

LKP Finance Limited



38TH ANNUAL REPORT 2021-2022

Board of Directors :	DIN
Shri Mahendra V. Doshi <i>Executive Chairman & Managing Director</i>	00123243
Shri Vineet N. Suchanti	00004031
Shri Sajid Mohamed	06878433
Shri Pratik M. Doshi	00131122
Smt. Anjali Suresh	02545317
Shri Dinesh Waghela	00230087

Head Corporate Affairs (CFO)

Shri S. S. Gulati

Company Secretary :Shri Girish Kumar B. Innani
General Manager (Legal) & Company Secretary**Auditors :**MGB & Co LLP
Chartered Accountants
Peninsula Business Park,
Tower B, 19th Floor,
Lower Parel,
Mumbai - 400 013.**Registered Office :**203, Embassy Centre,
Nariman Point,
Mumbai - 400 021.
Tel. : 4002 4785 / 4002 4786
Fax : 2287 4787**CIN: L65990MH1984PLC032831****Registrar & Shares Transfer Agent :**Adroit Corporate Services Pvt. Ltd.
19, Jaferbhoy Industrial Estate,
1st Floor, Makavana Road,
Marol Naka, Andheri (East),
Mumbai - 400 059.
Tel. : 28590942 / 28594060**CONTENTS**

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**38th Annual General Meeting on Monday, June 20, 2022 at
2.00 p.m. through Video Conferencing (VC)/ Other Audio
Visual Means (OAVM)**

NOTICE

NOTICE is hereby given that the Thirty Eighth (38th) Annual General Meeting (“Meeting”) of the member(s) of LKP Finance Limited (“Company”) will be held on Monday, June 20, 2022 at 2:00 p.m. (IST) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Report of the Board of Directors and the Statutory Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Report of the Statutory Auditors thereon.
2. To declare dividend for the Financial Year 2021-2022.
3. To appoint a Director in place of Mr. Mahendra V. Doshi (holding DIN 00123243), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. MGB & Co. LLP, Chartered Accountants, Firm Reg. No. 101169W/W100035 as statutory auditors of the Company and fix their remuneration.

By order of the Board of Directors
For LKP Finance Limited

(Girish Kumar B. Innani)
General Manager (Legal) &
Company Secretary

Place : Mumbai
Date : May 05, 2022

Registered Office:

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

NOTES:

1. Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested and other requisite documents / Registers maintained under the Act shall be available for inspection electronically.
2. Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulation’) and Secretarial Standards on General Meeting (‘SS-2’), the required details of the Director proposed to be re-appointed is given in the Annexure forming part of the Notice.
3. In view of the continuing COVID-19 pandemic, social distancing norms to be followed and pursuant to General Circular No. 21/2021 dated 14th December, 2021 and other applicable circulars issued by the Ministry of Corporate Affairs (MCA), Government of India and SEBI and in compliance

with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 permitted holding of Annual General Meeting (“AGM”) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without physical presence of members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. In compliance with the provisions of the Act read with MCA Circulars and SEBI Listing Regulations, the AGM of the Company will be held through VC/ OAVM. The deemed venue for the Thirty-Eighth AGM shall be the Registered Office of the Company *i.e.* 203, Embassy Centre, Nariman Point, Mumbai 400 021.

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
5. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of the Act, a Member is entitled to attend and vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since, this AGM is being held through VC/OAVM, the physical attendance has been dispensed with. Accordingly, the facility for appointment of proxies by the members to attend and cast vote is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed

to this notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

8. In line with the Ministry of Corporate Affairs (MCA) Circulars the Notice calling the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice of AGM along with Annual Report has also been uploaded on the website of the Company at www.lkpsec.com, websites of BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM) at www.evotingindia.com. Members (Physical / Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting to our Registrar and Share Transfer Agent i.e. Adroit Corporate Services Private Limited ('RTA') at info@adroitcorporate.com and to the Company at lkpfininvestor.relations@lkpsec.com.
 9. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to lkpfinancescrutinizer@gmail.com or with a copy marked to www.evotingindia.com.
 10. Notice is also given under Section 91 of the Companies Act, 2013 read with Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Register of Members and the Share Transfer Book of the Company will remain closed from Tuesday, June 14, 2022 to Monday, June 20, 2022(both days inclusive).
 11. The information and instructions for shareholders for remote e-voting are as under:
 - I. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.
 - II. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility.
 - III. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., Monday, June 13, 2022 . A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
 - IV. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Monday, June 13, 2022 only shall be entitled to avail the facility of e-voting/ Poll on Demand.
12. Information and other instructions relating to e-voting are as under:
 - (i) The voting period begins on Thursday, June 16, 2022 at 09:00 A.M. and ends on Sunday, June 19, 2022 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, June 13, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
 - (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method	Type of shareholders	Login Method						
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM. 	<ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p> <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>							
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 	<p>Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.</p> <p>Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL</p> <table border="1" data-bbox="829 1415 1485 1682"> <thead> <tr> <th>Login type</th> <th>Helpdesk details</th> </tr> </thead> <tbody> <tr> <td>Individual Shareholders holding securities in Demat mode with CDSL</td> <td>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.</td> </tr> <tr> <td>Individual Shareholders holding securities in Demat mode with NSDL</td> <td>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</td> </tr> </tbody> </table>	Login type	Helpdesk details	Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.	Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	<p>(iv) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.</p> <ol style="list-style-type: none"> The shareholders should log on to the e-voting website www.evotingindia.com. Click on "Shareholders" module. Now enter your User ID
Login type	Helpdesk details								
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.								
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30								

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

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

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the **EVSN no. 220521004** of LKP Finance Limited on which you choose to vote.
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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

13. Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

- i. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at lkpfininvestor.relations@lkpsec.com or RTA at info@adroitcorporate.com.
- ii. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN

card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at lkpfininvestor.relations@lkpsec.com or RTA at info@adroitcorporate.com.

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

- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
 - ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 - iii. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
 - v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request before the cut-off date for the AGM (i.e on or before Monday, June 13, 2022) mentioning their name, demat account number/ folio number, email id, mobile number at lkpfininvestor.relations@lkpsec.com.
 - vi. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance before the cut-off date for the AGM (i.e on or before Monday, June 13, 2022) mentioning their name, demat account number/ folio number, email id, mobile number at lkpfininvestor.relations@lkpsec.com. These queries will be replied to by the Company suitably by email.
 - vii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
 - viii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - ix. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
15. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

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

16. Members can avail themselves, the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail themselves of this facility may send their nominations in the prescribed Form No. SH-13 duly filled in to the Company's Registrar & Transfer Agents (R&T Agents). Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
17. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all companies to use the bank account details furnished by the Depositories for any payment (including dividend) through Electronic Clearing Service ("ECS") to investors. In the absence of ECS facility, companies shall mandatorily print the bank account details of the investors on such payment instruments. Members are encouraged to avail ECS facility and requested to update bank account details in the prescribed form to their respective Depository Participant(s) and/or the Company's R&T Agents.
18. Members who have not registered their e-mail ID so far are requested to register the same for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company in electronic form.
19. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail ID, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective Depository Participant(s) in case the shares are held in electronic form and to the Company's R&T Agents in case the shares are held in physical form.
20. In terms of the Regulation 40 of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialised form with effect from April 1, 2019, except in case of transmission or transposition of securities. In view of the above, Members are advised to dematerialise shares held by them in physical form. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialise their shareholding to also avail numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
21. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
22. Mr. V. Ramachandran (Membership No. A-7731 / CP No. 4731), Proprietor M/s. V. R. Associates, Practicing Company Secretaries has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

23. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company at www.lkpsec.com and on the website of CDSL immediately after the declaration of result by the Chairperson or a person authorised by him/her in writing. The Results shall also be immediately forwarded to Stock Exchanges.
24. In terms of section 101 and 136 of the Act, read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website at www.lkpsec.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
25. The Ministry of Corporate Affairs had notified provisions relating to unpaid/unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the Companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period.
26. Members are requested to send all communications to our R&T Agents at the following address:
- Adroit Corporate Services Private Limited**
 19, Jafferbhoy Industrial Estate, 1st Floor,
 Makwana Road, Marol Naka, Andheri East, Mumbai - 400 059
 Tel. No.: +91 22 4227 0400; Fax No.: +91 22 2850 3748.
 E-mail ID: info@adroitcorporate.com
27. Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed in this Notice.

By order of the Board of Directors
For LKP Finance Limited

(Girish Kumar B. Innani)
General Manager (Legal) &
Company Secretary

Place : Mumbai
 Date : May 05, 2022

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

Annexure

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

Name	Mr. Mahendra V. Doshi
DIN	00123243
Date of Birth / Age	29/11/1949 / 72 Years
Date of First Appointment	5 th May 1984
Qualification	MBA – U. S. A.
Expertise in Specific Functional Areas	Mr. Mahendra V. Doshi is the promoter of the Company and is associated with Company since inception. He was appointed as Executive Chairman w.e.f. 26 th July, 2001. He has over 44 years vast experience in the field of Finance, Capital Market and Business Administration. He has been last re-appointed by Special Resolution at 36 th AGM of the Company held on August 31, 2020 as Executive Chairman and Managing Director of the Company.
Other Directorships	1. Nilkamal Ltd. 2. Graviss Hospitality Ltd. 3. LKP Securities Ltd. 4. Raymond Consumer Care Ltd. 5. Raymond Apparel Ltd. 6. MKM Share and Stock Brokers Ltd. 7. LKP Wealth Advisory Ltd. 8. Bhavana Holdings Pvt. Ltd. 9. Peak Plastonics Pvt. Ltd. 10. Sea Glimpse Investment Pvt. Ltd.
Chairman / Member of Committee of the Board of the Companies on which he is a Director	LKP Finance Ltd. i. Share Transfer Committee-Chairman ii. CSR Committee –Chairman iii. Operational Committee- Chairman iv. Audit Committee-Member Graviss Hospitality Limited i. Audit Committee - Chairman ii. Shareholders & Investors Grievance Committee – Member iii. Nomination & Remuneration Committee – Chairman Nilkamal Ltd. i. Audit Committee – Member ii. Nomination & Remuneration Committee – Member Raymond Apparel Ltd. i. Audit Committee—Chairman ii. Nomination and Remuneration Committee- Member iii. C S R Committee- Member
Shareholding in the Company	35,21,845 Equity Shares (28.02%) (Including on behalf Partnership firm)
Relationship with any Director(s) of the Company	Father of Mr. Pratik M. Doshi

DIRECTORS' REPORT

The Directors present the Thirty Eighth Annual Report and Audited Accounts of the Company for the year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

The financial performance of the Company is as follows:

Rs. In lakh

Particulars	Standalone		Consolidated	
	Financial Year	Financial Year	Financial Year	Financial Year
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	5554.01	9563.69	6100.18	9575.18
Other Income	15.80	149.31	15.80	149.31
Total Revenue	5569.81	9713.00	6115.98	9724.49
Profit before Tax	3722.03	6963.56	4190.36	6954.94
Less: Tax expense	441.25	889.96	533.95	890.27
Profit after Tax	3280.78	6073.60	3656.41	6064.67
Other Comprehensive income for the year	212.50	4822.25	214.68	4822.54
Total Comprehensive Income / (loss) for the year	3493.28	10895.84	3871.09	10887.21
Earnings per equity share (Face Value of Rs.10/- each) - Basic and Diluted (in Rs.)	26.09	48.32	29.09	48.25

RESERVE

The Company during the year under review has transferred Rs. 656.162 lacs to Special Reserve as per applicable regulation for NBFCs, prescribed by the Reserve Bank of India Act, 1934.

DIVIDEND

Your Directors are pleased to recommend a Dividend of Rs. 3/- (30%) per equity share of Rs. 10/- each for the financial year 2021-22, which is subject to consideration and approval of the Shareholders at the ensuing Annual General Meeting of the Company, and shall be paid within the statutory period to those members whose names appear in the Register of Members as on the date of book closure.

The total outflow on account of the proposed dividend shall amount to Rs. 377.06 lakhs.

PERFORMANCE REVIEW

The Company has adopted Ind AS for reporting financial results. The Company's revenue from operation decreased to Rs. 5554.01 from Rs. 9563.69 lacs and Other Income also decreased to Rs. 15.80 lacs from 149.31 lacs. There is a net profit after tax of Rs. 3280.78 lakhs as against a net profit of Rs. 6073.60 lakhs in the previous year.

COVID-19

The COVID-19 pandemic outbreak which began in the middle of March 2020 continued to impact the economy throughout the financial year 2021-22. The year was full of uncertainties with slowdown in activities on the ground. Your Company has been strictly adhering to lockdown announcements in accordance with the directives issued by the Central, State Government and Local Administration.

The Company took all necessary measures to mitigate the impact of the challenges being faced in the business. It is focused on controlling costs, maintaining liquidity and closely monitoring the operations. The Company carries shares and securities in its books. The effect of mark to market profit / losses thereon have been taken into account in the Statement of Profit and Loss for the year. The Company believes that it has taken into account the impact of known events arising out of COVID 19 pandemic in the preparation of financial results resulting out of fair valuation of the investments.

SHARE CAPITAL

During the year under review, there is no change in the Share capital of the Company.

During the year under review, the Company has not issued any sweat equity shares or bonus shares or equity shares with differential rights.

FIXED DEPOSITS

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

RISK MANAGEMENT

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

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

INDIAN ACCOUNTING STANDARD (IND AS)

The Company has adopted Indian Accounting Standards (“IND AS”) from April 01, 2019 with a transition date of April 01, 2018. Accordingly, the financial statement for the year 2021-22 have been prepared in accordance with IND AS, prescribed under Section 133 of the Act, read with the relevant rules issued thereunder and the other recognised accounting practices and policies to the extent applicable.

SUBSIDIARY, JOINT VENTURE, HOLDING COMPANY AND ASSOCIATE COMPANIES

As per the Circular No. 51/12/2007-CL-III dated 8th February, 2011 issued by Government of India, Ministry of Corporate Affairs, the required financial information in the consolidated balance sheet is given in respect of Company’s subsidiary i.e. Bond Street Capital Private Limited (erstwhile Gayatri Cement and Chemical Industries Private Limited), in Form AOC 1 annexed to this Report as “Annexure I”.

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

CONSOLIDATED FINANCIAL STATEMENT

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

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

DIRECTORS

To comply with the requirement of minimum number of Directors on the Board of the Company pursuant to the regulation 17 (1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In terms of Section 152 of the Act, Mr. Mahendra V. Doshi is liable to retire by rotation at the forthcoming Annual General Meeting (“AGM”) and being eligible, offers himself for re-appointment.

The Company has received necessary disclosure and confirmation from concerned Director(s) in connection with their appointment / re-appointment as required under Regulation 36 of SEBI Listing Regulations, is given in the Notice convening the ensuing AGM.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Act that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulation 25 of SEBI Listing Regulations.

PERFORMANCE EVALUATION OF BOARD

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out an annual evaluation of performance of its own, the Committees thereof and the Directors individually.

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

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

The Directors expressed their satisfaction with the evaluation process.

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

POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION

Company’s policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2022, the Board had six members, one of whom is an Executive Chairman-Managing Director, two Non-executive Non-independent Director and three Independent Directors. One of whom is a Woman Independent Director.

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

MEETINGS

During the year Four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on March 31, 2022 and state that :

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

STATUTORY AUDITORS

M/s. MGB & Co. LLP, Chartered Accountants Firm Reg. No. 101169W/W100035, Mumbai, retire at the conclusion of the forthcoming Annual General Meeting. The Company has received a letter from them to the effect that their appointment, if made, would be within the provision prescribed under Section 139 of the Companies Act, 2013. Your Directors recommend their re-appointment.

Auditors' Report to the members does not contain any qualification, reservation and adverse remarks and the same is annexed in this Annual Report.

SECRETARIAL AUDIT

Pursuant provisions of section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 the company has appointed M/s V. R. Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The observation made in the Report is factual and self-explanatory. The Secretarial Audit Report is annexed herewith as "**Annexure II**".

