - 07116C**



**N.P. Airan**  
**Proprietor**  
**Membership No.076150**  
**UDIN - 23076150BGRXPU3362**



**Place: Indore**  
**Date: 04.05.2023**

# N.P. AIRAN & CO.

☎ : 2529794, 4263170  
(M): 94074-13950

N.P. AIRAN  
M.Com, F.C.A.

**CHARTERED ACCOUNTANTS**

315, Silver Sanchora Castle,  
R.N.T. Marg, Indore (M.P.)

## NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT TO THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

To,

The Board of Directors,

Swastika Fin-Mart Private Limited

As required by the **Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016** dated September 29<sup>th</sup>, 2016 issued by Reserve Bank of India (RBI) in addition to the Report made by the auditor under Section 143 of the Companies Act, 2013, on the matters specified in Para 3 and 4 of the said Directions to the extent applicable to the Swastika Fin-Mart Private Limited and according to the information and explanations given to us for the purpose of audit, we report that:

1. The Company is holding valid Certificate of Registration ("CoR") granted by the RBI and also complying with the Principal Business Criteria (Financial asset/income pattern) as laid down vide the Bank's press release dated April 08, 1999, and directions issued by DNBR.
2. The Company is entitled to continue to hold such CoR in terms of its Principal Business Criteria (Financial asset/income pattern) as on March 31<sup>st</sup>, 2023.
3. The Company is meeting the required net owned fund requirement as laid down in Master Direction - Non - Banking Financial Company - Non - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
4. The Board of Directors of the Company has passed a resolution for non - acceptance of any public deposits.
5. The Company has not accepted any public deposits during the year.
6. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non - Banking Financial Company - Non - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016.
7. The Company is not classified as NBFC Micro Finance Institutions (MFI) as defined in the Non - Banking Financial Company - Non - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016 and Non - Banking Financial Company - Systemically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

PLACE: INDORE

DATE: 04/05/2023

FOR N.P.AIRAN & COMPANY

CHARTERED ACCOUNTANTS

*N.P. Airan*  
N.P.AIRAN

(PROPRIETOR)

M.NO 076150

UDIN 23076150BGRXPU3362



SWASTIKA FIN-MART PRIVATE LIMITED			
CIN : U65923MP2009PTC022801			
BALANCE SHEET AS AT MARCH 31, 2023			
(₹ in Lakhs)			
Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>I. Assets</b>			
<b>1. Financial Assets</b>			
(a) Cash and Cash Equivalents	2	8.48	4.90
(b) Loans	3	2,488.40	2,880.07
(c) Trade Receivables		-	-
(d) Other Financial Assets	4	0.67	0.24
<b>Total Financial Assets</b>		<b>2,497.55</b>	<b>2,885.21</b>
<b>2. Non-Financial Assets</b>			
(a) Current tax assets (Net)	5	19.31	-
(b) Deferred Tax Assets (Net)	6	0.03	0.04
(c) Property, Plant and Equipment	7	-	0.05
(d) Other Intangible Assets		-	-
(e) Other Non -Financial Assets	8	0.07	0.57
<b>Total Non-Financial Assets</b>		<b>19.41</b>	<b>0.66</b>
<b>Total Assets</b>		<b>2,516.96</b>	<b>2,885.87</b>
<b>II. Liabilities and Equity</b>			
<b>Liabilities</b>			
<b>1. Financial Liabilities</b>			
(a) Payables			
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		-	-
(b) Borrowings	9	791.51	627.51
(c) Other Financial Liabilities	10	624.32	1,179.46
<b>Total Financial Liabilities</b>		<b>1,415.83</b>	<b>1,806.97</b>
<b>2. Non-Financial Liabilities</b>			
(a) Current Tax Liabilities (Net)	11	-	16.52
(b) Other Non-Financial Liabilities	12	2.60	0.96
(c) Deferred tax liabilities (Net)		-	-
(d) Provisions	13	0.40	-
<b>Total Non-Financial Liabilities</b>		<b>3.00</b>	<b>17.48</b>
<b>Equity</b>			
(a) Equity Share Capital	14	211.00	211.00
(b) Other Equity	15	887.13	850.42
<b>Total Equity</b>		<b>1,098.13</b>	<b>1,061.42</b>
<b>Total Liabilities and Equity</b>		<b>2,516.96</b>	<b>2,885.87</b>
Significant Accounting Policies	1		
Other Notes to Financial Statements	2-48		

As per our Report of even date  
For N.P. Airan & Co.  
Chartered Accountants  
FRN : 07116C

*N.P. Airan*

N.P. Airan  
Proprietor  
M.No.076150  
UDIN: 23076150BGRXPU3362



For & on behalf of the Board of Directors  
Swastika Fin-Mart Private Limited

*Sunil Nyati*  
Sunil Nyati  
(Director)  
DIN : 00015963

*Amrita Nyati*  
Amrita Nyati  
(Director)  
DIN : 01454595



Place: Indore  
Date: May 4, 2023

SWASTIKA FIN-MART PRIVATE LIMITED			
CIN : U65923MP2009PTC022801			
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2023			
(₹ in Lakhs)			
Particulars	Note No.	For the year ended	For the year ended
		March 31, 2023	March 31, 2022
<b>I. Revenue from Operations</b>			
Interest Income	16	262.70	375.47
Fees and commission Income	17	0.49	-
Others	18	1.13	7.39
<b>Total Revenue from Operations</b>		<b>264.32</b>	<b>382.86</b>
<b>II. Other income</b>	19	0.94	3.97
<b>III. Total Income (I+II)</b>		<b>265.26</b>	<b>386.83</b>
<b>IV. Expenses:</b>			
Finance Costs	20	139.05	154.09
Fees and Commission Expense	21	0.37	1.23
Impairment on financial instruments	22	20.04	(9.63)
Employee Benefit Expenses	23	26.83	42.61
Depreciation, Amortization and Impairment	7	0.05	0.26
Other Expenses	24	26.91	34.66
<b>Total Expenses</b>		<b>213.25</b>	<b>223.22</b>
<b>V. Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>52.01</b>	<b>163.61</b>
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit/(Loss) before tax (V -VI)</b>		<b>52.01</b>	<b>163.61</b>
<b>VIII. Tax expenses:</b>			
(1) Current Tax			
of Current Year		12.43	38.73
of Earlier Years		2.86	2.56
(2) Deferred Tax		0.01	(0.04)
<b>Total Tax expenses</b>		<b>15.30</b>	<b>41.25</b>
<b>IX. Profit/(Loss) for the Period (VII-VIII)</b>		<b>36.71</b>	<b>122.36</b>
<b>X. Other Comprehensive Income</b>		-	-
<b>XI. Total Comprehensive Income for the period (IX+X) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b>		<b>36.71</b>	<b>122.36</b>
<b>XII. Earning per Equity Share:</b>	25		
(1) Basic		1.74	5.80
(2) Diluted		1.74	5.80
Significant Accounting Policies	1		
Other Notes to Financial Statements	2-48		

As per our Report of even date  
For N.P. Airan & Co.  
Chartered Accountants  
FRN : 07116C

N.P. Airan  
Proprietor  
M.No.076150  
UDIN: 23076150BGRXPU3362



For & on behalf of the Board of Directors  
Swastika Fin-Mart Private Limited

Sunil Nyati  
(Director)  
DIN : 00015963

Anita Nyati  
(Director)  
DIN : 01454595



Place: Indore  
Date: May 4, 2023

**SWASTIKA FIN-MART PRIVATE LIMITED**

CIN : U65923MP2009PTC022801

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Cash Flow From Operating Activities:</b>		
Profit before Income Tax :	52.01	163.61
Adjustments for:		
Depreciation	0.05	0.26
Loss/Profit on sale of Fixed Assets	-	(0.21)
Operating Profit Before Working Capital Changes	<b>52.06</b>	<b>163.66</b>
Increase/(Decrease) in Trade Payables and Other Liabilities	(553.12)	727.09
(Increase)/Decrease in Trade Receivables	-	-
(Increase)/Decrease in Financial and Other Assets	391.76	(261.28)
Cash Generated from Operations	(109.30)	629.47
Income Tax Paid	(51.12)	(36.07)
<b>Net Cash (outflow)/inflow from Operating Activities ( A )</b>	<b>(160.42)</b>	<b>593.40</b>
<b>B. Cash Flows From Investing Activities</b>		
Proceeds from Sale of Investments		1.15
<b>Net Cash (outflow)/inflow from Investing Activities ( B )</b>		<b>1.15</b>
<b>C. Cash Flows from Financing Activities:</b>		
Increase/(Decrease) from Short Term Borrowings	<b>164.00</b>	<b>(597.64)</b>
<b>Net Cash Inflow from Financing Activities ( C )</b>	<b>164.00</b>	<b>(597.64)</b>
<b>Net Increase (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>3.58</b>	<b>(3.09)</b>
Cash and Cash Equivalents at the beginning of the financial year	4.90	7.99
<b>Cash and Cash Equivalents at end of the year</b>	<b>8.48</b>	<b>4.90</b>

As per our Report of even date  
For N.P. Airan & Co.  
Chartered Accountants  
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N.P. Airan  
Proprietor  
M.No.076150  
UDIN: 23076150BGRXPU3362

For & on behalf of the Board of Directors  
Swastika Fin-Mart Private Limited

Sunil Nyati  
(Director)  
DIN : 00015963

Amita Nyati  
(Director)  
DIN : 01454595

Place: Indore  
Date: May 4, 2023

**SWASTIKA FIN-MART PRIVATE LIMITED**

CIN : U65923MP2009PTC022801

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**

**A. Equity Share Capital**

(₹ in Lakhs)

Particulars	Equity Share Capital
<b>Equity shares of Rs 10 issued, subscribed and fully paid up</b>	
<b>Balance as on 01 April, 2021</b>	211.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the previous reporting year	211.00
Changes in equity share capital during the year	-
<b>As at March 31, 2022</b>	211.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting year	211.00
Changes in equity share capital during the year	-
<b>As at March 31, 2023</b>	211.00

**B. Other Equity**

(₹ in Lakhs)

Particulars	Reserve & Surplus		Other Comprehensive Income	Total
	Statutory Reserve	Retained Earnings		
<b>April 1, 2021</b>	137.55	590.51	-	728.06
Changes in accounting policy or prior period errors	-	-	-	-
<b>Restated balance at the beginning of the previous reporting year</b>	137.55	590.51	-	728.06
Profit for the year	-	122.36	-	122.36
Transfer from Retained Earning	24.47	-	-	24.47
Transfer to Statutory Reserve	-	(24.47)	-	(24.47)
Other Comprehensive Income	-	-	-	-
<b>Balance as at 31 March, 2022</b>	162.02	688.40	-	850.42
Changes in accounting policy or prior period errors	-	-	-	-
<b>Restated balance at the beginning of the current reporting year</b>	162.02	688.40	-	850.42
Profit for the year	-	36.71	-	36.71
Transfer from Retained Earning	7.34	-	-	7.34
Transfer to Statutory Reserve	-	(7.34)	-	(7.34)
Other Comprehensive Income	-	-	-	-
<b>Balance as at 31 March, 2023</b>	169.36	717.77	-	887.13

As per our Report of even date  
For N.P. Airan & Co.  
Chartered Accountants  
FRN : 07116C

N.P. Airan  
Proprietor  
M.No.076150  
UDIN: 23076150BGRXPU3362



For & on behalf of the Board of Directors  
Swastika Fin-Mart Private Limited

Sunil Nyati  
(Director)  
DIN : 00015963

Anita Nyati  
(Director)  
DIN : 01454595



Place: Indore  
Date: May 4, 2023

## Notes to Financial Statements

### Note- 1: Company Overview, Basis of preparation and Significant Accounting Policies

#### (A) Company Overview

Swastika Fin-Mart Private Limited (The Company) is a Non Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI) under section 45-IA of the Reserve Bank of India Act, 1934. The Company is primarily engaged in lending business without accepting public deposits and holding certificate of registration from Reserve Bank of India (RBI) received on February 27, 2015. The Company is a wholly owned subsidiary of Swastika Investmart Limited and incorporated as per the provisions of Companies Act, 1956.