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

ANNUAL RETURN

The requirement to annex the extract of annual return in Form MGT 9 is omitted vide the Companies (Amendment) Act, 2017 read with the Companies (Management and Administration) Amendment Rules, 2021 effective from 5th March, 2021. As per Section 92 of the Companies Act, 2013, the copy of annual return of the company has been placed on the website of the company and can be accessed at www.lkpsec.com

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

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

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

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

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statement.

CODE OF CONDUCT:

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

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters

relating to integrity in the work place, in business practices and in dealing with stakeholders.

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

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

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

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

PREVENTION OF INSIDER TRADING

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

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

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

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

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

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

CORPORATE GOVERNANCE

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

DISCLOSURES

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

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

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

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

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the

Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed-off during the year 2021-22.

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

ACKNOWLEDGEMENT

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

For and on behalf of Board
of Directors

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

Place: Mumbai
Date: May 05, 2022

**Annexure I
Form AOC-1**

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

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

Rs. In Lacs.

Sl. No.	Particulars	Details
1	Name of the subsidiary	Bond Street Capital Private Limited (f/k/a Gayatri Cement & Chemical Industries Private Limited)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2021 To 31/03/2022
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share Capital	995.00
5	Reserves & Surplus	2110.90
6	Total Assets	3220.12
7	Total Liabilities	3220.12

Sl. No.	Particulars	Details
8	Investments	634.86
9	Turnover	715.57
10	Profit before taxation	468.34
11	Provision for taxation	92.70
12	Profit after taxation	375.64
13	Proposed Dividend	Nil
14	% of shareholding	Nil

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

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

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

For and on behalf of the board of Director
LKP Finance Limited

Sanjay Kothari
Partner
Membership No. 048215

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

Pratik M Doshi
Director
DIN: 00131122

Place : Mumbai
Date : May 05, 2022

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

S.S Gulati
Head-Corporate Affairs

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,
The Members,
LKP Finance Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by LKP Finance Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as applicable to the company:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable to the company during the audit period)**
 - (d) The Securities and Exchange Board of India Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

regarding the Companies Act and dealing with client;

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

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

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

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

- *The Company has on 7th February, 2022 received from Registrar of Companies, Mumbai an 'Order under Section 206(4) of the Companies Act, 2013 for furnishing information'. The Company has provided its reply to Registrar of Companies, Mumbai on 8th March, 2022 and further course is pending.*

I further report that

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

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

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

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

We further report that during the audit period the company has:

- i. Re-appointed Mr. Sajid Mohamed as an Independent Director of the Company.
- ii. Appointed Mr. Dinesh Waghela as a Director of the Company.

For V.R. Associates
Company Secretaries
V. Ramachandran
CP 4731

Place : Mumbai UDIN: A007731D000345464
Date : 5th May, 2022 Peer Review Certificate no. 1662/2022

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

'Annexure I' to Secretarial Audit Report

To,
The Members,
LKP Finance Limited.

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

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

For V.R. Associates
Company Secretaries
V. Ramachandran
CP 4731

Place : Mumbai UDIN: A007731D000345464
Date : 5th May, 2022 Peer Review Certificate no. 1662/2022

Annexure III

REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company.

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

LKP's CSR activities will be implemented through a registered trust or a registered society or a Company established by the Company or its holding or subsidiary or associate company under Section 8 of the Companies Act, 2013 or through Collaborative partnerships formed with the Government / District authorities, or NGOs, or otherwise, provide that:

- If such trust, society or company is not established by the Company or its holding or associate company, it shall have an established track record of 3 (three) years in undertaking similar programs or projects;
- The Company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

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

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

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

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

Implementation Process

Prior to the commencement of any programme(s)/activity (ies), the Company shall consider various parameters and based on the same it shall choose the appropriate project. All projects would be assessed under the agreed strategy and monitored on a regular basis – the set targets vis-à-vis the budgets. Midcourse corrections, if necessary, would also be carried out. Presently LKP's CSR activities are implemented through a registered trust i.e. Smt. Jayalaxmi Vasantraai Doshi Charitable Trust.

2. Composition of CSR Committee:

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

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board..

<http://www.lkpsec.com/Admin/InvestorInreport/635665217977345000/FINAL%20CSR%20POLICY.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not applicable

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2021-22	3,70,752/-	Nil
2	2020-21	2,73,771/-	Nil
3	2019-20	7,22,438/-	Nil
	TOTAL	13,66,961/-	Nil

6. Average net profit of the company as per section 135(5).

The average net profit of LKP Finance Ltd. of the last three financial years was calculated to be: Rs. 22,46,41,391/--

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 44,92,828/--

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b- 7c): Rs. 44,92,828/-

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred To Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
45,00,000/-	Nil	Nil	Nil	Nil	Nil

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation- Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
	Devghar Village	Promotion of Education, Literacy, Health Care and Environmental Sustainability	No	Maharashtra	Pune	Ongoing	45,00,000/-	45,00,000/-	Nil	No	Smt. Jayalaxmi Vasantrai Doshi Charitable Trust	CSR00010265
	TOTAL						45,00,000/-	45,00,000/-	Nil			

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.									
2.									
3.									
	TOTAL								

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

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

(f) Total amount spent for the Financial Year Rs. 45,00,000/-

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

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	44,92,828/-
	Total amount spent for the Financial Year	45,00,000/-
(ii)	Excess amount spent for the financial year [(ii)-(i)]	7,172/-
(iii)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(iv)	Amount available for set off in succeeding financial years [(iii)-(iv)]	7,172/-

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent In the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.							
2.							
3.							
	TOTAL						

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
1.	NA	Devghar Village	2013-2014	Ongoing	5,00,00,000/-	45,00,000/-	2,53,10,000/-	Ongoing
	TOTAL				5,00,00,000/-	45,00,000/-	2,53,10,000/-	

Brief Description of Projects:

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

During the COVID-19 pandemic, owing to the subsequent lockdowns, the teaching and learning continued over online platform.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s). Not applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset. Not applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Not applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Not applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not applicable

Pratik M. Doshi
 (Director)
 DIN: 00131122

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

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

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

Name of Director	Designation	Ratio to median remuneration of the employees
Mr. Mahendra V. Doshi	Executive Chairman & Managing Director	32.78:1
Mr. Vineet Suchanti	Independent Director	Not Applicable as only sitting fees is paid to him.
Mr. Sajid Mohamed	Independent Director	Not Applicable as only sitting fees is paid to him.
Mrs. Anjali Suresh	Independent Director	Not Applicable as only sitting fees is paid to her.
Mr. Pratik M. Doshi	Non-executive and Non-Independent Director	Not Applicable as only sitting fees is paid to him.
Mr. Dinesh Waghela	Non-executive and Non-Independent Director	Not Applicable as only sitting fees is paid to him.

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

Name of Directors / Employees	Designation	% Increase in remuneration
Mr. Mahendra V. Doshi	Executive Chairman & Managing Director	(-) 2.82
Mr. Vineet Suchanti	Independent Director	Nil-Only sitting fees for attending Board Meetings is paid
Mr. Sajid Mohamed	Independent Director	Nil-Only sitting fees for attending Board Meetings is paid
Mrs. Anjali Suresh	Independent Director	Nil-Only sitting fees for attending Board Meetings is paid

Name of Directors / Employees	Designation	% Increase in remuneration
Mr. Pratik M. Doshi	Non-executive and Non-Independent Director	Nil-Only sitting fees for attending Board Meetings is paid
Mr. Dinesh Waghela	Non-executive and Non-Independent Director	Nil-Only sitting fees for attending Board Meetings is paid
Mr. S. S. Gulati	Head Corporate Affairs / CFO	(-)20.92
Mr. Girish Kumar Innani	GM (Legal) & Company Secretary	Nil

- iii. The % increase in the median remuneration of employees in the financial year : 8.93
- iv. The number of permanent employees on the rolls of the Company : 28

- v. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year: (-) 2.28

Average percentage increase in the managerial remuneration in the last financial year. (-) 4.95

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

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

For and on behalf of Board of Directors

(M. V. Doshi)

Place: Mumbai
Date: May 05, 2022

Executive Chairman & Managing Director
DIN: 00123243

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance

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

Board of Directors

Composition

The composition and category of Directors in the Company and other listed entities as on March 31, 2022 are as follows:

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

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

Board Meetings

In view of Covid-19, the Ministry of Corporate Affairs ('MCA') had vide Notification dated March 19, 2020 had permitted convening of Board Meeting through Video Conferencing or Other Audio Visual Means. The Meeting of the Board of Directors are scheduled well in advance and generally held at the Company's office at Nariman Point, Mumbai through Audio Visual means. The notice confirming the meeting and the detailed agenda is sent well in advance to all the Directors.

There were four Board Meetings held during the financial year ended March 31, 2022, namely on June 24, 2021, July 30, 2021, October 27, 2021 and January 25, 2022.

Attendance, Other Directorship & Membership

Membership and Attendance of each Director at the Board of

Directors' Meetings held during the year and the last Annual General Meeting and the number of other Directorship/Membership of Board Committees as on March 31, 2022:

S. No.	Name of the Director	Board Meeting Attended	Attendance at Last AGM	No. of Directorship in Boards (Including LKP Finance Ltd.)		No. of Chairmanship / Membership in other Board Committees (Including LKP Finance Ltd.) *	
				Public	Private	Membership	Chairmanship
1	Mr. Mahendra V. Doshi	4	Yes	8	3	3	2
2	Mr. Vineet Suchanti	4	Yes	4	2	2	1
3	Mr. Pratik M. Doshi	4	Yes	4	4	3	0
4	Mr. Sajid Mohamed	4	Yes	2	1	1	0
5	Mrs. Anjali Suresh	4	No	2	1	4	1
6	Mr. Dinesh K. Waghela	4	Yes	1	3	--	--

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

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

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

In the opinion of the Board of Directors, the Independent Directors fulfil the conditions specified in the SEBI (LODR) Regulations, 2015 and are independent of the management

Remuneration of Directors

During the year under review the Company has paid Rs. 299.70 lacs towards remuneration to Mr. Mahendra V. Doshi, Executive Chairman of the Company pursuant to the special resolution passed by members on August 31, 2020. At present, Independent Directors are not paid any remuneration except sitting fees for attending Board Meetings.

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

Mr. Sajid Mohamed	Rs. 2,00,000/-
Mr. Vineet N. Suchanti	Rs. 2,00,000/--
Mr. Pratik M. Doshi	Rs. 2,00,000/--
Mr. M. V. Doshi	Nil
Mrs. Anjali Suresh	Rs. 2,00,000/-
Mr. Dinesh K. Waghela	Rs. 2,00,000/-

No stock options were granted to any of the Independent Directors and Promoter Directors.

During the year under review, the Company has not granted any advance or loans to any directors.

Audit Committee

The Board has set up the Audit Committee with two Independent Directors Mr. Vineet N. Suchanti, Mrs. Anjali Suresh and one Promoter Director Mr. M. V. Doshi. Mr. Vineet N. Suchanti is the

Chairman of the Audit Committee and was present at the last Annual General Meeting.

Audit Committee meetings were held on namely on June 24, 2021, July 30, 2021, October 27, 2021 and January 25, 2022. All the members have attended the aforesaid meetings. The Statutory Auditors were the invitees to the above meetings. The scope of activities and powers of Audit Committee includes the areas prescribed under the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and section 177 of the Companies Act, 2013.

Stakeholders Relationship Committee

Stakeholders Relationship Committee has been constituted pursuant to the section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The said Committee is having two Independent Directors Mrs. Anjal Suresh, Mr. Vineet Suchanti and a non-executive Director Mr. Pratik Doshi. Mrs. Anjali Suresh is appointed as the Chairperson of the Committee. Mr. Girish Innani, General Manager (Legal) & Company Secretary of the Company is Compliance Officer. The company has not received any complaint from shareholders of the Company during the year under review. The Committee meetings were held on 24th June 2021, 30th July 2021, 27th October 2021 and 25th January 2022. There is no complaint which has remained un-addressed.

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

Nomination and Remuneration Committee

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

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

During the financial year ended March 31, 2022, one meeting of the Nomination and Remuneration Committee were held on 24th June 2021. All the members have attended the aforesaid meeting. At present, Directors are not paid any fees for attending any Committee Meetings.

Criteria of selection of Non-executive Directors

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

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

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

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

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

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

Remuneration

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

Executive Chairman- Managing Director / Director – Criteria for selection / appointment

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

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

Remuneration for the Executive Chairman-Managing Director / Director

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

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the Executive Chairman- Managing Director / Director comprises of fixed and variable component as per the

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

Remuneration Policy for the Senior Management Employees

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

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

Corporate Social Responsibility (CSR) Committee:

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

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

The committee met once during the financial year ended March 31, 2022. All the members have attended the said CSR Committee meeting.

Performance Evaluation of the Board

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

Independent Directors Meeting

During the year under review, the Independent Directors met on January 25, 2022, inter alia, to discuss:

Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;

Evaluation of the performance of the Chairman of the Company, taking into account the views of the Non-executive Directors.

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

Skills, Expertise and Competencies

The Board has a right blend of dynamism with each of the Directors having several years of vast experience and knowledge in various diversified functions, viz., investment banking and institutional and retail stock broking, corporate banking and treasury, planning, project finance, business strategies, banking and finance, competition law, corporate affairs, industry, economic regulation and corporate law etc.

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

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

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

Notes:

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

General Body Meetings

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

Year	Day, Date & Time of AGM	Venue	Special Resolutions Passed
2020-21	Tuesday, August 10, 2021 at 11.30 AM	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). Deemed venue- 203, Embassy Centre, Nariman Point, Mumbai 400 021.	Re-appointment of Mr. Sajid Mohamed as Independent Director for 2 nd term of 5 years
2019-20	Monday, August 31, 2020 at 11:00 AM	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). Deemed venue- 203, Embassy Centre, Nariman Point, Mumbai 400 021.	Re-appointment of Mr. Mahendra V. Doshi as Executive Chairman and Managing Director and payment of remuneration to him. Re-appointment of Mrs. Anjali Suresh as Independent Director for 2 nd term of 5 years
2018-19	Friday, July 05, 2019 at 10:00 AM	M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai, 400 001.	Reappointment of Mr. Vineet Suchanti as Independent Director for 2 nd term of 5 years.

Extraordinary General Meeting

No extraordinary general meeting of the members was held during financial year ended March 31, 2022.

Postal Ballot

During the year under review, the Company had not conducted any postal ballot.

Further, none of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

Disclosure

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

The Company has complied with the requirements of regulatory authorities. During the financial year under review, there were no instances of non-compliance by the Company and no penalty or restrictions were imposed on the Company by the Stock Exchange(s) or Securities and Exchange Board of India or any statutory authority, on any matter related to the capital markets.

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

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

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

Weblink:

Policy on dealing with related party transactions

https://www.lkpsec.com/Admin/InvestorInreport/636952606669180134_LKPF_Policy_on_Related_Party_Transactions.pdf

Policy for determining 'material' subsidiaries

https://www.lkpsec.com/Admin/InvestorInreport/636952607317991013_LKPF_Policy_on_determining_material_subsidary.pdf

Means of Communication

All financial results were published in Business Standard and Mumbai Lakshadeep, widely circulating national and local dailies. These were not sent individually to the shareholders.

The Company's results or official news are displayed on the web site www.lkpsec.com

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

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

General Shareholder Information

AGM Date, Time and Venue: Monday, June 20, 2022 at 2.00 pm. through Video Conference / Other Audio Visual Means (OVAM). The deemed venue of the meeting shall be considered at the Registered Office of the Company.

Financial Calendar: April to March

Announcement of Audited / Un-audited Results (tentative)

1st Quarter - First week of August

2nd Quarter - First week of November

3rd Quarter - First week of February

4th Quarter - First week of May

Book Closure: Tuesday, June 14, 2022 to Monday, June 20, 2022 (both days inclusive) for the purpose of payment of dividend.