#### (B) Basis of Preparation of Financial Statements

##### (i) Statement of Compliance :

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

##### (ii) Basis of Preparation:

###### a) Compliance with Ind AS

These Financial Statements comprising of Balance Sheet as at March 31, 2023, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows for the year ended March 31, 2023 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards) Amendment Rules, 2016.

These Financial Statements have been approved for issue by the Company's Board of Directors at their meeting held on 4 May, 2023. These Financial Statements are presented in lakhs (INR), which is also the functional and presentation currency.

###### b) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The Financial Statements are prepared under the historical cost convention.

###### c) Preparation of Financial Statements

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note no. 31.

###### d) Significant Accounting Policies

###### (i) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or
  - In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible by the Company.

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

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

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



All assets and 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 market 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.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(ii) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

- a) Interest income is recognized in the Statement of Profit and Loss on an accrual basis.
- b) In case of Non Performing Assets (NPA), interest income is recognized upon realization as per the RBI Income Recognitions Norms & Guidelines for NBFCs.
- c) Dividend income is recognized only when the right to receive is established.

**(iii) Property, Plant and Equipment (PPE)**

PPE is recognized when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy.

Own manufactured PPE is capitalized at cost including an appropriate share of overheads. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalized as a part of the cost of the PPE.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress".

Depreciation is recognized using straight line method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use.

The estimated useful life of Property, Plant and Equipment is mentioned below:

Asset Class	Estimated Useful Life (Years)
Computer	3
Office Equipment	10

**(iv) Intangible assets**

An intangible asset shall be recognized if, and only if:

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company; and
- (b) the cost of the asset can be measured reliably. All other expenditure is expensed as incurred.

Computer software is capitalized where it is expected to provide future enduring economic benefits. Capitalization costs include license fees and costs of implementation/ system integration services. The costs are capitalized in the year in which the relevant software is implemented for use. The same is amortized over a period of its estimated useful life on straight-line method.

Other intangible assets are measured at cost less any accumulated amortization and impairment losses, if any and are amortized over their respective individual estimated useful life on straight-line method. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.



#### (v) Borrowings

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

#### (vi) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

The determination of 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 or assets, even if that right is not explicitly specified in an arrangement.

#### (vii) Leases

Ind AS 116 'Leases' has been introduced effective from 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases operating and finance lease.

#### (viii) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share, is the net profit for the period. The weighted average number equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### (ix) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unabsorbed depreciation.

Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income-tax Act, 1961 and Revised Income Computation and Disclosure Standards (ICDS) of the Income-tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

#### (x) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

#### (xi) Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. The Company assesses all receivables for their recoverability and accordingly recognizes provision for Non Performing and Doubtful Assets as per approved Company policies and guidelines. The Company ensures provisions made are not lower than as stipulated by RBI guidelines.

Contingent Liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
  - a present obligation arising from past events, when no reliable estimate is possible;
  - a possible obligation arising from past events, unless the probability of outflow of resources is remote.
- Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

#### (xii) Financial Instruments

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

#### Financial Assets

##### Initial Recognition and Measurement

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

##### (a) Financial Assets at Amortized Cost

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortization is included as interest income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

##### (b) Financial Assets at Fair value through Other Comprehensive Income

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in Other Comprehensive Income (OCI). Interest income calculated using the Effective Interest Rate (EIR) method, impairment gain or loss and foreign exchange gain or loss, if any, are recognized in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.



**(c) Financial Assets at Fair value through Profit or Loss**

At the date of initial recognition, financial assets are held for trading, or which are measured neither at Amortized Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in the Statement of Profit and Loss.

**Trade Receivables**

A Receivable is classified as a 'Trade Receivable' if it is in respect to the amount due from customers in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognized in a separate provision for impairment and the impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognized in provision for impairment and the change in impairment losses are recognized in the Statement of Profit and Loss within other expenses.

**Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- (a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- (b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables Company applies 'Simplified Approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**De-recognition of Financial Asset**

Financial Asset is primarily derecognized when:

- (i) The right to receive cash flows from asset has expired, or
- (ii) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a " pass-through" arrangement and either:
  - a) The Company has transferred substantially all the risks and rewards of the asset, or
  - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

**Financial Liabilities**

**Initial Recognition and Measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

**Subsequent Measurement**

Financial liabilities are classified as either financial liabilities at FVTPL or 'Other Financial Liabilities':

**(a) Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

**(b) Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.



The Effective Interest Method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### De-recognition of Financial Liability

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

#### (xiii) Cash Flow Statement

##### A) Cash and Cash Equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

B) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting

#### (xiv) Significant Accounting Judgments, Estimates & Assumptions

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments which have significant effect on the amounts recognized in the financial statement:

##### a. Income Tax

Judgment of the Management is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the Financial Statements.

##### b. Contingencies

Judgment of the Management is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

##### c. Provision

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

##### d. Allowance for uncollected accounts receivable and advances

Trade Receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on ECL, which are the present value of the cash shortfall over the expected life of the financial assets.