Dividend: The proposed dividend, if declared by the shareholders at forthcoming AGM, shall be paid to the eligible shareholders within 30 days of AGM.

Transfer to Investor Education and Protection Fund:

As required under Section 124 of the Act, the unclaimed interim dividend amount aggregating to Rs. 17,44,760/- lying with the Company for a period of seven years pertaining to the financial year ended on March 31, 2015 was transferred during the year 2021-22, to the Investor Education and Protection Fund established by the Central Government.

Final Dividend which remains unpaid or unclaimed, declared by the Company for the year ended on March 31, 2015 at the Annual General Meeting held on June 11, 2015 will be due on July 16, 2022 to transfer to the Investor Education and Protection Fund of the Central Government pursuant to the provisions of section 124 of the Companies Act, 2013. Thereafter no claim shall lie against the Company on these dividend from the shareholders.

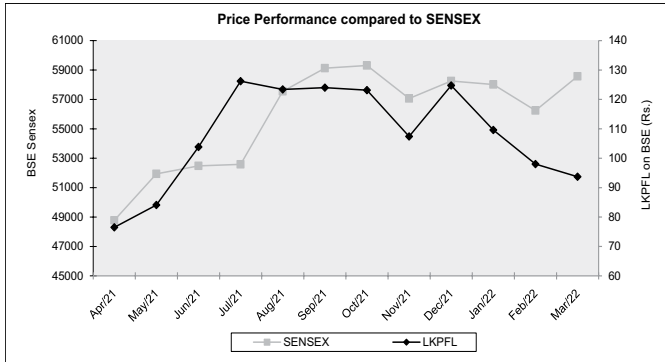
Listing on Stock Exchange: BSE Limited, Mumbai (Code-507912). The Company has paid the listing fees for FY 2022-23.

Demat ISIN No. for Depositories : INE 724A01017

Market Price Data and Performance in comparison to BSE Sensex

	LKP Finance Ltd		BSE Sensex	
	LKP High Price	LKP Low Price	Sensex High	Sensex Low
Apr-21	82	65.1	50375.77	47204.5
May-21	90	72.7	52013.22	48028.07
Jun-21	125	82.2	53126.73	51450.58
Jul-21	128.7	100.75	53290.81	51802.73
Aug-21	151.4	111.2	57625.26	52804.08
Sep-21	143.9	105.6	60412.32	57263.9
Oct-21	136.7	118	62245.43	58551.14
Nov-21	128	106	61036.56	56382.93
Dec-21	125.5	95.65	59203.37	55132.68
Jan-22	144.2	108.2	61475.15	56409.63
Feb-22	115.95	86.2	59618.51	54383.2
Mar-22	111.9	89	58890.92	52260.82

Price Performance compared to SENSEX



The performance comparison is based on the closing price / Sensex on the last trading day of the month.

Credit Rating

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

Rating Agency	Product	Rating as on March 31, 2022	Rating as on March 31, 2021
Brick Work Ratings India Pvt. Ltd.	Fund based facility -Term Loan – Long Term	BWR BBB (Stable)	BWR BBB- (Stable)

Registrar & share Transfer Agent

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

Share Transfer System

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized form. In terms of the Regulation 40 of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019, except in case of transmission or transposition of securities.

Dematerialization of equity Shares and liquidity

As on March 31, 2022, 98.28 % of the Company's total shares represented by 1,23,51,991 shares were held in dematerialized form.

Out-standing GDR/Warrants/Convertible Instruments

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

Shareholding Pattern as on March 31, 2022

Sr. No	Description	Folios	%	Shares	%
1	Resident Individual	5223	93.64	2378137	18.92
2	Non Resident Indians (Individuals)	173	3.10	71083	0.57
3	Corporate Bodies (Promoter)	2	0.04	3957020	31.48
4	Corporate Bodies	50	0.90	1520951	12.10
5	Foreign Individuals	1	0.02	200	0.00
6	Banks	2	0.04	250	0.00
7	Directors (Promoter)	5	0.09	3622567	28.82
8	Directors	1	0.02	1185	0.01
9	Directors Relatives (Promoter)	3	0.05	416725	3.32
10	Clearing Member	17	0.30	5877	0.05
11	Corporate Body - Broker	3	0.05	194	0.00
12	Investors Education And Protection	1	0.02	94020	0.75
13	Foreign Portfolio Investors	2	0.04	448000	3.57
14	NBFCs	1	0.02	6861	0.05
15	Hindu Undivided Family (HUF)	94	1.68	45553	0.36
Total		5578	100.00	12568623	100.00

Distribution of shareholding as on March 31, 2022

No. of Shares	No. of Shareholders	%	No. of Shares	Amount in Rs.	%
UPTO – 100	3814	68.38	233203	2332030	1.86
101 – 500	1240	22.23	320944	3209440	2.55
501 – 1000	272	4.88	210284	2102840	1.67
1001 - 2000	123	2.21	185862	1858620	1.48
2001 - 3000	42	0.75	107081	1070810	0.85
3001 - 4000	11	0.20	37056	370560	0.29
4001 - 5000	8	0.14	35831	358310	0.29
5001 – 10000	30	0.54	203952	2039520	1.62
10001 – 20000	14	0.25	207882	2078820	1.65
20001 – 50000	4	0.07	106251	1062510	0.85
50001 & Above	20	0.35	10920277	109202770	86.89
Total	5578	100.00	12568623	125686230	100.00

Address for correspondence

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

For and on behalf of Board of Directors

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

Place: Mumbai
Date: May 05, 2022

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

India is presently known as one of the most important players in the global economic landscape. Our country is growing rapidly and is expected to become a US\$ 5 trillion economy by 2025. The Union Budget presented on February 01, 2022 highlighted the policies and investment incentives to look forward to in the next year. The investments in India has been riding high for the last few years. Investments here should always be a long-term story. The next 10 years will surely give good returns.

Over the years, India has emerged as one of the fastest-growing economies in the world and an attractive investment destination driven by economic reforms and a large consumption base. India's gross domestic product (GDP) at current prices stood at Rs. 55.54 lakh crore (US\$ 743.34 billion) in the second quarter of 2022, as per the provisional estimates of gross domestic product for the second quarter of 2021.

OPPORTUNITIES AND THREATS

Your Company is committed to addressing the changes boosted by its strengths in market position, agile execution capabilities, robust early warning systems and extensive use of analytics for risk mitigation and resource allocation. It will ensure to take advantage of the tailwinds that may emerge during the course of the year.

SEGMENT WISE / PRODUCT WISE PERFORMANCE

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

OUTLOOK

LKP Finance Limited being an investment Company seeks opportunities in the capital market. The volatility in stock indices represents both an opportunity and challenge for the Company. We continue to see significant in the market and will use periods of weakness as investment opportunities for long term.

The Company carries shares and securities in its books. The effect of mark to market thereon have been taken into account for the year. The Company believes that it has taken into account the impact of known events arising out of COVID-19 pandemic in the preparation of financial results resulting out of fair valuation of these investments. However the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions

RISKS AND CONCERNS

The very nature of the Company's business makes it subject to various kinds of risks. As an NBFC, the Company is exposed to credit, liquidity, market and interest rate risk. Capital market activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines

prescribed by the management. An extensive internal audit is carried out by independent firm. An internal team of inspection also regularly visits branches for ensuring regulatory compliance. Post audit reviews are also carried out to ensure follow up on the observations made.

FINANCIAL PERFORMANCE AND OPERATIONAL REVIEW

Share Capital

The paid up equity share capital of the Company as on March 31, 2022 stands at Rs. 12,56,86,230/- divided into 1,25,68,623 fully paid up equity shares of Rs. 10/- each.

Net Worth

The Net Worth of the Company stands at Rs. 28767.67 lakh.

Secured Loans

The Company has secured borrowings of Rs. 4629.43 lakh in the current year.

Total Income

During the year total income was reported at Rs. 5569.81 lakh.

Finance Cost

The finance cost of the Company stands at Rs. 292.89 lakh.

Tax Expense

The Company has incurred a tax expense of Rs. 441.25 lakh in the current year.

HUMAN RESOURCES

During the year under review there has been no material development on the Human Resource/Industrial Relations front during the year. The Company places significant importance to its human capital. As on March 31, 2022 there are 28 employees employed by the Company. The Company's focus is on recruitment of good talent and retention of the talent pool.

KEY FINANCIAL RATIOS

The key financial ratios and details of significant changes in these ratios, to the extent applicable, as required by SEBI Listing Regulations are given below:

Key Financial Ratios	Financial Year 2022-23	Financial Year 2021-22
(i) Debtors Turnover	N.A	N.A
(ii) Interest Coverage Ratio	17.88	44.77
(iii) Current Ratio	N.A	N.A
(iv) Debt Equity Ratio	0.33	0.18
(v) Operating Profit Margin (%)	N.A	N.A
(vi) Net Profit Margin (%)	58.90	62.53

Cautionary statement

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

Independent Auditor's Report

To
The Members of
LKP Finance Limited

Report on the Audit of the Standalone Ind AS Financial Statements

1. Qualified Opinion

We have audited the accompanying standalone Ind AS financial statements of **LKP Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in equity and the Statement of Cash Flows for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of matters described in the Basis for Qualified opinion of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Qualified Opinion

- (a) The Company has investment in unquoted equity shares with a carrying value of Rs.5,444.92 lakhs. The Company has not obtained fair valuation of these investments as at 31 March 2022 as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation report, we are unable to comment on the carrying value of these investment amounting to Rs 5,444.92 lakhs and the consequent impact thereof on Other Comprehensive Income.
- (b) The Company did not obtain/ receive balance confirmation/ term sheet from two lenders amounting to Rs 3,596.65 lakhs. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise

We conducted our audit of the standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of

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

3. Emphasis of Matter

As described in Note 28(b) to the Standalone Ind AS financial statements, State Bank of India obtained an order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines, United Breweries (Holdings) Ltd and Others for recovery of dues from them. The Company received a garnishee order from the Recovery Officer, DRT, Bangalore for an amount of Rs 2,500 lakhs (plus interest) as the financial statements of Kingfisher Finvest Limited showed an amount of Rs 2,500 Lakhs due from the Company. The Company has contested the same. The Company has deposited an amount of Rs 1,126.22 Lakhs with the DRT which is on account of deposit for preferring the Appeal before DRAT, Chennai. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai for hearing.

Our opinion is not modified in respect of this matter.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the year ended 31 March 2022. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
1.	<p>Non recognition of Deferred tax assets on carried forward tax losses</p> <p>The Company's ability to recover deferred tax assets are assessed by management at the close of each financial year taking into account availability of sufficient future taxable income.</p>	<p>We have considered the recoverability of such deferred tax assets on tax losses carried forward as a key audit matters due to the importance of management's estimation and judgment and the materiality of amounts at stake.</p> <p>We reviewed the evaluation process of deferred tax assets on tax losses carried forward implemented by the Management.</p>

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
		<p>We assessed the permanence of methods used, the relevance and consistency of underlying assumptions (like earnings growth and applicable tax rates) and tested the arithmetic accuracy.</p> <p>We assessed the probability that the company may not use in the future its deferred tax assets, particularly with regard to the ability of the Company to generate sufficient future taxable profits in a foreseeable future allowing the use of existing tax losses carried forward.</p>

5. Other information

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report along with annexures, but does not include the Ind AS financial statements and our auditor’s report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act

for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, the Board of Directors is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company’s financial reporting process.

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

8. Report on Other Legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

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

- a) We have sought, except for the matter described in the "Basis for Qualified Opinion" paragraph above, and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) Except for the effects/possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) Except for the effects/possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/payable by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. (Refer note 28 of the financial statements)

- ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, in respect of long term contracts including derivative contracts; and
- iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- iv. (a) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the information and details provided and other audit procedures followed, nothing has come to our notice that has caused us to believe that the representations under subclause iv(a) and (b) contain any material misstatement.
- v. As stated in Note 40 to the standalone financial statements
- (a) The final dividend proposed in the previous year declared and paid by the Company during the year is in accordance with Section 123 of the Act.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 05 May 2022

UDIN: 22048215AILLSIL7824

Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 8 (1) under "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of the LKP Finance Limited on the standalone Ind AS financial statements for the year ended 31 March 2022.

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

- (c) In respect of loans granted by the Company, the repayments of principal amounts and interest are generally regular considering the stipulation to repayment except as detailed below

Name of the entity	Amount Rs./Lakh	Due Date	Extent of delays (Days)	Nature of transaction	Remarks
Aurangabad Auto Engineering Private Limited	8.79	31 March 2021	131	Interest	
Pahari Projects Private Limited	5.85	31 March 2021	126	Interest	
Mayuben Ventures Private Limited	9.09	23 December 2021	96	Interest	
LKP Securities Limited	0.55	14 March 2022	17	Interest	
Khamabalya Sanat	0.39	04 March 2022	27	Interest	
ICED Deserts & Food Parlours India Private Limited	400.00	28 March 2020	733	Principal	Treated as Non-Performing Assets (NPA) and interest not provided as per NBFC guidelines
	100.00	28 March 2020	481	Principal	
Aureilla Estate and Investments Priavte Limited	900.00	28 March 2020	733	Principal	NPA Loan has been written off as not recoverable as at 31 March 2022
SSK Scripts Private Limited	200.00	01 December 2021	120	Principal	Treated as NPA and interest not provided as per NBFC guidelines
Bhamasa Exports Private Limited	250.00	28 March 2020	537	Principal	Interest waived off
Mulraj Mody	12.00	20 January 2021	357	Interest	
	4.04	23 September 2021	189	Interest	
	4.78	20 January 2022	70	Interest	

- (d) There is no overdue amount in respect of interest receivable and loans granted for more than 90 days except as stated below

The Company has taken reasonable steps for recovery of principal and interest

No of cases	Principal overdue (Rs. Lakhs)	Interest overdue (Rs. Lakhs)	Total Overdue (Rs. Lakhs)	Remarks
2	600.00	-	600.00	Treated as NPA and interest not provided as per NBFC guidelines.

(e) As the Company is a Non- Banking Finance Company holding Certificate of Registration from Reserve Bank of India and having its principal business to give loans and make investments, hence clause iii (e) of the Order is not applicable to the Company

(f) The loans granted is repayable on demand. The aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is as under

(Rs. In lakhs)

Name of the Party	All Parties	Promoters	Related Parties
Aggregate of Loans/ advances in the nature of loans - Repayable on demand*	10,326.00	-	460.00
Percentage of loans/ advances in the nature of loans to total loans	78.20%	-	3.48%

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

- iv. According to the information and explanations given to us and the records of the Company examined by us, the Company has complied with the provisions of Section 185 and Section 186 of the Act in respect of loans granted and investments made, wherever applicable. The Company has not given guarantees and provided security for which provisions of Section 185 and Section 186 of the Act are not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits, from the public within the directives issued by Reserve Bank of India and within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- vi. According to information and explanation given to us, the Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the activities carried on by of the Company
- vii. According to the records of the Company examined by us and information and explanations given to us:
- a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and services tax ,duty of customs, duty of excise, value added tax , cess and others as applicable have generally been regularly deposited with the appropriate authorities except delays in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2022 for a period of more than six months from the date they became payable.

b) There are no amounts of any statutory dues which are yet to be deposited on account of any dispute.

viii. There are no such transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks and financial institution. However in case of inter corporate deposits from other parties, there are no stipulations for repayment (Refer Note 13). The Company has not taken any loan from Government or issued debentures during the year.

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

(b) According to the records of the Company examined by us, and information and explanations given to us, the Company is not declared wilful defaulter by any bank or financial institution or any other lender.

(c) According to the records of the Company examined by us, and information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) According to the records of the Company examined by us, and information and explanations given to us, funds raised on short term basis have not been utilized for long term purposes.

(e) According to the records of the Company examined by us, and information and explanations given to us, the Company has not taken any funds from any entities to meet obligations of its subsidiaries and there are no joint venture and associate.