## 2. CASH &amp; CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Balance with Banks in Current Accounts	3.69	3.11
Cash on Hand	4.79	1.79
<b>Total</b>	<b>8.48</b>	<b>4.90</b>

## 3. LOANS (At Amortised Cost)

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>A) Loans to Others</b>		
(a) Secured, Considered Good (Loan against property, shares, and gold)	1,904.80	2,189.96
(b) Unsecured, Considered Good - All standards	535.90	675.70
(c) Loans Receivables have significant increase in Credit Risk	75.61	33.60
(d) Loans Receivables-Credit Impaired	1.95	4.08
Less: Provision for Doubtful Advances	(29.86)	(23.27)
<b>Total</b>	<b>2,488.40</b>	<b>2,880.07</b>
<b>B) Loans in India</b>		
Public Sector	-	-
Others	2,518.26	2,903.34
<b>Total (Gross)</b>	<b>2,518.26</b>	<b>2,903.34</b>
Less: Impairment Loss Allowance	(29.86)	(23.27)
<b>Total (Net)</b>	<b>2,488.40</b>	<b>2,880.07</b>

## 4. OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Other deposit	0.32	-
Other receivables	0.35	0.24
<b>Total</b>	<b>0.67</b>	<b>0.24</b>

## 5. CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Income tax Refund	0.80	-
Advance Tax	18.72	-
Tax Deducted at Source	12.22	-
Less:- Provision For Tax	12.43	-
<b>Total</b>	<b>19.31</b>	<b>-</b>

## 6. DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Opening Balance	0.04	-
Add/ (Less): Difference Between Written Down Value of Fixed Assets as per the Companies Act, 2013 and Income Tax Act, 1961	(0.01)	0.04
<b>Total</b>	<b>0.03</b>	<b>0.04</b>

## 8. OTHER NON-FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Other Advances	-	0.42
Prepaid Expenses	0.07	0.15
<b>Total</b>	<b>0.07</b>	<b>0.57</b>



## 9. BORROWINGS

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>At Amortised Cost</b>		
<b>Demand Loans</b>		
<b>From Other Parties (Unsecured)</b>		
Dhar Coal Products Pvt Ltd	250.00	350.00
Vijay and Company	-	15.00
Vikas International Pvt.Ltd	162.00	173.00
Tirupati Finance	79.51	79.51
Kialight Multiventures Pvt. Ltd.	-	10.00
Brijwasi Securities Pvt.Ltd.	150.00	-
Dhyanik Consulting Services Pvt.Ltd.	100.00	-
Safal Capital (India) Limited	50.00	-
<b>Total</b>	<b>791.51</b>	<b>627.51</b>
Borrowing In India	791.51	627.51
Borrowing outside India	-	-
<b>Total</b>	<b>791.51</b>	<b>627.51</b>

## 10. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Auditor's Remuneration	0.27	0.27
Interest Payables	44.23	45.95
Salary Payables	0.49	0.35
Other Payables	579.33	1,132.89
<b>Total</b>	<b>624.32</b>	<b>1,179.46</b>

## 11. CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Income Tax	-	38.73
less: Advance Tax	-	(11.00)
less: Tax Deducted at Source	-	(10.41)
less: Income tax Refund	-	(0.80)
<b>Total</b>	<b>-</b>	<b>16.52</b>

## 12. OTHER NON-FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Statutory Dues Payable	2.60	0.96
<b>Total</b>	<b>2.60</b>	<b>0.96</b>

## 13. PROVISIONS

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Provision for Expenses	0.40	-
<b>Total</b>	<b>0.40</b>	<b>-</b>



14. EQUITY SHARE CAPITAL

14.1 : Authorized, Issued, Subscribed and Paid Up

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Authorized 22,50,000 Equity Shares of Rs.10 each (Previous Year 22,50,000 Equity Shares of Rs. 10 each)	225.00	225.00
Issued 21,10,000 Equity Shares of Rs.10 each (Previous Year 21,10,000 Equity Shares of Rs. 10 each)	211.00	211.00
Subscribed & Paid up 21,10,000 Equity Shares of Rs.10 each fully paid (Previous Year 21,10,000 Equity Shares of Rs. 10 each)	211.00	211.00
<b>Total</b>	<b>211.00</b>	<b>211.00</b>

Note: The Company has only one class of shares. Each holder of shares is entitled to one vote per share

14.2 : Reconciliation of the number of Shares as at the beginning and at the end of the Financial Year

(₹ in Lakhs)

Particulars	Equity Shares (2022-23)	
	Number	Amount
Shares outstanding at the beginning of the year	21,10,000	211.00
Shares outstanding at the end of the year	21,10,000	211.00

Particulars	Equity Shares (2021-22)	
	Number	Amount
Shares outstanding at the beginning of the year	21,10,000	211.00
Shares outstanding at the end of the year	21,10,000	211.00

14.3 : Shareholders holding more than 5% of Shares

Name of the Shareholder	As at March 31, 2023	
	No. of Shares held	% of Holding
Swastika Investmart Limited (Holding Company)	21,10,000	100

Name of the Shareholder	As at March 31, 2022	
	No. of Shares held	% of Holding
Swastika Investmart Limited (Holding Company)	21,10,000	100

Note:- The Company is wholly owned subsidiary company of Swastika Investmart Limited

14.4 : Details of shares held by promoters/promoter group

Particular	As at	As at
	March 31, 2023	March 31, 2022
Swastika Investmart Limited - Number of shares	21,10,000	21,10,000
% of total shares	100%	100%
% Change during the year	-	-

15. OTHER EQUITY

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>Reserves &amp; Surplus*</b>		
Statutory Reserves (A)	169.36	162.02
Retained Earnings (B)	717.77	688.40
<b>Total</b>	<b>887.13</b>	<b>850.42</b>

\* For movement, refer Statement of Changes in Equity.



**(A) Statutory Reserves**

Reserve Fund u/s 45-IC (1) of RBI Act, 1934

(₹ in Lakhs)

Opening balance	162.02	137.55
Add: Addition during the year	7.34	24.47
<b>Closing balance</b>	<b>169.36</b>	<b>162.02</b>

**(B) Retained Earnings**

(₹ in Lakhs)

Opening balance	688.40	590.51
Add: Net profit for the year	36.71	122.36
Less: Trf to Statutory Reserve	(7.34)	(24.47)
<b>Closing balance</b>	<b>717.77</b>	<b>688.40</b>

**16. INTEREST INCOME**

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Interest Income on Loan	262.70	375.47
<b>Total</b>	<b>262.70</b>	<b>375.47</b>

**17. FEES AND COMMISSION INCOME**

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Commission Income	0.49	-
<b>Total</b>	<b>0.49</b>	<b>-</b>

**18. OTHER OPERATING INCOME**

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Processing Fees	1.13	7.39
<b>Total</b>	<b>1.13</b>	<b>7.39</b>

**19. OTHER INCOME**

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Profit on Sale of PPE	-	0.21
Excess Provision Written Back	-	1.79
Other Income	0.93	1.97
Net gain on financial assets measured at FVTPL	0.01	-
<b>Total</b>	<b>0.94</b>	<b>3.97</b>

**20. FINANCE COST**

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Interest Expenses	138.85	152.68
Bank Charges	0.20	1.41
<b>Total</b>	<b>139.05</b>	<b>154.09</b>

**21. FEES AND COMMISSION EXPENSE**

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Commission	0.37	1.23
<b>Total</b>	<b>0.37</b>	<b>1.23</b>



## 22. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Provision for Expected Credit Loss on Trade Receivable	20.04	(9.63)
<b>Total</b>	<b>20.04</b>	<b>(9.63)</b>

## 23. EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Salaries and Incentives	26.83	42.61
<b>Total</b>	<b>26.83</b>	<b>42.61</b>

## 24. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Auditor's Remuneration (Refer note 24.1 below)	0.27	0.27
Connectivity Charges	6.54	7.70
Conveyance Expense	0.01	0.04
Electricity Charges	3.78	5.58
Membership Fees & Subscription	0.70	0.30
Office Maintenance	-	0.15
Professional Expenses	9.37	10.02
Rent	4.41	6.84
Software Maintenance Expenses	1.42	2.50
Travelling Expenses	0.03	0.75
Miscellaneous Expenses	0.38	0.51
<b>Total</b>	<b>26.91</b>	<b>34.66</b>

## 24.1 Details of Auditor's Remuneration

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Statutory Audit Fees	0.17	0.17
Tax Audit Fees	0.10	0.10
<b>Total</b>	<b>0.27</b>	<b>0.27</b>

## 25. EARNING PER SHARE

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
(A) Profit attributable to Equity Shareholders (in Lakhs)	36.71	122.36
(B) No. of Equity Share outstanding during the year.	21,10,000	21,10,000
Basic earnings per share (₹) (FV of ₹ 10 each)	1.74	5.80



7. PROPERTY, PLANT AND EQUIPMENT

March 31,2023

(₹ in Lakhs)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 01.04.2022	Additions	Deductions/ Adjustments	As at 31.03.2023	As at 01.04.2022	Dep. for the Year	Deductions/ Adjustments	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
<b>A. Tangible Assets</b>										
Computer	0.82	-	-	0.82	0.82		-	0.82	-	-
Office Equipment	0.07	-		0.07	0.02	0.05		0.07	-	0.05
<b>Total - A</b>	<b>0.89</b>	<b>-</b>	<b>-</b>	<b>0.89</b>	<b>0.84</b>	<b>0.05</b>	<b>-</b>	<b>0.89</b>	<b>-</b>	<b>0.05</b>
<b>B. Other Intangible Assets</b>										
Computer Software	0.34	-	-	0.34	0.34	-	-	0.34	-	-
<b>Total - B</b>	<b>0.34</b>	<b>-</b>	<b>-</b>	<b>0.34</b>	<b>0.34</b>	<b>-</b>	<b>-</b>	<b>0.34</b>	<b>-</b>	<b>-</b>
<b>Total A + B</b>	<b>1.23</b>	<b>-</b>	<b>-</b>	<b>1.23</b>	<b>1.18</b>	<b>0.05</b>	<b>-</b>	<b>1.23</b>	<b>-</b>	<b>0.05</b>

March 31,2022

(₹ in Lakhs)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 01.04.2021	Additions	Deductions/ Adjustments	As at 31.03.2022	As at 01.04.2021	Dep. for the Year	Deductions/ Adjustments	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
<b>A. Tangible Assets</b>										
Computer	0.82	-	-	0.82	0.62	0.20	-	0.82	-	0.20
Office Equipment	1.33	-	1.26	0.07	0.27	0.06	0.31	0.02	0.05	1.06
<b>Total - A</b>	<b>2.15</b>	<b>-</b>	<b>1.26</b>	<b>0.89</b>	<b>0.89</b>	<b>0.26</b>	<b>0.31</b>	<b>0.84</b>	<b>0.05</b>	<b>1.26</b>
<b>B. Other Intangible Assets</b>										
Computer Software	0.34	-	-	0.34	0.34	-	-	0.34	-	-
<b>Total - B</b>	<b>0.34</b>	<b>-</b>	<b>-</b>	<b>0.34</b>	<b>0.34</b>	<b>-</b>	<b>-</b>	<b>0.34</b>	<b>-</b>	<b>-</b>
<b>Total A + B</b>	<b>2.49</b>	<b>-</b>	<b>1.26</b>	<b>1.23</b>	<b>1.23</b>	<b>0.26</b>	<b>0.31</b>	<b>1.18</b>	<b>0.05</b>	<b>1.26</b>



**26. CONTINGENT LIABILITIES AND COMMITMENTS**

The Company does not have any Contingent Liability.

**27. INCOME TAX**

The major components of income tax expense for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Current Tax:		
Current Tax on profit for the year	12.43	38.73
Adjustments for the current tax of prior periods	2.86	2.56
Deferred Tax:		
Deferred Tax Liabilities/ (Assets)	0.01	(0.04)
<b>Total</b>	<b>15.30</b>	<b>41.25</b>

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Profit before Income Tax Expense	52.01	163.61
Tax Rate	25.17%	25.17%
Tax at the Indian tax rate of 2022-23 25.17% (2021-22 25.17%)	13.09	41.18
<b>Tax Effect of :</b>		
Adjustments in respect of current income tax of prior period	2.86	2.56
Effect of Income not considered for Tax Purposes	(0.65)	(2.49)
Effect of Non deductible expenses for tax purposes	-	-
<b>Income Tax Expenses</b>	<b>15.30</b>	<b>41.25</b>

Note: The figures have been regrouped/ reclassified, wherever necessary.