(f) According to the records of the Company examined by us, and information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and there are no joint venture and associate.

x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence

- reporting on clause 3(ix)(f) of the Order is not applicable.
- (b) According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures and hence clause 3(x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the records of the Company examined by us, and information and explanations given to us, there are no whistle blower complaints received during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Hence clause (xii) (a), (b) and (c) of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Accounting Standards.
- xiv. (a) During the year, Internal audit has been carried out by the Independent firm of Chartered accountants. In our opinion and according to the information and explanations given to us, the scope and coverage is commensurate with the size of the Company and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued by Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi. (a) The Company is registered as Non-Banking Financial Institution (NBFI) and is holding a certificate of registration (CoR) from Reserve Bank of India to carry on business of NBFI in terms of Sec 45-IA of the RBI Act, 1934
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. According to the records of the Company examined by us, and information and explanations given to us, the Company has not incurred cash losses neither in the current financial year nor in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditor during the year, hence clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, there is no material uncertainty that exists as on the date of the audit report and that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. (a) The company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report.
- (b) In respect of other than ongoing projects, the Company has spent the amount required and hence reporting under clause xx(b) of the Order is not applicable to the Company.

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 05 May 2022

UDIN: 22048215AILLSIL7824

Annexure - B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 9(II)(g) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2022

We have audited the internal financial controls over financial reporting of **LKP Finance Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and

testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The Procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

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

- i) Independent Confirmation/ term sheet which were not obtained /received from two lenders for the balances outstanding as at 31 March, 2022.

ii) Fair valuation of unquoted equity shares as required by the Ind AS 109 “Financial Instruments”.

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

In our opinion, except for the effects of the material weakness described above on the achievement of the objectives of the controls criteria, the company has maintained, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2022, 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.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statement of the Company, and these material weaknesses do has affected our opinion on the standalone financial statements of the Company

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 05 May 2022

UDIN: 22048215AILSIL7824

Standalone Balance Sheet as at 31st March 2022

(Rs. In Lakhs)

	Notes	31 March 2022	31 March 2021
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3(a)	1,598.23	769.47
(b) Bank balance other than (a) above	3(b)	722.51	240.67
(c) Trade receivables	4	174.50	719.67
(d) Loans	5	12,987.09	5,580.99
(e) Investments	6	20,670.13	22,926.23
(f) Other financial assets	7	580.05	74.11
Total Financial Assets		36,732.51	30,311.14
(2) Non-Financial Assets			
(a) Current tax assets (net)	8	354.69	305.76
(b) Property, Plant and equipment	10	8.19	8.26
(c) Other non-financial assets	11	1,174.44	1,176.85
Total Non-Financial Assets		1,537.32	1,490.87
Total Assets		38,269.83	31,802.01
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(I) Trade payables	12		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6.96	11.76
(b) Borrowings	13	8,226.07	4,577.64
(c) Other financial liabilities	14	591.76	722.73
Total Financial Liabilities		8,824.79	5,312.13
(2) Non-Financial Liabilities			
(a) Provisions	15	50.70	19.74
(b) Deferred tax Liabilities (net)	9	529.48	770.42
(c) Other non-financial liabilities	16	97.19	173.97
Total Non-financial liabilities		677.37	964.13
(3) Equity			
(a) Equity Share capital	17	1,256.86	1,256.86
(b) Other Equity	18	27,510.81	24,268.89
Total Equity		28,767.67	25,525.75
Total Liabilities and Equity		38,269.83	31,802.01

Notes forming part of the standalone financial statements
1-51

In terms of our Report attached

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

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

M.V Doshi

Executive Chairman & Managing Director

DIN: 00123243

Pratik Doshi

Director

DIN: 00123243

Mumbai, 5 May, 2022

G.B Innani

G.M (Legal) & Company Secretary

S.S Gulati

Head-Corporate Affairs

Standalone Statement of Profit and Loss for the year ended 31st March 2022

(Rs. In Lakhs)

	Note	31 March 2022	31 March 2021
Revenue from operations	19		
(i) Interest Income		1,076.04	402.59
(ii) Dividend Income		92.08	29.54
(iii) Net gain on fair value changes		575.13	5,364.19
(iv) Others		3,810.76	3,767.36
Total Revenue from operations		5,554.01	9,563.69
Other Income	20	15.80	149.31
Total Income		5,569.81	9,713.00
Expenses			
(i) Finance Costs	21	292.89	251.81
(ii) Fees and commission Expense	22	5.08	67.27
(iii) Impairment on financial instruments	24	340.96	986.28
(iv) Employee benefits expense	24	868.10	1,175.98
(v) Depreciation and amortisation expenses	25	1.64	1.00
(vi) Other expenses	26	339.11	267.10
Total Expenses		1,847.78	2,749.44
Profit before tax		3,722.03	6,963.56
Tax expenses			
Current tax-Current Year		656.78	63.39
-Earlier Year		-	(24.65)
Deferred tax (Credit) / Charge		(215.53)	851.22
Total tax expenses		441.25	889.96
Profit after tax		3,280.78	6,073.60
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss (net of tax)			
- Remeasurement gains/(losses) on defined benefit plans		(14.06)	2.12
- Fair value change on equity instruments through other comprehensive income		226.56	4,820.14
Other Comprehensive Income for the year		212.50	4,822.26
Total comprehensive Income for the year		3,493.28	10,895.84
Earning per equity share (face value of Rs. 10 each)			
Basic (in Rs.)		26.09	48.32
Diluted (in Rs.)		26.09	48.32

Notes forming part of the standalone financial statements
1-51

In terms of our Report attached

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

Chartered Accountants

Firm Registration Number 101169W/W-100035

LKP Finance Limited
Sanjay Kothari

Partner

Membership Number 048215

M.V Doshi

Executive Chairman & Managing Director

DIN: 00123243

Pratik Doshi

Director

DIN: 00123243

Mumbai, 5 May, 2022

G.B Innani

G.M (Legal) & Company Secretary

S.S Gulati

Head-Corporate Affairs

Statement of Changes in Equity for the year ended 31 March 2022

	Note	Rs in Lakhs
A. Equity Share Capital		
Balance as at 1 April 2020	17	1,256.86
Changes in equity share capital during the year		-
Balance as at 31 March 2021	17	1,256.86
Changes in equity share capital during the year		-
Balance as at 31 March 2022		1,256.86

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

	Reserves and Surplus				Other Comprehensive Income (OCI)	Total other Equity
	Securities Premium	General Reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Retained Earnings	Equity Instruments	
Balance as at 31 March 2020	370.03	6,146.06	4,608.26	1,840.53	408.18	13,373.06
Profit/ (Loss) for the year	-	-	-	6,073.60		6,073.60
Remeasurement gains/(losses) on defined benefit plan (net of tax)				2.12		2.12
Other comprehensive income						
Transfer to reserve fund in terms of Section 45-1C(1) of Reserve Bank of India Act, 1934			1,214.72	(1,214.72)		-
Gain /(Loss) on fair value of financial assets measured through other comprehensive income (net of tax)					4,820.14	4,820.14
Transfer on account of decognition of financial instruments measured through other comprehensive income (net of tax)				3,337.34	(3,337.34)	-
Total comprehensive income	-	-	1,214.72	8,198.34	1,482.79	10,895.85
Balance as at 31 March 2021	370.03	6,146.06	5,822.98	10,038.87	1,890.97	24,268.91
Profit for the year	-	-	-	3,280.78		3,280.78
Remeasurement gains/(losses) on defined benefit plans (net of tax)				(14.06)		(14.06)
Other comprehensive income						
Transfer to reserve fund in terms of Section 45-1C(1) of Reserve Bank of India Act, 1934			656.16	(656.16)		-
Gain /(Loss) on fair value of financial asset measured through other comprehensive income (net of tax)					226.56	226.56
Dividend paid						
Transfer on account of decognition of financial instrument measured through other comprehensive income (net of tax)				(251.37)		(251.37)
Total comprehensive income	-	-	656.16	2,359.19	226.56	3,241.91
Balance as at 31 March 2022	370.03	6,146.06	6,479.14	12,398.06	2,117.53	27,510.81

- Reserve fund is created as per the terms of section 45-1C(1) of the Reserve Bank of India Act, 1934 as a statutory reserve
- Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.
- Shares Based payment reserve is related to share options granted by the company to its employee under its employee share option plan.
- General Reserve is a distributable reserve maintained by the company out of transfers made from profits
- Retained earnings represent the accumulated earnings net of losses if any made by the company over the years.
- Other comprehensive income (OCI) includes fair value gain on equity instruments measured at fair value through OCI and remeasurement of defined benefit plans.
- The Company has not made any adjustment in other equity capital due to prior period errors

Notes forming part of the standalone financial statements

In terms of our Report attached

For and on behalf of the board

For MGB & Co. LLP

LKP Finance Limited

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

M.V Doshi

Pratik Doshi

Partner

Executive Chairman & Managing Director

Director

Membership Number 048215

DIN: 00123243

DIN: 00123243

Mumbai, 5 May, 2022

G.B Innani

S.S Gulati

G.M (Legal) & Company Secretary

Head-Corporate Affairs

Standalone Statement of Cash flow for the year ended 31 March 2022

(Rs. In Lakhs)

	31 March 2022	31 March 2021
A. Cash flow from operating activities		
Profit/(loss) before tax	3,722.03	6,963.56
Adjustments for:		
Depreciation and amortization expense	1.64	1.00
Loss/ (profit) on disposal of property, plant and equipment/ intangibles	-	(125.66)
Interest expenses	216.50	110.43
Interest Income	(1,091.85)	(402.59)
Dividend Income	(92.08)	(29.54)
Net loss/ (gain) on fair value changes	(575.13)	(5,364.19)
Net loss/ (gain) on sale of investments	(3,806.72)	(3,765.94)
Impairment on financial instruments	340.96	986.28
Operating profit before working capital changes	(1,284.65)	(1,626.66)
Adjustments for:		
Decrease / (increase) in Trade Receivables and other receivables	625.17	446.09
(Decrease) /increase in Trade payables and other payables	9.27	(222.35)
(Decrease) /increase in Financial assets	54.65	880.35
(Decrease) /increase in Non financial assets	2.41	(1.10)
Other Non-Financial Liabilities	(76.78)	45.23
Other Financial Liabilities	(227.09)	519.29
Cash generated from operations	(897.02)	40.85
Direct tax paid (net of refunds)	(705.72)	(1,024.55)
Net cash from/ (used in) operating activities (A)	(1,602.74)	(983.70)
B. Cash flow from investing activities		
Sale of Property, plant and equipment and intangible assets	-	134.00
Purchase of Property, plant and equipment and intangible assets	(1.56)	(4.15)
(Increase)/Decrease in investments	6,638.32	1,057.44
Advance for purchase of investments	(560.59)	-
Loans given (net)	(7,623.45)	(2,671.94)
(Increase)/ decrease in bank deposits	(481.83)	1,578.73
Interest received	1,206.81	341.17
Dividend received	92.08	29.54
Net cash from/ (used in) investing activities (B)	(730.22)	464.79
C. Cash flow from financing activities		
Dividend Paid	(270.22)	-
Increase / (decrease) in borrowings	3,648.44	980.99
Interest paid	(216.50)	(110.43)
Net cash from/ (used in) financing activities (C)	3,161.72	870.56
Net changes in cash and cash equivalents (A+B+C)	828.76	351.64
Cash and cash equivalents at the beginning of the year	769.47	417.83
Cash and bank balances at the end of the year	1,598.23	769.47
Notes:		
1. Previous year figures have been regrouped or recast wherever, considered necessary		
2. As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 38		
3. Cash and cash equivalents consists of :		
Cash in Hand	0.11	0.08
Balances with banks:		
in current accounts	1,529.45	653.10
in deposit accounts	-	100.93
Cheques on hand	68.67	15.36
Total	1,598.23	769.47

In terms of our Report attached

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

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari
M.V Doshi
Pratik Doshi

Partner

Executive Chairman & Managing Director

Director

Membership Number 048215

DIN: 00123243

DIN: 00123243

Mumbai, 5 May, 2022

G.B Innani
S.S Gulati

G.M (Legal) & Company Secretary

Head-Corporate Affairs

Notes forming part of standalone financial statements

1 Company information

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

The separate financial statement (hereinafter referred to as “Financial Statements”) of the Company for the year ended 31 March 2022 were authorised for issue by the Board of Directors at the meeting held on 05 May 2022.

2 Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company (Reserve Bank) Directions, 2016 (“the NBFC Master Directions”) issued by RBI. These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

The Financial statements have been prepared on a going concern basis. The Company presents its balance sheet in order of Liquidity.

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

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of schedule III (except per share data), unless otherwise stated. “ 0 “ (zero) denoted less than thousand

(b) Presentation of financial statements

The Company presents its Balance Sheet in order of liquidity. The Company prepares and present its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 ‘Statement of Cash Flows’. The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature. The preparation

of the Company’s financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those based on Management’s estimates.

(c) Property, plant and equipment and Intangible assets

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

(d) Depreciation on property, plant & equipment

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

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

(e) Derecognition of property, plant and equipment

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

(f) Leases

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

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

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

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

Notes forming part of standalone financial statements

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

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

(g) Cash and cash equivalents

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

(h) Fair value measurement

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

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

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

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

Financial instruments

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

Financial assets

i Initial recognition

Financial assets are recognized when the company becomes a party to the contractual provisions of the financial instrument.

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

financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

ii Subsequent measurement

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

Debt Instrument

Amortised Cost

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

Fair value through other comprehensive income (FVTOCI)

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

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

Notes forming part of standalone financial statements

on sale or otherwise, of fair value gains and losses to statement of profit and loss.

Investment in subsidiary

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

Derivative financial instruments

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

iii Derecognition of financial assets

A financial asset is derecognised only when

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

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Impairment of financial assets

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

Financial liabilities and equity instruments

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Net Gain/ loss on fair value changes includes the effect of financial instruments held at fair value through Profit or loss (FVTPL) for continuing and discontinuing portfolio.

Financial liabilities

i Classification

Financial liabilities are recognized when company becomes party to contractual provisions of the instrument. The Company determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss. The Company classifies all financial liabilities at amortised cost or fair value through profit or loss.

ii Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- i) Financial liabilities measured at amortised cost
- ii) Financial liabilities measured at FVTPL (fair value through profit or loss)

i) Financial liabilities measured at amortised cost

After initial recognition, financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

ii) Financial liabilities at fair value through profit or loss

After initial recognition, loans, borrowings and deposits are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. The EIR amortisation is included in finance costs in the statement of profit and loss.

Trade and other payables

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

iii De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity

Notes forming part of standalone financial statements

incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowings.

(j) Provisions, contingent liabilities and contingent assets

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

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

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

(k) Revenue recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfill these contracts.

A. Revenue - Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Company.

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

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

- d) The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss

- (e) The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

B. Contract Costs

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

C. Arrangements with Multiple Performance Obligations

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

D. Contract assets and liabilities

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

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

(l) Retirement and other employee benefits

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

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

For defined benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. The Company makes contribution to a scheme administered by the Life Insurance Corporation of India ("LIC") to discharge the gratuity liability to employees. The Company records its gratuity liability based on an actuarial valuation made by an independent actuary as at year end. Contribution made to the LIC fund and provision made for the funded amounts are expensed in the books of accounts.

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

Notes forming part of standalone financial statements

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

(m) Transactions in foreign currencies

(i) The functional currency of the Company is Indian Rupees (“Rs.”). Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

(ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

(iii) Non-monetary foreign currency items are carried at historical cost and translated at the exchange rate prevalent at the date of the transaction.

(n) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

Current tax

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

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

Deferred tax

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

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

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

Presentation of current and deferred tax

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

case, the current and deferred tax income / expense are recognised in other comprehensive income.

(o) Impairment of non-financial assets

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

(p) Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

(q) Provisions

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

(r) Share based payments

The Company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share- Based Payment. The estimated fair value of awards is charged to statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to share based payment reserves.