**28. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The group monitors capital on the basis of the following gearing ratio:

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Debt (Total Borrowings)	791.51	627.51
Total Equity	1,098.13	1,061.42
Debt Equity Ratio	0.72	0.59

**29. Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act 2006**

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-



### 30. FINANCIAL RISK MANAGEMENT

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk, investment of surplus liquidity and other business risks effecting business operation. The Company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

#### (A) Credit Risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

#### Credit Risk Management

For financial assets the Company has an investment policy which allows the Company to invest only with counterparties having high credit ratings or with higher credentials. The Company reviews the creditworthiness of these counterparties on an ongoing basis. Another source of credit risk at the reporting date is from trade receivables as the company having collateral against the receivables in normal course. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The Company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits.

#### Loan Against Securities

Company has large number of customer base with shared credit risk characteristics. Loans against securities are repayable by customer unconditionally in full on demand at the absolute discretion of the Group. Loan against securities are secured by collaterals. For the computation of ECL, the loans against securities are classified into three stages same as below.

For the computation of ECL, the loans against securities are classified into three stages :-

Stages as per Ind AS 109	Receivable
Stage 1	0 to 30 days past
Stage 2	31 to 90 days
Stage 3	More than 90 days past due

Following table provides information about exposure to credit risk and ECL on Loan

Stages	As at	As at
	March 31, 2023	March 31, 2022
Stage 1	1,904.80	2,189.96
Stage 2	535.90	675.70
(c) Loans Receivables have significant increase in Credit Risk	77.56	37.68
Less: Provision for expected credit loss	(29.86)	(23.27)
<b>Total Carrying Value</b>	<b>2,488.40</b>	<b>2,880.07</b>

#### (B) Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash, other bank balances and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's liquidity position through rolling forecasts on the basis of expected cash flows.

Refer Note No.31 for analysis of maturities of financial assets and financial liabilities.

#### (C) Interest Risk

##### Interest Rate Risk Exposure

The Company is exposed to various types of borrowings as stated in Note No. 9.

The Company's exposure to interest rate risks at the end of the reporting period is as follows:

Particulars	(₹ in Lakhs)	
	As at	As at
	March 31, 2023	March 31, 2022
Variable Rate Borrowings	791.51	627.51



### Sensitivity Analysis on Rate Borrowings

The Company is exposed to various types of borrowings as stated in Note No. 9, respectively. The sensitivity analysis demonstrates a reasonably possible change in the interest rates, with all other variables held constant. For the year ended March 31, 2023 and March 31, 2022, every 0.25% increase in the interest rate would decrease the companies profit approximately by Rs. 3.90 lakhs and 4.11 Lakhs, respectively. A 0.25% decrease in the interest rate would lead to an equal but opposite effect.

### (D) Market Risk

Market Risk is the risk that the fair value of future cash flows of the company will fluctuate because of movement in stock market, The company's nature of business and operations exposed to the market risks namely stock market movement risks, competition risks and technology risks. These risks may affect the company's income and expenses or the value equity investments. Nevertheless, the company believes that it has competitive advantage in terms of high quality services and by continuously upgrading its technology for front and back office softwares to meet the needs of its customers.

### 31. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows Assets and Liability analysed according to when they are expected to be recovered or settled

(₹ in Lakhs)

Assets	March 31, 2023			March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>						
Cash and Cash Equivalents	8.48	-	8.48	4.90	-	4.90
Loans	2,465.50	22.90	2,488.40	2,846.47	33.60	2,880.07
Other Financial Assets	0.67	-	0.67	0.24	-	0.24
<b>Non-Financial Assets</b>						
Property, Plant and Equipment	-	-	-	-	0.05	0.05
Other Non-Financial Assets	0.07	-	0.07	0.57	-	0.57
Deferred tax Assets (Net)	-	0.03	0.03	-	0.04	0.04
Current tax assets (Net)	19.31	-	19.31	-	-	-
<b>Total Assets</b>	<b>2,494.03</b>	<b>22.93</b>	<b>2,516.96</b>	<b>2,852.18</b>	<b>33.69</b>	<b>2,885.87</b>

Liabilities	March 31, 2023			March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Borrowings	791.51	-	791.51	627.51	-	627.51
Other Financial Liabilities	624.32	-	624.32	1,179.46	-	1,179.46
<b>Non-Financial Liabilities</b>						
Current Tax Liabilities (Net)	0.40	-	0.40	16.52	-	16.52
Other Non-Financial Liabilities	2.60	-	2.60	0.96	-	0.96
<b>Total Liabilities</b>	<b>1,418.83</b>	<b>-</b>	<b>1,418.83</b>	<b>1,824.45</b>	<b>-</b>	<b>1,824.45</b>

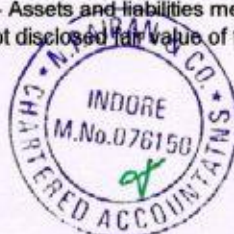
### 32. FAIR VALUE MEASUREMENT

#### Financial instruments by category

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>Financial Assets</b>		
<b>At Amortised Cost</b>		
Cash and Cash Equivalents	8.48	4.90
Loans	2,488.40	2,880.07
Other Financial Assets	0.67	0.24
<b>Total Financial Assets</b>	<b>2,497.55</b>	<b>2,885.21</b>
<b>Financial Liabilities</b>		
<b>At Amortised Cost</b>		
Borrowings	791.51	627.51
Other Financial Liabilities	624.32	1,179.46
<b>Total Financial Liabilities</b>	<b>1,415.83</b>	<b>1,806.97</b>

-Fair value hierarchy - Assets and liabilities measured at amortised cost for which fair values are disclosed.  
-The company has not disclosed fair value of financial asset or liability which is measured at amortised cost.