(s) Contributed equity

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

(t) Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses are classified as an exceptional item and accordingly, disclosed in the financial statements.

Notes forming part of standalone financial statements

(u) Critical accounting judgment and estimates

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

a Contingencies

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

b Useful lives and residual values

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

c Impairment testing

Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

d Tax

The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary

differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

e Defined benefit obligation

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

f Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

g Recent accounting pronouncements

Standards issued but not yet effective

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

IndAS16–Property Plant and equipment -The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

IndAS37–Provisions, Contingent Liabilities and Contingent Assets–

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Notes forming part of standalone financial statements

	31 March 2022	31 March 2021
3(a) Cash and cash equivalents		
Cash on hand	0.11	0.08
Balances with banks -		
- In Current accounts	1,529.45	653.10
- Deposit with original maturity less than 3 months	-	100.93
Cheques on hand	68.67	15.36
Total	1,598.23	769.47
3(b) Bank balances other than cash and cash equivalents		
Unpaid dividend accounts	39.63	58.48
Earmarked Balance with bank against bank deposits *	682.88	182.19
Total	722.51	240.67

*2022: Rs 501.69 Lakhs (2021: Rs 1.00 Lakhs) is lien against Cash Credit and Bank Overdraft taken from bank and 2022: Rs 181.19 Lakhs (2021: Rs 182.19 Lakhs) lien marked against bank guarantee given to Government Authority. (Refer note 28 (i))

4 Receivables

	31 March 2022	31 March 2021
Trade receivables		
Considered good - Unsecured	4.50	719.67
Significant increase in credit risk	250.00	-
Less: Impairment Loss Allowance	(80.00)	-
Total	174.50	719.67

For related party transactions refer note 34

(Rs. In Lakhs)

Particular	31 March 2022					Total
	Less than 6 Months	6 Months to 1 Years	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	4.50	-	-	-	-	4.50
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	250.00	250.00
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	4.50	-	-	-	250.00	254.50

(Rs. In Lakhs)

Particular	31 March 2021					Total
	Less than 6 Months	6 Months to 1 Years	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	219.67	-	-	500.00	-	719.67
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	219.67	-	-	500.00	-	719.67

Notes forming part of standalone financial statements
5 Loans

	31 March 2022	31 March 2021
At amortised cost		
Considered Good - Secured by securities*	4,000.00	-
Considered Good - Unsecured	8,685.59	5,100.64
Significant increase in credit risk	800.00	1,650.00
Less: Impairment Loss Allowance	500.00	1,170.00
	12,985.59	5,580.64
Loans to employees		
- Considered Good	1.50	0.35
Total	12,987.09	5,580.99
Loans in India		
- Others	13,487.09	6,750.99
Total (Gross)	13,487.09	6,750.99
Less: Impairment loss allowance	500.00	1,170.00
Total (Net)	12,987.09	5,580.99

* Includes Rs.460.00 Lakhs (2021 : Nil) due from a private limited Company in which director is interested as director

*For related party transactions refer note 34

For FY 2021-22

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	460.00	3.54

For F.Y. 2020-21

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	460.53	8.25

Notes forming part of standalone financial statements
6 Investments

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
(A) Investment in Mutual Funds		
Investment carried at Fair value through profit and loss		
Face value of Rs 1000 each**	1,468.38	1,431.75
Face value of Rs 100 each	-	2,503.23
	1,468.38	3,934.98
(B) Investments in government securities		
Investment carried at Fair value through profit and loss ^		
5.63% Government of India 2026 face value of Rs.100	1,012.77	-
6.54% Government of India 2032 face value of Rs.100	2,489.90	-
	3,502.68	-
(C) Investments in debentures or bonds		
Investment carried at Fair value through profit and loss ^		
10% Edelweiss Housing Finance Limited 2026 face value of Rs.1,000	485.43	475.00
6.75% India Infradebt Limited 2027 face value of Rs.1,000	1,507.11	-
	1,992.55	475.00
(D) Investment in Equity Shares -		
a) Unquoted		
(i) Investment carried at Fair value through other comprehensive income		
3,50,000 (2021 : 350,000) shares of Rs. 10 each of SAMCO Ventures Private Limited	2,100.00	2,100.00
19,86,211 (2021 : 19,96,211) shares of Rs. 10 each of Care Health Insurance Company Limited (formerly known as Religare Health Insurance Co Limited)	2,840.28	2,854.58
5,600 (2021 : 5,600) shares of Rs. 10 each of The Hindustan Times Limited	304.67	304.67
2,035 (2021: nil) Nivaata System Private Limited	199.97	-
	5,444.92	5,259.25
b) Quoted		
(i) Investment carried at Fair value through other comprehensive income		
35,27,714 (2021 : Nil) LKP Securities Limited	487.53	-
	487.53	-
(ii) Investment carried at Fair value through profit and loss		
Equity shares of face value of Rs 10 each		
75,838 (2021 : 79,837) Yuken India Limited	421.81	367.13
15,00,000 (2021: 15,00,000) Subex Limited**	481.50	533.25
4,241 (2021 : 4,241) John Cockeril India Limited (Formerly known as CMI FPE Limited)	66.03	35.33
Nil (2021 : 2,502) Ironwood Education Limited ((formerly Greycells Education Limited)	-	0.50
1346760 (2021: 7,339,942) Religare Enterprises Limited**	1,752.81	6,429.79
1,00,000 (2021: Nil) Coal India Limited **	183.00	-
Nil (2021 : 50,16,000) Vodafone Idea Limited	-	463.98
Nil (2021: 15,000) Solara Activa Pharma Limited	-	209.14
5,400 (2021 : 5,400) Cremica Agro Foods Limited#	0.00	-
332 (2021 : 332) Linde India Limited	5.98	5.98
250 (2021 : 250) Sandur Manganese & Iron Ores Limited	2.53	2.53
17000 (2021: 17,018) Solid Stone Company Limited	4.08	8.24
Nil (2021: 1,00,000) Allied Digital Services Limited	-	43.45
Nil (2021: 10,00,000) Steel Authority of India Limited	-	788.50
4,00,000 (2021 : Nil) Reliance Infrastructure Limited	450.40	-
5,00,000 (2021 : Nil) JSW Ispat Special Product Limited	161.50	-
11,500 (2021 : Nil) Specility Resturants Limited	18.56	-
Equity shares of face value of Rs 5 each		
1,36,061 (2021: 528,898) Prime Securities Limited	125.72	219.49

Notes forming part of standalone financial statements

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
Nil (2021 : 200,000) Jump Networks Limited	-	18.72
Equity shares of face value of Re 1 each		
2,00,000 (2021: 2,00,000) Transformers and Rectifiers (India) Limited	65.90	32.70
Nil (2021: 361,046) International Conveyors Limited	-	157.06
2,99,993 (2021: 326,633) Elpro International Limited	180.90	135.23
50,000 (2021: Nil) Greaves Cotton Limited	95.45	-
Investment in Portfolio Management Services (PMS)		
106 (2021 : Nil) Bajaj Finance Limited	7.69	-
5781 (2021 : Nil) City Union Bank Limited	7.46	-
310 (2021 : Nil) Housing Development Financial Corporation Limited	7.40	-
673 (2021 : Nil) HDFC Bank Limited	9.89	-
1052 (2021 : Nil) ICICI Prudential Life Insurance Company Limited	5.26	-
578 (2021 : Nil) Kotak Mahindra Bank Limited	10.14	-
130 (2021 : Nil) L&T Technology Services Limited	6.63	-
26 (2021 : Nil) Shree Cement Limited	6.24	-
1140 (2021 : Nil) TATA Consumer Product Limited	8.86	-
270 (2021 : Nil) Timken India Limited	5.81	-
432 (2021 : Nil) Titan Company Limited	10.96	-
211 (2021 : Nil) Jubilant Foodwork Limited	5.56	-
212 (2021 : Nil) Indigo Paint Limited	3.39	-
406 (2021 : Nil) Tube Investment of India Limited	6.58	-
373 (2021 : Nil) FSN - E Commerce Venture Limited	6.30	-
	4,124.34	9,451.01
(E) Investment in Subsidiary - Measured at amortized cost		
In Wholly owned subsidiary- equity shares of Rs 100 each		
9,95,000 (2021 : 9,95,000) of Bond Street Capital Private Limited (formely known as Gayatri Cement & Chemical Industries Private Limited)	3,086.00	3,086.00
(F) Investments In Alternate Investment Funds		
Investment carried at Fair value through profit and loss		
2687.50 (2021 : 2775)Edelweiss Infra Yield plus of Rs. 10,000/- each	354.24	298.00
26824.35 (2021: 34,913.149) Edelweiss credit opportunity fund of Rs 1,000/- each	195.78	367.98
2000 (2021 : 2000) Edelweiss stressed & Troubled Assets revival fund of Rs 10,000/- each	13.71	54.00
	563.73	719.98
Total Investments (A+B+C+D+E+F)	20,670.13	22,926.23
# "0" (Zero) denotes amounts less than thousand	-	-
^ are marked as lien against secured loan from banks viz. Bank of India and Federal Bank		
** HDFC Mutual fund amounting to Rs 958.81 lakhs and other equity instruments are marked as lien against secured loan from NBFC viz. Tata Capital Financial Services Limited and Barclay Investment and Loan (India) Private Limited		
For related party transactions refer note 34		
	As at	As at
Out of Above	31 March 2022	31 March 2021
In India	20,670.13	22,926.23
Outside India	-	-
Aggregate book value of quoted investments	5,592.72	13,385.99
Aggregate book value of unquoted investments (including subsidiary)	15,077.41	9,540.23
Aggregate market value of quoted investments	5,592.72	13,385.99
Aggregate market value of unquoted investments other than subsidiary	11,991.41	6,454.23
Investment in subsidiary is stated at cost	3,086.00	3,086.00

Notes forming part of standalone financial statements
7 Other financial assets

	31 March 2022	31 March 2021
Security Deposits- (unsecured and considered good)		
- Related parties	-	50.00
- others	18.90	13.90
Advance for Investment Application money	560.59	-
Other Advances - unsecured		
- Related parties	-	10.21
- others	0.56	-
Total	580.05	74.11

*For related party transactions refer note 34

8 Current tax assets (net)

	31 March 2022	31 March 2021
Balance with Government Authorities		
Advance Direct Tax (net of provisions)	354.69	305.76
Total	354.69	305.76

9 Deferred tax assets (net)

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
Allowance Credit loss	158.74	299.43
Fair valuation of Financial Instruments	(688.22)	(1,069.85)
Total	(529.48)	(770.42)

10 Property, Plant and equipments

	(Rs. In Lakhs)			
Description of Assets	Buildings	Vehicles	Computers	Total
I. Gross Block				
Balance as at 31 March 2020	15.10	-	-	15.10
Additions during the year	-	4.15	-	4.15
Disposals/Adjustment/Deductions	9.93	-	-	9.93
Balance as at 31 March 2021	5.17	4.15	-	9.33
Additions during the year	-	-	1.56	1.56
Disposals/Adjustment/Deductions	-	-	-	-
Balance as at 31 March 2022	5.17	4.15	1.56	10.89
II. Accumulated Depreciation				
Balance as at 31 March 2020	1.65	-	-	1.65
Depreciation charged for the year	0.79	0.21	-	1.00
Disposals/Adjustment/Deductions	1.58	-	-	1.58
Balance as at 31 March 2021	0.86	0.21	-	1.06
Additions during the year	0.79	0.49	0.36	1.64
Disposals/Adjustment/Deductions	-	-	-	-
Balance as at 31 March 2022	1.64	0.70	0.36	2.70
Net block				
As at 31 March 2021	4.32	3.95	-	8.26
As at 31 March 2022	3.53	3.45	1.20	8.19

Notes forming part of standalone financial statements
11 Other non-financial assets

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
Prepaid expenses	9.62	0.01
Defined benefit asset -'Gratuity'	38.61	50.62
	48.23	50.63
Deposit with Debt Recovery Tribunal (DRT) (Refer note 28)	1,126.22	1,126.22
Total	1,174.44	1,176.85

12 Financial liabilities

	31 March 2022	31 March 2021
Payables		
I) Trade Payables (refer note 31)		
i) total outstanding dues of micro enterprises and small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	-	-
II) Other Payables (refer note 31)		
i) total outstanding dues of micro enterprises and small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6.96	11.76
Total	6.96	11.76

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

For related party transactions refer note 34

13 Borrowings

	31 March 2022	31 March 2021
Loans repayable on demand		
- from banks (Note 1 below)	3,616.12	275.90
- from Financials Institutions (Note 2 and 3 below)	1,013.31	705.09
- from Other Parties (Note 3 below)	3,596.65	3,596.65
	8,226.07	4,577.64
Total	8,226.07	4,577.64

Note No.

- 1 a) Cash Credit/ Overdraft from Bank of India of 2022: Rs. 301.11 Lakhs (2021: Rs.275.90 Lakhs) with sanction limit of Rs.500.00 Lakhs are secured with 15% margin on fixed deposit with the bank. The loan is repayable on demand and carries interest of 10.40% p.a. (one year MCLR+ BSS+CRP) and charge for the same with Registrar of Companies is yet to be registered
- b) Bank of India 2022 : Rs.Nil (2021 : Rs.Nil) with sanction limit of Rs.10,000.00 Lakhs are secured against pledge of approved debt securities rated 'A' and above with 15% margin, fixed deposit with the bank and personal guarantee of the Promoter. The loan is repayable on demand and carries interest of 10.40% p.a. (one year MCLR+ BSS+CRP)
- c) Cash Credit from Federal Bank Limited of 2022 : Rs.3315.00 Lakhs (2021: Rs.Nil) with Sanction limit of Rs.7500.00 Lakhs plus Rs.2500.00 Lakhs are secured against pledge of bonds in CGSL account with Federal bank Limited. The loan is repayable on demand and carries interest of 8.00% p.a. % (one year MCLR) and charge for the same with Registrar of Companies is yet to be registered for adhoc limit of Rs.2500.00 Lakhs
- d) Overdraft from Federal Bank Limited of (2022 : Rs. Nil Lakhs) (2021: Rs. Nil) with sanction limit of Rs.500 Lakhs are secured against 110% pledge of fixed deposit with banks. The loan is repayable on demand. It carries interest wt average underly FD + 50 bps

Notes forming part of standalone financial statements

- 2 Working capital outstanding loan of 2022 : Rs.200.04 Lakhs (2021: Rs.705.09 Lakhs) with sanction limit of Rs1,500.00 Lakhs borrowed from Tata Capital Financial Services Limited sanction limit Rs.1500.00 Lakhs are secured against securities amounting to Rs. 958.81 lakhs . Loan is repayable on demand and carries interest of 9.25% floating. and charge for the same with Registrar of Companies is yet to be registered
- 3 Working capital outstanding loan of Rs 2022 : Rs.804.14 Lakhs (2021: Nil) with sanction limit of Rs2,500.00 Lakhs borrowed from Barclay Investment and Loan (India) Pvt. Ltd are secured against Mutual Fund and / or bond and / or equity share repayable on demand and carries interest of 7.00% p.a. floating.
- Borrowings of Rs 2022: 3,596.65 lakhs (2021: 3,596.65 lakhs) is considered interest free and repayable on demand in the absence of term sheet and confirmation. Refer note 28 (ii) (c)
- 4 The Company has not been declared as a wilfull defaulter by any lender
- 5 The Company has used the borrowings from banks for the purpose for which it was taken at the balance sheet date

14 Other financial liabilities

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
Unclaimed dividends	39.63	58.48
Employee benefit payable *	547.63	664.25
Other	4.50	-
Total	591.76	722.73

*For related party transactions Refer note 34

15 Provisions

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
Provision for Standard Assets	50.70	19.74
Total	50.70	19.74

16 Other non-financial liabilities

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
Statutory dues	97.19	173.97
Total	97.19	173.97

17 Equity Share capital

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
Authorised*		
20,000,000 (2021:20,000,000) Equity Shares of Rs 10/- each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, subscribed and fully paid up		
12,568,623 (2021:12,568,623) Equity Shares of Rs 10/- each	1,256.86	1,256.86

*Authorised share capital of (2022: Rs 1,000 Lakhs) (2021: Rs 1,000 Lakhs); consisting of Redeemable Cumulative Preference shares of Rs. 10 each is not considered above in accordance with the requirement of Ind AS.

Notes forming part of standalone financial statements
a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

(Rs. In Lakhs)

	31 March 2022		31 March 2021	
	Number of Equity shares	(Rs. in Lakhs)	Number of Equity shares	(Rs. in Lakhs)
At the beginning of the year	1,25,68,623	1,256.86	1,25,68,623	1,256.86
Outstanding at the end of the year	1,25,68,623	1,256.86	1,25,68,623	1,256.86

b) Terms/rights attached to equity shares

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

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

Name of shareholders	31 March 2022		31 March 2021	
	No. of shares	% Holding	No. of shares	% Holding
Mr Mahendra V Doshi	14,49,363	11.53%	14,49,363	11.53%
Mr Mahendra V Doshi-Partner M/s L K Panday	20,72,482	16.49%	20,72,482	16.49%
Sea Glimpse Investments Private Limited	25,47,515	20.27%	25,47,515	20.27%
Bhavana Holdings Private Limited	14,09,505	11.21%	14,09,505	11.21%
Authum Investment and Infrastructure Ltd	8,79,090	6.99%	8,98,159	7.15%
	83,57,955	66.50%	83,77,024	66.65%

d) Shares held by promoters at the end of the year

Sr. No.	Prometer Name	No. of Share	% of total shares	% of Change During the year
1	Sea Glimpse Investments Private Limited	25,47,515	20.27%	Nil
2	Bhavana Holdings Private Limited	14,09,505	11.21%	Nil
3	Mr Mahendra V Doshi	14,49,363	11.53%	Nil
4	Mr Pratik M Doshi	1,00,722	0.80%	Nil
5	Mr Mahendra V Doshi-Partner M/s L K Panday	20,72,482	16.49%	Nil
6	Ira P Doshi	2,00,000	1.59%	Nil
7	Samaya Pratik Doshi	2,00,000	1.59%	Nil
8	Shital A Sonpal	16,725	0.13%	Nil

Notes forming part of standalone financial statements
18 Other Equity

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
Securities Premium		
Balance as at beginning of the year	370.03	370.03
Balance as at end of the year	370.03	370.03
Retained Earnings		
Balance as at beginning of the year	10,038.87	1,840.53
Profit for the year	3,280.78	6,073.60
Gain/(Loss) on fair value of defined benefit plans	-	2.12
Transfer to reserve u/s 45-IC of Reserve Bank of India Act,1934	(656.16)	(1,214.72)
Dividend Paid	(251.37)	-
Transfer on account of decognition of financial instrument measured through other comprehensive income from Other Comprehensive Income (net of tax)	-	3,337.34
Balance as at end of the year	12,412.12	10,038.87
Other reserves		
Reserve u/s 45-IC of Reserve Bank of India Act,1934		
Balance as at beginning of the year	5,822.98	4,608.26
Add: Transfer from Retained Earnings	656.16	1,214.72
Balance as at end of the year	6,479.14	5,822.98
General Reserve		
Balance as at beginning of the year	6,146.06	6,146.06
Balance as at end of the year	6,146.06	6,146.06
Other Comprehensive income - fair value on equity instruments		
Balance as at beginning of the year	1,890.96	408.18
Gain/(Loss) on fair value of financial asset measured through other comprehensive income	212.50	4,820.14
Transfer on account of decognition of financial instrument measured through other comprehensive income to Retained Earning (net of tax)	-	(3,337.34)
Balance as at end of the year	2,103.46	1,890.96
Total Other Equity	27,510.81	24,268.89

19 Revenue from operations

	(Rs. In Lakhs)	
	31 March 2022	31 March 2021
(i) Interest Income*		
Interest -Loans	903.64	303.12
-Investments	152.37	8.81
-Deposit with Banks	16.77	80.27
-Retirement benefits	3.26	3.07
Total	1,076.04	402.59
*For related party transactions refer note 34		
(ii) Dividend Income on Investments	92.08	29.54
Total	92.08	29.54
(iii) Net gain/loss on fair value changes on financial instruments	575.13	5,364.19
Total	575.13	5,364.19
(iv) Others		
Net gain on sale of securities	3,806.72	3,765.94
Advisory Fees	4.04	-
Income from AIF Investments	-	1.42
Total	3,810.76	3,767.36

Notes forming part of standalone financial statements

		(Rs. In Lakhs)	
		31 March 2022	31 March 2021
20	Other income		
	Profit on derecognition of Property, plant and equipment	-	125.66
	Interest on Income tax refund	15.80	23.31
	Miscellaneous Income	-	0.35
	Total	15.80	149.31
21	Finance costs		
	Interest on borrowings	220.54	110.43
	Other financial charges	72.34	141.38
	Total	292.89	251.81
22	Fees and commission expense		
	Commission and sub-brokerage	5.08	67.27
	Total	5.08	67.27
23	Impairment/(Reversal of impairment) on financial instruments		
	At amortised cost		
	On loan	(639.04)	986.28
	On trade receivables	80.00	-
	Bad debts / Loans Written off	900.00	-
	Total	340.96	986.28
24	Employee benefits expense		
	Salaries and other allowances*	837.25	1,170.41
	Contribution to provident and other funds	2.41	3.40
	Staff welfare expenses	26.66	0.19
	Gratuity expense	1.78	1.98
	Total	868.10	1,175.98
	*For related party transactions refer note 34		
25	Depreciation		
	Depreciation on property, plant and equipment	1.64	1.00
	Total	1.64	1.00
26	Other expenses*		
	Rent, Rates and taxes	37.27	35.43
	Repairs and maintenance	1.00	0.39
	Communication expenses	3.94	4.27
	Printing and stationery	1.34	2.79
	Advertisement expenses	0.53	0.49
	Directors sitting fees	10.00	13.50
	Payments to auditors (Refer Note : 30)	10.45	11.49
	Legal and professional charges	101.84	149.62
	Travelling and Conveyance expenses	8.65	4.51
	Corporate Social responsibility expenses (Refer note 39)	45.00	20.00
	Donation	75.00	-
	Miscellaneous expenses	44.09	24.61
	Total	339.11	267.10

*For related party transactions Refer note 34

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

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

(Rs. Lakhs)

	31 March 2022	31 March 2021
Current tax		
Current tax on profits for the year -current year	656.78	63.39
- earlier year	-	-24.65
Deferred tax (Credit) / Charge		
Fair valuation of Financial Instruments	(215.53)	487.46
Minimum Alternate Tax (MAT) Credit Entitlement Written off	-	663.20
Total	441.25	1,189.39
Effective tax rate #	11.86%	17.08%

A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31 March 2022

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

	31 March 2022	31 March 2021
Fair value change on equity instruments through other comprehensive income	25.41	(582.40)
Deferred tax on remeasurement (gains)/losses on defined benefit plan	-	-
Deferred tax charged to OCI	25.41	(582.40)

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

	31 March 2022	31 March 2021
Accounting Profit before tax	3,722.03	6,963.56
Income tax expense calculated at corporate tax rate	936.76	1,752.59
Tax effect on non-deductible expenses and unabsorbed losses	(190.59)	(354.39)
Effect of exempt income and income tax at Lower rates	(306.05)	(508.24)
Tax expense recognized in the statement of profit and loss	440.12	889.96

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 25.168 % for the year ended 31 March 2022 and 25.168 % for the year ended 31 March 2021.

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 9.

(c) Deferred tax relates to the following:

Reconciliation of deferred tax assets / (liabilities) net:	31 March 2022	31 March 2021
Opening balance		663.20
Minimum Alternate Tax (MAT) Credit Entitlement Written off	-	(663.20)
Fair valuation of Financial Instruments	(688.22)	(1,069.85)
Allowances for credit losses	158.74	299.43
Total	(529.48)	(770.42)

Deferred tax recognized in statement of profit or loss

For the year ended	31 March 2022	31 March 2021
Minimum Alternate Tax (MAT) Credit Entitlement Written off	-	663.20
Fair valuation of Financial Instruments	356.22	487.46
Allowances for credit losses	(140.69)	(299.43)
Total	215.53	851.22

Notes forming part of standalone financial statements

Deferred tax recognized in statement of Other Comprehensive Income

For the year ended	31 March 2022	31 March 2021
Fair valuation of Financial Instruments	(25.41)	582.40
Total	(25.41)	582.40

Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 1 April 2019, domestic companies have an option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions. During the previous year the Company has elected to exercise the option of reduced corporate income tax rate as permitted under section 115BAA of the Income Tax Act, 1961 as per the amendment notified in the official Gazette dated 12 December 2019. The Company has during the year ended 31 March 2021 written off MAT Credit entitlement of Rs 663.20 lakhs and necessary adjustments has been made in current tax .

Unused tax losses

The Company has unused tax business losses of 2022: Rs. 1298.67 Lakhs; (2021: Rs. 2051.42 Lakhs). The losses are available for offsetting for eight years against future taxable income of the Company. Deferred tax assets has been not recognised in respect of these unused tax losses in absence of convincing evidence to generate sufficient future taxable profits.

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

28 Contingent Liabilities and Litigations

- a) Against a penalty order for 2022 Rs 180 Lakhs (for 2021: Rs 180 Lakhs) received from the Enforcement Directorate in respect of a matter which arose in 1996 pertaining to the erstwhile money changing division of the Company, the Company has preferred an appeal in the Honorable Madras High Court. The Company has provided a bank guarantee to cover the demand. The matter is pending. The Management is of the opinion that a cash outflow is unlikely and therefore no provision is considered necessary.
- b) State Bank of India obtained an order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines, United Breweries (Holdings) Ltd and Others for recovery of dues from them. The Company received a garnishee order from the Recovery Officer, DRT, Bangalore for an amount of 2022 : Rs 2,500 lakhs (plus interest) (2021: 2,500 lakhs Plus Interest) as the financial statements of Kingfisher Finvest Limited showed an amount of 2022 : Rs 2,500 Lakhs (2021 : 2,500 Lakhs) due from the Company. The Company has contested the same .The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai for hearing. The Company has deposited an amount of 2022 : Rs 1,126.22 Lakhs (2021 : Rs. 1,126.22 lakhs) with the DRT which is on account of deposit for preferring the Appeal before DRAT, Chennai.

Other Litigations

- c) A winding up petition filed by the Company against a borrower has been admitted by the Honourable High court of Mumbai. The recovery if any will be accounted for when the money is received from official Liquidator.
- d) The Company has filed an arbitration case 2022 : Rs. 26.18 Lakhs (2021 : Rs. 25.11 Lakhs) against borrowers for which it has received a favourable award from the arbitrators. The opposing parties have filed an appeal in the Honourable High court of Mumbai for which the matter is pending.
- e) The Department of Company Affairs has filed a complaint in the Small Causes Court, Mumbai against, the Company, its Directors and the KMPs for non filing of information in Form INV5 in respect of Unclaimed Dividend as on 31 March 2013 . The Company has already filed the Form , The Company and Others have made an application for compounding with the Regional Director, Mumbai which is pending for hearing.

Litigation

The company has filed various cases for recovery of dues and suits are pending in various courts/tribunals. The company has engaged advocates to protect the interest of the company and expects favourable decision.

(i) Capital Commitments

During the year ended 31 March 2020, the Company has entered into an memorandum of understanding to contribute in capital amounting to Rs. 500 Lakhs and Company has already paid amounting to Rs. 268.75 Lakhs and remaining uncalled amount on investments is Rs. 231.25 Lakhs.

Notes forming part of standalone financial statements

29 Segment Informations

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

30 Payment to Auditors

	(Rs. Lakhs)	
	31 March 2022	31 March 2021
Audit fees	10.00	10.00
Other matters	0.45	1.49
Total	10.45	11.49

31 Micro, small and medium enterprises

The Company has no outstanding dues to party related to Micro, Small and Medium enterprises as at 31 March 2022: Nil 31 March 2021: Nil on the basis of information provided by the parties and available on record. Further, there is no interest paid / payable to micro and small enterprises during the year.

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

	31 March 2022	31 March 2021
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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

32 Financial Instruments

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

a) Market risk:

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

1) Interest rate risk:

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

Notes forming part of standalone financial statements

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

Interest rate risk exposure

	(Rs. Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings*	4,629.42	980.99

*The above figures doesnot include amount due from other parties in the absence of term sheet and confirmation. Refer note 28 (b)

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

	(Rs. Lakhs)	
	Increase / decrease in basis points	Effect on Profit before tax
As on 31 March 2022	+ 50 / - 50	23.15
As on 31 March 2021	+ 50 / - 50	4.90

2) Foreign currency risk:

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

3) Credit Risk:

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

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

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

(i) Credit risk management

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

Definition of Default

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

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

Provision for expected credit losses

Company provides for expected credit loss based on following:

Notes forming part of standalone financial statements

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

Stage 1 :- Unimpaired and without significant increase in credit risk since initial recognition on which a 12 months allowance for ECL is recognised ; Stage 2 :- a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised ; and

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

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 30 days past due (DPD) on the reporting date and are accordingly transferred from stage 1 to stage 2 .For Stage 1 an ECL allowance is calculated on a 12 months point in time probability weighted probability of default . For stage 2 and 3 assets a life time ECL is calculated on a lifetime probability of default

	(Rs. Lakhs)	
Trade Receivables	31 March 2022	31 March 2021
More than Six months	250.00	500.00
Others	4.50	219.67
Total (A)	254.50	719.67

	(Rs. Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	-	-
Add :- Provided during the year	80.00	-
Less :- Reversal during the year	-	-
Balance as at 31 March (B)	80.00	-
Net Trade receivable (A) - (B)	174.50	719.67

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

b) Liquidity Risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Company consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Company consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at :

	(Rs. Lakhs)				
Carrying Amount / Fair value	31 March 2022				Total
	Less than 1 year	2-5 years	More than 5 years		
Financial Liabilities :					
Other payables	6.96	6.96	-	-	6.96
Borrowings	8,226.07	8,226.07	-	-	8,226.07
Other financial liabilities	591.76	591.76	-	-	591.76
	-	-	-	-	-
	8,824.80	8,824.80	-	-	8,824.80

Notes forming part of standalone financial statements

(Rs. Lakhs)

	Carrying Amount / Fair value	31 March 2021			
		Less than 1 year	2-5 years	More than 5 years	Total
Financial Liabilities :					
Other payables	11.76	11.76	-	-	11.76
Borrowings	4,577.64	4,577.64	-	-	4,577.64
Other financial liabilities	722.73	722.73	-	-	722.73
	-	-	-	-	-
	5,312.13	5,312.13	-	-	5,312.13

ii) Capital Management

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

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

(Rs. Lakhs)

	As at 31 March 2022	As at 31 March 2021
Gross debt (short term borrowings)	8,226.07	4,577.64
Less: Cash and cash equivalents	1,598.23	769.47
Net debt	6,627.84	3,808.16
Total equity	28,767.67	25,525.75
Total capital	35,395.51	29,333.91
Gearing ratio	18.73%	12.98%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

iii) Categories of financial instruments and fair value thereof

(Rs. Lakhs)

	As at 31 March 2022			As at 31 March 2021		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
A) Financial assets (other than investment in subsidiaries)						
Cash and cash equivalents	-	-	1,598.23	-	-	769.47
Bank Balance other than (a) above	-	-	722.51	-	-	240.67
Trade receivables	-	-	174.50	-	-	719.67
Loans	-	-	12,987.09	-	-	5,580.99
Investments	5,932.45	11,651.68	-	5,259.25	14,580.97	-
Other financial assets	-	-	580.05	-	-	74.11
Total financial assets	5,444.92	12,139.21	16,062.38	5,259.25	14,580.97	7,384.92
B) Financial liabilities						
Trade payables	-	-	-	-	-	-
Other Payables	-	-	6.96	-	-	11.76
Borrowings	-	-	8,226.07	-	-	4,577.64
Other financial liabilities	-	-	591.76	-	-	722.73
Total financial liabilities	-	-	8,824.80	-	-	5,312.13

Notes forming part of standalone financial statements

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

iv Fair value hierarchy

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

Disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2022

Financial assets	As at 31 March 2022				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at FVTOCI					
Investments	5,932.45	5,932.45	487.53	-	5,444.92
Financial assets measured at FVTPL					
Investments	11,651.68	11,651.68	5,592.72	5,495.22	563.73
Total	17,584.13	17,584.13	6,080.25	5,495.22	6,008.65

Financial assets	As at 31 March 2021				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at FVTOCI					
Investments	5,259.25	5,259.25	-	-	2,420.74
Financial assets measured at FVTPL					
Investments	14,580.97	14,580.97	13,385.99	475.00	719.98
Total	19,840.23	19,840.23	13,385.99	475.00	3,140.72

Fair Value Hierarchy :

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

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

Foreign currency risk:

The company enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Company analyses currency risk as to which balances outstanding in currency other than the functional currency of that company. The management has taken a position not to hedge this currency risk.