**33. DISCLOSURE ON PRUDENTIAL FLOOR FOR ECL**

In terms of RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

(₹ in Lakhs)

S.No.	Asset Classification as per RBI Norms	Asset Classification as per Ind-AS 109	Gross Carrying Amounts as per Ind-AS	Loss Allowances (Provisions) as required under Ind-AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Differences between Ind-AS 109 Provisions and IRACP norms
(i)	Performing Assets						
	Standard	Stage 1	1904.80	7.52	1897.28	7.52	-
		Stage 2	535.90	2.12	533.78	2.12	-
	<b>Subtotal</b>						
(ii)	Non-performing Assets (NPA)						
	Sub-standard	Stage 3	57.26	8.59	48.67	8.59	-
	Doubtful	Stage 3	18.35	9.68	8.67	7.34	2.34
	Loss asset	Stage 3	1.95	1.95	0	1.95	-
	<b>Subtotal</b>		2518.26	29.86	2488.4	27.52	2.34

Since the total impairment allowances under Ind AS 109 is higher than the total provisioning required under IRACP (including standard asset provisioning) as at 31st March, 2023, no amount is required to be transferred to 'Impairment Reserve'. The balance in the 'Impairment Reserve' (if and when created) shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

**34. Related Party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:**

**a) Names of the related parties and description of relationship:**

S.No.	Related Parties	Nature of Relationship
(i)	Key Management Personnel/individuals having control or significant influence.	
	Mr. Sunil Nyati Mrs. Anita Nyati Mr. Chandrashekhar Bobra	Director Director Independent Director
(ii)	Group Companies	
	Swastika Investmart Limited	Holding Company
	Swastika Insurance Broking Services Limited	Fellow Subsidiary
	Swastika Investmart (IFSC) Private Limited.	Fellow Subsidiary

**b) Details of Transactions during the year with related parties:**

(₹ in Lakhs)

S.No.	Related parties	Nature of Relationship	Nature of Transactions during the year	For the year ended	
				March 31, 2023	March 31, 2022
(i)	<b>Transactions with holding and fellow subsidiaries</b>				
	Swastika Investmart Limited	Holding Company	Expenses Recovered	27.57	48.00
	Swastika Investmart Limited	Holding Company	Loan Given	-	8,604.06
	Swastika Investmart Limited	Holding Company	Amount Received Against Loan	-	8,604.06
	Swastika Investmart Limited	Holding Company	Interest Income	-	6.68
	Swastika Investmart Limited	Holding Company	Loan Received	9,036.25	-
	Swastika Investmart Limited	Holding Company	Amount Repaid Against Loan Received	9,036.25	-
	Swastika Investmart Limited	Holding Company	Interest Expense	33.86	-
	Swastika Insurance Broking Services Limited	Fellow Subsidiary	Loan Given	18.35	47.00
	Swastika Insurance Broking Services Limited	Fellow Subsidiary	Amount Received Against Loan Given	18.35	47.00
	Swastika Insurance Broking Services Limited	Fellow Subsidiary	Interest Income	0.27	0.25
	Swastika Insurance Broking Services Limited	Fellow Subsidiary	Reimbursement of Expenses	0.05	-

**c) Balances at end of the year with Related Parties - NIL**



**Terms and Conditions of transactions with Related Parties:**

The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**35. Lease**

The Company has obtained premises for its business operations under lease. Such leases are generally have a lease term of 12 months or less with the option of premature cancellation of agreement on mutual consent of both the parties without having any purchase option. Lease payments are recognized in the Statement of Profit and Loss under "Rent" in Note no. 24.

**36. Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) 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 Group shall:
  - (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (viii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

**37. Ratios**

S.No.	Particular	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance (if above 25%)
a	Capital to risk-weighted assets ratio (CRAR)	Tier I capital + Tier II capital	Risk Weighted assets	42%	47%	-5%	-
b	Tier I CRAR	Tier I capital	Risk Weighted assets	42%	47%	-5%	-

**38. Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.0029/03.10.001/ 2014-15 dated April 10 2015**

**A. Movement of Non-Performing Assets (NPA's) (₹ in Lakhs)**

Sr. No.	Description	As at	
		March 31, 2023	March 31, 2022
(i)	Net NPA to Net Advances (%)	1.11%	0.80%
(ii)	Movement of NPAs		
	a) Opening Balance	37.68	59.43
	b) Additions during the year	58.96	0.10
	c) Reductions during the year	19.08	21.84
	d) Closing Balance	77.56	37.68

**B. Movement of Contingent Provision (₹ in Lakhs)**

Sr. No.	Description	As at	
		March 31, 2023	March 31, 2022
(i)	Movement of Contingent provision against standard Assets		
	a) Opening Balance	11.46	10.33
	b) Additions during the year	-	1.14
	c) Reductions during the year	(1.82)	-
	d) Closing Balance	9.64	11.46



## 39. Exposure to Capital Market

(₹ in Lakhs)

Sr. No.	Description	As at	As at
		March 31, 2023	March 31, 2022
(i)	Direct Investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures and units of equity-oriented mutual funds.	11.62	96.95
(iii)	Advances for any other purpose where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken a primary security	10.78	15.52
(iv)	Advances for any other purpose to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances.	-	-
(v)	Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and market makers.	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii)	Bridge loans to companies against expected equity flows/issues	-	-
(viii)	All exposures to Venture Capital Funds(both registered and unregistered)	-	-

## 40. Exposure to Real Estate sector, both Direct and Indirect

(₹ in Lakhs)

Sr. No.	Description	As at	As at
		March 31, 2023	March 31, 2022
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. Exposure would also include non-fund based (NFB) limits.	40.63	161.23
b)	Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail pace, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	1801.61	1705.18
	Investments in Mortgage-Backed Securities (MBS) and other securitized 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.	-	-
	<b>Total Exposure to Real Estate Sector</b>	<b>1842.24</b>	<b>1,866.41</b>

## 41. Customer Complaints

## 1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No.	Description	As at	As at
		March 31, 2023	March 31, 2022
	<b>Complaints received by the NBFC from its customers</b>		
1	No of Complaints Pending at the beginning of the year	-	-
2	No of Complaints received during the year	3	5
3	No of Complaints disposed during the year	3	5
4	No of Complaints Pending at the end of the year	-	-
	<b>Maintainable complaints received by the NBFC from Office of Ombudsman</b>	-	-



42. Details of non-performing financial assets purchases / sold

The company has neither purchased nor sold any non-performing financial assets during the previous year.