The company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

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

Notes forming part of standalone financial statements
33 Gratuity and other post employment benefit plans

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

a Details of post retirement gratuity plan are as follows:

i. Expenses recognised during the year in the statement of profit and loss

	(Rs Lakhs)	
	31 March 2022	31 March 2021
Current service cost	1.78	1.54
Interest cost (net)	(3.26)	(3.07)
Past Service cost	-	-
Net expenses	(1.48)	(1.53)

II Expenses recognised during the year in other comprehensive income (OCI)

	(Rs Lakhs)	
	31 March 2022	31 March 2021
Actuarial (Gain)/Loss recognized for the period	13.62	(1.68)
Return on Plan Assets excluding net interest	0.44	(0.44)
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Recognised during the year	14.06	(2.12)

III Net liability recognised in the balance sheet

	(Rs Lakhs)	
	31 March 2022	31 March 2021
Fair value of plan assets	92.62	121.81
Present value of obligation	54.01	71.19
Liability / (Assets) recognized in balance sheet	(38.61)	(50.62)

IV Reconciliation of opening and closing balances of defined benefit obligation

	(Rs Lakhs)	
	31 March 2022	31 March 2021
Defined benefit obligation as at the beginning of the year	71.18	67.67
Current Service Costs	1.78	1.53
Interest Costs	3.76	3.66
Benefit Paid	(36.35)	-
Actuarial (gain)/ loss on obligation	13.62	(1.68)
Defined benefit obligation at the end of the year	54.01	71.18

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

	(Rs Lakhs)	
	31 March 2022	31 March 2021
Fair value of plan assets at the beginning of the year	121.81	115.08
Adjustment to opening balance	0.00	(1.18)
Interest income	7.02	6.73
Contributions paid by employer	0.56	0.74
Benefits paid	(36.35)	-
Return on plan asset	(0.44)	0.44
Fair value of plan assets at year end	92.62	121.81

Notes forming part of standalone financial statements
VI Actuarial Assumptions

	(Rs Lakhs)	
	31 March 2022	31 March 2021
Discount rate (Per annum)	7.05%	6.53%
Rate of escalation in salary (per annum)	5.00%	5.00%
Attrition rate	PS: 0 to 10 :7%	PS: 0 to 10 :7%
	PS: 10 to 20 :0%	PS: 10 to 20 :0%
	PS: 20 to 52 :7%	PS: 20 to 52 :7%
Mortality Table	IALM(2012-14) ult	IALM(2012-14) ult

VII Quantitative Sensitivity Analysis

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

	31 March 2022	31 March 2021
Projected benefit obligation on current assumptions		
Increase by 1% in Discount rate	51.14	68.18
Decrease by 1% in Discount rate	57.17	74.52
Increase by 1% in Rate of salary increase	55.96	73.17
Decrease by 1% in Rate of salary increase	52.16	69.36

VIII Maturity analysis of projected benefit obligation : from the fund

	(Rs Lakhs)	
Projected benefits payable in future years from the date of reporting	31 March 2022	31 March 2021
1st Following Year	3.79	23.47
2nd Following Year	3.67	3.35
3rd Following Year	4.81	3.24
4th Following Year	4.38	4.37
5th Following Year	16.72	4.03
Sum of years 6 to 10	28.82	35.39

Notes:

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

Notes forming part of standalone financial statements
34 Disclosure of transaction with related parties as require by Ind AS 24
Wholly own Subsidiary Company

Bond Street Capital Private Limited (formerly known as Gayatri Cements & Chemicals Industries Private Limited).

Key Management Personnel	Nature of relationship
Mr M.V Doshi	Executive Chairman & Managing Director
Mr Sajid Mohamed	Independent Director
Mr Pratik M. Doshi	Non-Executive Director
Mr Dinesh Waghela	Non-Executive additional Director
Mr Vineet N. Suchanti	Independent Director
Mr Smt. Anjali Suresh	Independent Director
Mr G B Innani	G.M Legal & Company Secretary
Mr S S Gulati	Head - Corporate Affairs

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

LKP Securities Limited
 MKM Share & Stock Brokers Limited
 Bhavana Holding Private Limited
 Alpha Commodity Private Limited
 Sea Glimpse Investments Private Limited
 Keynote Fincorp Limited
 Keynote Commodities Limited
 Keynote Financial Services Limited
 Jayalaxmi Vasantrai Doshi Charitable Trust

Transactions with Related parties:

	(Rs. Lakhs)	
	31 March 2022	31 March 2021
Remuneration to Key Management Personnel		
Key Management Personnel	347.69	377.33
Mr M V Doshi	294.30	308.40
Mr S.S. Gulati	34.65	47.81
Mr Girish Innani	18.74	21.12
Interest Income	95.95	61.46
LKP Securities Limited	59.51	17.58
Alpha Commodities Private Limited	-	9.57
Bond Street Capital Private Limited	-	0.01
Keynote Commodities Limited	22.23	-
Keynote Fincorp Limited	14.21	34.30
Interest Expenses		
Bond Street Capital Private Limited	53.42	-
CSR Expenses		
Jayalaxmi Vasantrai Doshi Charitable Trust	20.50	20.00
Brokerage and Depository Charges Paid		
LKP Securities Limited	82.11	26.52
Legal and Professional Charges Paid		
Keynote Financial Services Limited	-	16.52

Notes forming part of standalone financial statements

	(Rs. Lakhs)	
	31 March 2022	31 March 2021
Loans Given	4,160.00	71,915.00
LKP Securities Limited	3,700.00	63,395.00
Alpha Commodities Private Limited	-	1,020.00
Bond Street Capital Private Limited	-	7,500.00
Keynote Commodities Limited	460.00	-
Repayment Received	4,128.80	71,955.80
LKP Securities Limited	3,700.00	63,395.00
Alpha Commodities Private Limited	-	1,060.80
Bond Street Capital Private Limited	-	7,500.00
Keynote Fincorp Limited	428.80	-
Loans Taken		
Bond Street Capital Private Limited *	92,585.00	-
Loan Repaid		
Bond Street Capital Private Limited*	92,585.00	-
Other advances given		
Bond Street Capital Private Limited	150.00	16.08
Receipt of Other advances given		
Bond Street Capital Private Limited	150.00	8.00
Deposit given received back		
Bond Street Capital Private Limited	50.00	100.23
Others Advances Paid		
Bhavana Holdings Private Limited	0.00	40.00
Provision for impairment		
MKM Share & Stock Brokers Limited	80.00	-
Investment in Subsidiary		
Bond Street Capital Private Limited	-	2,922.00

*Maximum loan outstanding at any time during the year is Rs.1840 Lakhs and balance as on 31.03.2022 is nil

	(Rs Lakhs)	
	31 March 2022	31 March 2021
Outstanding balance as on		
Director Remuneration / Commission Payable	152.69	143.50
Mr M.V Doshi		
Deposits		
Bond Street Capital Private Limited	-	50.00
Loans given / Other Advances (Including Interest)		
Keynote Fincorp Limited	-	460.53
Keynote Commodities Limited	460.00	-
Bond Street Capital Private Limited	-	10.08
LKP Securities Limited	-	0.13
Trade Receivables		
MKM Share & Stock Brokers Limited*	250.00	500.00
Provision for impairment		
MKM Share & Stock Brokers Limited	80.00	-
Investments		
Bond Street Capital Private Limited	3,086.00	3,086.00
LKP Securities Limited	487.53	-

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

Transactions effected on exchange platforms are not considered

Notes forming part of standalone financial statements
35 Earnings per share

	31 March 2022	31 March 2021
Profit/(Loss) after tax (Rs.)	3,280.78	6,073.60
Weighted average number of equity shares		
- for Basic Earnings per share	1,25,68,623	1,25,68,623
- for Diluted Earnings per share	1,25,68,623	1,25,68,623
Face value of equity share (Rs/ share)	10	10
Basic earnings per share (Rs.)	26.09	48.32
Diluted Earnings per share (Rs/share)	26.09	48.32

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

(Rs. Lakhs)						
	As at 31 March 2021	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2022
				Interest Accrued	Other Charges	
Borrowings *	4,577.64	96,233.44	(92,585.00)	-	-	8,226.07
	As at 31 March 2020	Cash Inflows	Cash outflows	Interest Accrued	Other Charges	As at 31 March 2021
Borrowings	3,596.65	980.99	-	-	-	4,577.64

37 Disclosures as required by Ind AS 115
Revenue Consists of following

(Rs. Lakhs)		
	31 March 2022	31 March 2021
Interest Income	1,076.04	402.59
Dividend Income	92.08	29.54
Net Gain/loss on sale of securities / net fair value changes	4,381.85	9,131.55
Advisory Fees	4.04	-
Total	5,554.01	9,563.69

Revenue Disaggregation by Industrial Vertical & Geography is as follows

(Rs. Lakhs)		
Revenue by offerings	31 March 2022	31 March 2021
Financial Services/ India	5,554.01	9,563.69
Total	5,554.01	9,563.69

Timing of Revenue Recognition

(Rs. Lakhs)		
	31 March 2022	31 March 2021
Income accounted at point in time	4,477.97	9,161.10
Income accounted over period in time	1,076.04	402.59
Total	5,554.01	9,563.69

Notes forming part of standalone financial statements

- 38** The Company, has no long-term contracts including derivative contracts having material foreseeable losses as at 31 March 2022.
- 39** As per section 135 of the Companies Act, 2013, Rs 45.00 Lakhs is required to be spent by the company during the year ended March 31, 2022 and Rs.16.29 Lakhs during the year ended March 31, 2021 on Corporate Social Responsibility (CSR).

		(Rs. In Lakhs)
		2022
(i)	Amount required to be spent by the company during the year	45.00
(ii)	Amount of expenditure incurred,	45.00
(iii)	Shortfall at the end of the year,	4.50
(iv)	Total of previous years shortfall,	Nil
(v)	Reason for shortfall,	N.A.
(vi)	Nature of CSR activities,	Education activities and rural development
(vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Smt Jayalaxmi Vasantraï Doshi Charitable Trust
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	No Provision

40 Dividend Recommendation:

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

		(Rs. Lakhs)	
		2022	2021
Proposed dividend on equity shares for the year ended on 31 March, 2022: Rs.3/-per share (Rs.2 /Per share)(Rs.10/-per share)*		377.06	251.37

*Payment of the proposed dividend is subject to its approval by the shareholder, in the ongoing Annual General Meeting of the company

There are no unclaimed dividend for a period of more than seven years. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as on 31 March 2022

- 41** Due to the lockdown on account of COVID-19, although the capital market were impacted and volatility has increased in the stock market; the Company being a SEBI registered intermediary and considered among essential services, continued to operate during the lockdown in India and there was no major impact on our business as the capital markets remained open and functioned normally.
- 42 Struck of companies**
There are no transactions during the year with struck off companies as at 31 March 2022
- 43** The company has not traded or invested in crypto currency or Virtual currency during the year
- 44** 'No proceedings are initiated or pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
- 45** During the year the company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of company (ultimate beneficiaries) or (ii) provide any guarantee, security or the like to or behalf of the ultimate beneficiaries. The company has not given any loans except loans to employees and made inventories in the marketable equity shares. The company has not given guarantee or provided security.

Notes forming part of standalone financial statements

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

47 Financial Ratio

S No.	Ratio	Numerator	Denominator	31-03-2022	31-03-2021	Variance	Reason for variance more than 25%
1	Tier I Capital	Tier I Capital	Risk Weighted Assets	74.59	83.63	-10.81	
2	Tier II Capital	Tier II Capital	Risk Weighted Assets	0.14	0.07	100.00	Increase in standard assets provision
3	CRAR	Tier I Capital + Tier II Capital	Risk Weighted Assets	74.74	83.71	-10.72	
4	Liquidity Coverage Ratio	Cash and Cash Equivalent + Liquid Assets*100	Financial Liabilities	143.76	288.97	-50.25	Increase in cash and cash equivalent

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

Liabilities :			
1. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		Amount outstanding	Amount overdue
(a) Debentures : Secured		-	-
: Unsecured		-	-
(other than falling within the meaning of public deposits)			
(b) Deferred Credits		-	-
(c) Term Loans		-	-
(d) Inter-corporate loans and borrowing		3,596.65	-
(e) Commercial Paper		-	-
(f) Public Deposits		-	-
(g) Other Loans- Working Capital and Overdraft		4,629.42	-
2. Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :			
(a) In the form of Unsecured debenture			
(b) In the form of partly secured debenture i.e. debentures where there is a shortfall in the value of security		-	
(c) Other public deposits			

Notes forming part of standalone financial statements

<u>Assets :</u>	Amount outstanding
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below]	
(a) Secured	-
(b) Unsecured	15,270.78
4. Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	-
(b) Operating lease	-
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-
5. Break-up of Investments :	
<u>Current Investments :</u>	
<u>Quoted :</u>	
(i) Shares : (a) Equity *	4,124.34
(b) Preference	-
(ii) Debentures and Bonds*	1,992.55
(iii) Units of mutual funds	1,468.38
(iv) Government Securities	3,502.68
(v) Others	-
<u>Unquoted :</u>	
(i) Shares : (a) Equity	
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-
<u>Long Term Investments :</u>	
<u>Quoted :</u>	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-
<u>Unquoted :</u>	
(i) Shares : (a) Equity	8,530.92
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	563.73

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

Category	Amount net of provisions		Total
	Secured	Unsecured	
Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	Nil	-	-
(c) Other related parties	Nil	630.00	630.00
Other than related parties	Nil	14,640.78	14,640.78
Total	Nil	15,270.78	15,270.78

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

Amount (Rs.)

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	3,086.00	3,086.00
(b) Companies in the same group	42.59	42.59
(c) Other related parties	487.53	487.53
2. Other than related parties	17,054.00	17,054.00
	20,670.13	20,670.13

** As per Indian Accounting Standard issue by ICAI

8. Other Information

Amount (Rs.)