43. Registration under Other Regulators

Swastika Fin-Mart Private Limited (The Company) is a Non Banking Financial Company ('NBFC') registered with Reserve Bank of India (RBI) under section 45-IA of the Reserve Bank of India Act, 1934. The Company is primarily engaged in lending business without accepting public deposits and holding certificate of registration from Reserve Bank of India (RBI) received on February 27, 2015.

44. Penalties imposed by RBI and Other Regulators

No penalties have been imposed by RBI and other regulators during the FY 2022-23 and FY 2021-22.

45. Advance against Intangible Securities

Company has not given any loans against intangible securities.

46. Disclosure pursuant to Reserve Bank of India notification DNBR (PD)CC.No.0044/03.10.119/2015-16 dated July 01, 2015.

(₹ in Lakhs)

Sr. No.	Description	As at	As at
		March 31, 2023	March 31, 2022
	<b>Liabilities side :</b>		
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
	(a) Debentures		
	- Secured	-	-
	- Unsecured	-	-
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-Corporate Loans and Borrowings	712.00	533.00
	(e) Other Loans	79.51	94.51
	(Represents Working Capital Demand Loans and Cash Credit from Banks)		
	<b>Assets side:</b>		
(2)	Break-up of Loans and Advances including Bills Receivables [other than those included in (4) below]:		
	(a) Secured	1,904.80	2,189.96
	(b) Unsecured	613.46	713.38
(3)	Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities		
	(i) Lease Assets including Lease Rentals Accrued and Due:		
	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	-	-
(4)	Break-up of Investments (net of provision for diminution in value):		
	Current Investments:		
	I. Quoted:		
	i. Shares:		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	II. Unquoted:		
	i. Shares:		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	Long Term Investments:		
	I. Quoted:		
	i. Shares:		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-



*Handwritten signature/initials in blue ink.*

II. Unquoted:			
i. Shares:			
a) Equity	-	-	-
b) Preference	-	-	-
ii. Debentures and Bonds	-	-	-
iii. Units of Mutual Funds	-	-	-
iv. Government Securities	-	-	-
v. Others (please specify)	-	-	-
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same Group	-	-	-
(c) Other Related Parties	-	-	-
2. Other than Related Parties	-	-	-
Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted)			
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same Group	-	-	-
(c) Other Related Parties	-	-	-
2. Other than Related Parties	-	-	-
(5) Other Information			
(i) Gross Non-Performing Assets			
(a). Related party	-	-	-
(b). Other than related party	77.56	37.68	
(ii) Net Non-Performing Assets			
(a). Related party	-	-	-
(b). Other than related party	59.68	20.16	
(iii) Assets Acquired in Satisfaction of Debt	-	-	-

47. Additional Disclosure as per Section I under Scale Based Regulation for NBFCs circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on 'Scale Based Regulation (SBR)

- A. Exposure**
- The Company's exposure to real estate sector is provided in Note 40
  - Exposure to capital market  
The Company's exposure to capital market is provided in Note 39
  - Sectoral exposure

S.No.	Sectors	March 31, 2023		
		Total Exposure	Gross NPAs	% of Gross NPA to total Exposure
1	Agriculture and Allied Activities	-	-	0.00%
2	Industry			
2.1	Large	-	-	0.00%
2.2	Medium			
2.2.1	Power	53.00	-	0.00%
2.3	Small			
2.3.1	Food	6.83	-	0.00%
3	Services			
3.1	Educational Services	123.57	-	0.00%
3.2	Other Services	-	-	0.00%
4	Personal Loans			
4.1	Gold Loans	51.80	-	0.00%
4.2	Other Personal Loans	2283.06	77.56	3.40%
5	Others	-	-	0.00%



S.No.	Sectors	March 31, 2022		
		Total Exposure	Gross NPAs	% of Gross NPA to total Exposure
1	Agriculture and Allied Activities	-	-	0.00%
2	Industry			
2.1	Large	-	-	0.00%
2.2	Medium			
2.2.1	Power	53.00	-	0.00%
2.2.2	Manufacturing FMCG	40.07	-	0.00%
2.3	Small			
2.3.1	Food	6.83	-	0.00%
3	Services			
3.1	Educational Services	129.80	-	0.00%
3.2	Other Services	-	-	0.00%
4	Personal Loans			
4.1	Gold Loans	62.84	-	0.00%
4.2	Other Personal Loans	2610.8	37.68	1.44%
5	Others	-	-	0.00%

- 4) Intra-group exposures  
The company does not have any intra-group exposures
- 5) Unhedged foreign currency exposure  
The company does not have any foreign currency exposure

**B. Related Party Disclosure - Refer Note no. 34**  
Details of all material transactions with related parties are disclosed in Note 34.

**C. Disclosure of complaints**  
Details of the same is disclosed in Note 41.

46. The previous year figures have been regrouped and reclassified wherever considered necessary to confirm to this year's classifications.

As per our Report of even date  
For N.P. Airan & Co.  
Chartered Accountants  
FRN : 07116C

*N.P. Airan*



N.P. Airan  
Proprietor  
M.No. 076150  
UDIN: 23076150BGRXPU3362

Place: Indore  
Date: May 4, 2023

For & on behalf of the Board of Directors  
Swastika Fin-Mat Private Limited

*Sunil Nyati* *Anita Nyati*

Sunil Nyati  
(Director)  
DIN : 00015963

Anita Nyati  
(Director)  
DIN : 01454595