(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	800.00
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	300.00
(iii) Assets acquired in satisfaction of debt	-

49 Analysis of change in the Gross carrying amount and corresponding ECL allowance in relation to Loans

	Stage 1		Stage 2		Stage 3		Total	
	Term Loans Gross	Impairment loss allowances	Term Loans Gross	Impairment loss allowances	Term Loans Gross	Impairment loss allowances	Term Loans Gross	Impairment loss allowances
Balance as at 31 March 2021	5,100.99	-	-0.00	-	1,650.00	1,170.00	6,750.99	1,170.00
Transfers during the year								
Transfer to Stage 2 from stage 1	(400.00)	-	400.00	100.00	-	-	-	100.00
Transfer to Stage 3 from stage 2	-	-	-	-	-	-	-	-
Increase in impairment loss allowance during the year	-	-	-	-	-	100.00	-	100.00
Changes in Opening credit exposures	-	-	-	-	(1,250.00)	(870.00)	(1,250.00)	(870.00)
New Credit Exposures during the year, net of repayment	7986.10	-	-	-	-	-	7,986.10	-
Balance as at 31 March 2022	12,687.09	-	400.00	100.00	400.00	400.00	13,487.09	500.00

Notes forming part of standalone financial statements

	Stage 1		Stage 2		Stage 3		Total	
	Term Loans Gross	Impairment loss allowances	Term Loans Gross	Impairment loss allowances	Term Loans Gross	Impairment loss allowances	Term Loans Gross	Impairment loss allowances
Balance as at 31 March 2020	3,061.86	-	955.78	191.00			4,017.64	191.00
Transfers during the year								
Transfer to Stage 3 from stage 1	(750.00)	-	-	-	750.00	450.00	-	450.00
Transfer to Stage 3 from stage 2	-	-	(900.00)	(180.00)	900.00	180.00	-	-
Increase in impairment loss allowance during the year	-	-	-	-	-	540.00	-	540.00
Changes in Opening credit exposures	-	-	(55.78)	(11.00)	-	-	(55.78)	(11.00)
New Credit Exposures during the year, net of repayment	2789.13	-	-	-	-	-	2,789.13	-
Balance as at 31 March 2021	5,100.99	-	-	-	1,650.00	1,170.00	6,750.99	1,170.00

50 Assets Liability Management - Maturity pattern of Assets and Liabilities

Particular	As at 31 Mar 2022			As at 31 Mar 2021		
	Within 12 months Current	After 12 Months Non- Current	Total	Within 12 months Current	After 12 Months Non- Current	Total
Financial Assets						
(a) Cash and cash equivalents	1,598.23	-	1,598.23	769.47	-	769.47
(b) Bank Balance other than (a) above	722.51		722.51	240.67		240.67
(c) Receivables						
Trade receivables	174.50	-	174.50	719.67	-	719.67
(d) Loans	10,142.09	2,845.00	12,987.09	5,580.99		5,580.99
(e) Investments	14,353.74	6,316.39	20,670.13	13,860.99	9,065.23	22,926.23
(f) Other financial assets	580.05		580.05	74.11		74.11
Total Financial Assets	27,571.12	9,161.39	36,732.51	21,245.91	9,065.23	30,311.15
Non-Financial Assets						
(a) Current tax assets (net)	-	354.69	354.69	-	305.76	305.76
(b) Property, plant and Equipment	-	8.19	8.19	-	8.26	8.26
(c) Other non-financial assets	1,135.83	38.61	1,174.44	1,126.23	50.62	1,176.85
Total Non-Financial Assets	1,135.83	401.49	1,537.32	1,126.23	364.64	1,490.87
Financial Liabilities						
(a) (I) Trade payable						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(II) Other payable						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6.96	-	6.96	11.76	-	11.76
(b) Borrowings	8,226.07	-	8,226.07	4,577.64	-	4,577.64
(c) Other financial liabilities	591.76	-	591.76	722.73	-	722.73
Total Financial Liabilities	8,824.80	-	8,824.80	5,312.13	-	5,312.13
Non-Financial Liabilities						
(a) Provisions	-	50.70	50.70	-	19.74	19.74
(b) Deferred tax Liabilities (net)	-	529.48	529.48	-	770.42	770.42
(c) Other non-financial liabilities	97.19	-	97.19	173.97	-	173.97
Total Non-financial liabilities	97.19	580.19	677.38	173.97	790.16	964.13

Notes forming part of standalone financial statements

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

In terms of our Report attached

For and on behalf of the board

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

LKP Finance Limited

Sanjay Kothari

Partner

Membership Number 048215

M.V Doshi

Executive Chairman & Managing Director

DIN: 00123243

Pratik Doshi

Director

DIN: 00123243

Mumbai, 5 May, 2022

G.B Innani

G.M (Legal) & Company Secretary

S.S Gulati

Head-Corporate Affairs

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report on the Audit of Consolidated Financial Statements

To

The Members of **LKP Finance Limited**

1. Qualified Opinion

We have audited the accompanying consolidated financial statements of **LKP Finance Limited** ("the Holding Company or the Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group), which comprise the consolidated balance sheet as at 31 March 2022, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (herein after referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of matters described in the Basis for Qualified opinion of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31 March 2022, its consolidated profit, consolidated total comprehensive income, changes in equity and its consolidated cash flows for the year ended on that date.

2. Basis for Qualified Opinion

- (a) The Group has investment in unquoted equity shares with a carrying value of Rs.5,444.92 lakhs. The Company has not obtained fair valuation of these investments as at 31 March 2022 as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation report, we are unable to comment on the carrying value of these investment amounting to Rs 5,444.92 lakhs and the consequent impact thereof on Other Comprehensive Income.
- (b) The Group did not obtain/ receive balance confirmation/ term sheet from two lenders amounting to Rs 3,596.65 lakhs. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's

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

3. Emphasis of Matter

As described in Note 28(b) to the Consolidated Ind AS financial statements, State Bank of India obtained an order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines, United Breweries (Holdings) Limited and Others for recovery of dues from them. The Group received a garnishee order from the Recovery Officer, DRT, Bangalore for an amount of Rs 2,500 lakhs (plus interest) as the financial statements of Kingfisher Finvest Limited showed an amount of Rs 2,500 lakhs due from the Group. The Group has contested the same. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai for hearing. The scope, duration or outcome of the matter is uncertain. Our opinion is not modified in respect of this matter.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 March 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S r. No	Key Audit Matter	How our audit addressed the key audit matter
1.	<p>Non recognition of Deferred tax assets on carried forward tax losses</p> <p>The Group's ability to recover deferred tax assets are assessed by management at the close of each financial year taking into account availability of sufficient future taxable income.</p>	<p>We have considered the recoverability of such deferred tax assets on tax losses carried forward as a key audit matters due to the importance of management's estimation and judgment and the materiality of amounts at stake.</p> <p>We reviewed the evaluation process of deferred tax assets on tax losses carried forward implemented by the Management.</p>

S r . No	Key Audit Matter	How our audit addressed the key audit matter
		<p>We assessed the permanence of methods used, the relevance and consistency of underlying assumptions (like earnings growth and applicable tax rates) and tested the arithmetic accuracy.</p> <p>We assessed the probability that the Group may not use in the future its deferred tax assets, particularly with regard to the ability of the Group to generate sufficient future taxable profits in a foreseeable future allowing the use of existing tax losses carried forward.</p>

5. Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard

6. Management’s Responsibility for the Consolidated Financial Statements

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

of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies are responsible for overseeing the Group’s financial reporting process.

7. Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

8. Other matters

We did not audit the financial statements of a subsidiary company whose financial statements reflect total assets of Rs. 3,220.12 lakhs as at 31 March 2022, total income of Rs.-715.57 lakhs, total profit after tax of Rs.375.65 lakhs, total comprehensive income of Rs.377.82 lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statements have been audited by other auditor whose reports has been furnished to us by the Management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the reports of the other auditors

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management

9. Report on Other Legal and Regulatory requirements

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

- a) We have sought, except for the matter described in the "Basis for Qualified Opinion" paragraph above, and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) Except for the effects/possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) Except for the effects/possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company

- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the act, as amended;
- i) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/payable by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act:
- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements. (Refer note 28 of the financial statements)
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India
- iv. (a) The respective managements of the Company and its subsidiary have represented, that, to the best of their knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company and the subsidiary to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and the subsidiary (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (b) The respective managements of the Company and its subsidiary has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company and the subsidiary from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company and the subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by the Company and its subsidiary, nothing has come to our notice that has caused us to believe that the representations under subclause iv(a) and (b) contain any material misstatement.
- v. As stated in Note 40 to the consolidated financial statements
- (a) The final dividend proposed in the previous year declared and paid by the Company during the year is in accordance with Section 123 of the Act.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act.
- vi With respect to the matters specified in para 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143 (11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and the CARO report issued by other auditor for the subsidiary company included in the Consolidated financial statements of the Company, we report that there are no qualifications or adverse remarks in these CARO reports

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 05 May 2022

UDIN: 22048215AILTLC2118

Annexure - A to the Independent Auditor's Report**Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 9(g) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of the LKP Finance Limited on the consolidated financial statements for the year ended 31 March 2022**

We have audited the internal financial controls over financial reporting of **LKP Finance Limited** ("the Company" or "the Holding Company"), and its subsidiary, incorporated in India (the Holding Company and its subsidiary together referred to as "the Group") as of 31 March 2022 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor of the subsidiary, incorporated in India, in terms of the report referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Group.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

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

- i) Independent Confirmation/ term sheet which were not obtained /received from two lenders for the balances outstanding as at 31 March, 2022.
- ii) Fair valuation of unquoted equity shares as required by the Ind AS 109 "Financial Instruments".

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is reasonable possibility that a material

misstatement of the Group's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects of the material weakness described above on the achievement of the objectives of the controls criteria, the Group has maintained, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2022, based on the internal control with reference to financial statements criteria established by the Holding Company and its subsidiary incorporated in India considering the essential components of internal control stated in the Guidance Note.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statement of the Company, and these material weaknesses do has affected our opinion on the standalone financial statements of the Company.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a subsidiary incorporated in India, is based solely on corresponding reports of the auditor of such company incorporated in India. Our opinion is not qualified in respect of this matter.

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 05 May 2022

UDIN: 22048215AILTLC2118

Consolidated Balance Sheet as at 31 March 2022

	Notes	(Rs. in Lakhs)	
		31 March 2022	31 March 2021
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3(a)	2,085.86	777.45
(b) Bank Balance other than (a) above	3(b)	2,803.24	2,196.20
(c) Trade receivables	4	174.50	719.67
(d) Loans	5	12,987.09	5,580.99
(e) Investments	6	18,218.99	20,490.53
(f) Other financial assets	7	593.07	229.36
Total Financial Assets		36,862.75	29,994.20
(2) Non-Financial Assets			
(a) Current tax assets (net)	8(a)	356.36	307.42
(b) Property, Plant and Equipment	10	10.43	11.64
(c) Goodwill on Consolidation		143.00	143.00
(d) Other non-financial assets	11	1,174.45	1,176.85
Total Non-Financial Assets		1,684.24	1,638.91
Total Assets		38,546.99	31,633.10
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(I) Trade payables	12		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6.96	11.76
(b) Borrowings	13	8,226.07	4,577.64
(c) Other financial liabilities	14	675.71	739.23
Total Financial Liabilities		8,908.74	5,328.63
(2) Non-Financial Liabilities			
(a) Current tax liabilities (net)	8(b)	9.37	-
(b) Provisions	15	50.70	19.74
(c) Deferred tax Liabilities (net)	9	550.22	770.42
(d) Other non-financial liabilities	16	97.35	191.75
Total Non-financial liabilities		707.64	981.91
(3) Equity			
(a) Equity Share capital	17	1,256.86	1,256.86
(b) Other Equity	18	27,673.75	24,065.70
Total Equity		28,930.61	25,322.56
Total Liabilities and Equity		38,546.99	31,633.10

Notes forming part of the Consolidated financial statements 1-52

In terms of our Report attached For and on behalf of the board

For MGB & Co. LLP Chartered Accountants Firm Registration Number 101169W/W-100035	LKP Finance Limited
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Sanjay Kothari Partner Membership Number 048215	M.V Doshi Executive Chairman & Managing Director DIN: 00123243	Pratik Doshi Director DIN: 00131122
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Mumbai, 5 May, 2022	G.B Innani G.M (Legal) & Company Secretary	S.S Gulati Head-Corporate Affairs
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Consolidated Statement of Profit and Loss for the year ended 31 March 2022

	Note	(Rs. in Lakhs)	
		31 March 2022	31 March 2021
Revenue from operations			
(i) Interest Income	19	1,172.11	428.82
(ii) Dividend Income		93.44	29.55
(iii) Net gain on fair value changes		752.70	5,881.94
(iv) Others		4,081.94	3,234.86
Total Revenue from operations		6,100.19	9,575.17
Other Income	20	15.80	149.31
Total Income		6,115.99	9,724.48
Expenses			
(i) Finance Costs	21	280.80	257.61
(ii) Fees and commission Expense	22	5.08	67.27
(iii) Impairment on financial instruments	23	340.96	986.28
(iv) Employee benefits expense	24	953.85	1,175.98
(v) Depreciation and amortisation expenses	25	3.90	2.63
(vi) Other expenses	26	341.02	279.78
Total Expenses		1,925.62	2,769.55
Profit before tax		4,190.37	6,954.94
Tax expenses			
Current tax-Current Year		728.74	63.70
- Earlier Year		-	(24.65)
Deferred tax (Credit) / Charge		(194.79)	851.22
Total tax expenses		533.95	890.27
Profit after tax		3,656.42	6,064.67
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss (net of tax)			
- Remeasurement gains/(losses) on defined benefit plans		(14.06)	2.12
- Fair value change on equity instruments through other comprehensive income		228.74	4,820.14
Other Comprehensive Income for the year		214.68	4,822.26
Total comprehensive Income for the year		3,871.10	10,886.91
Earning per equity share (face value of Rs. 10 each)			
Basic (in Rs.)		29.09	48.25
Diluted (in Rs.)		29.09	48.25

Notes forming part of the Consolidated financial statements 1-52

In terms of our Report attached For and on behalf of the board

For MGB & Co. LLP Chartered Accountants Firm Registration Number 101169W/W-100035	LKP Finance Limited
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Sanjay Kothari Partner Membership Number 048215	M.V Doshi Executive Chairman & Managing Director DIN: 00123243	Pratik Doshi Director DIN: 00131122
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Mumbai, 5 May, 2022	G.B Innani G.M (Legal) & Company Secretary	S.S Gulati Head-Corporate Affairs
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Consolidated Statement of Changes in Equity for the year ended 31 March 2022

	Note	Rs in Lakhs
A. Equity Share Capital		
Balance as at 1 April 2020	17	<u><u>1,256.86</u></u>
Changes in equity share capital during the year		-
Balance as at 31 March 2021	17	<u><u>1,256.86</u></u>
Changes in equity share capital during the year		-
Balance as at 31 March 2022		<u><u>1,256.86</u></u>

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

B. Other Equity

	Reserves and Surplus				Other Comprehensive Income (OCI)	Total other Equity
	Securities Premium	General Reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Retained Earnings		
Balance as at 31 March 2020	370.03	6,149.10	4,608.26	1,644.83	406.26	13,178.49
Profit/ (Loss) for the year	-	-	-	6,064.67	-	6,064.67
Remeasurement gains/ (losses) on defined benefit plan (net of tax)	-	-	-	2.12	-	2.12
Other comprehensive income						
Transfer to reserve fund in terms of Section 45-IC(1) of Reserve Bank of India Act, 1934			1,214.72	(1,214.72)	-	-
Gain/(Loss) on fair value of financial asset measured through other comprehensive income (net of tax)					4,820.42	4,820.42
Transfer on account of decognition of financial instrument measured through other comprehensive income (net of tax)				3,337.34	(3,337.34)	-
Total comprehensive income	-	-	-	-	-	-
Balance as at 31 March 2021	370.03	6,149.10	5,822.98	9,834.24	1,889.34	24,065.70
Profit/ (Loss) for the year	-	-	-	3,656.42	-	3,656.42
Remeasurement gains/ (losses) on defined benefit plan (net of tax)	-	-	-	(14.06)	-	(14.06)

Other comprehensive income

Transfer to reserve fund in terms of Section 45-IC(1) of Reserve Bank of India Act, 1934	656.16	(656.16)	-
Gain/(Loss) on fair value of financial asset measured through other comprehensive income (net of tax)	-	217.00	217.00

Dividend paid

	(251.37)		(251.37)
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Transfer on account of decognition of financial instrument measured through other comprehensive income (net of tax)	-	-	-
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Total comprehensive income	-	-	656.16	(921.59)	217.00	(48.43)
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Balance as at 31 March 2022	370.03	6,149.10	6,479.14	12,569.08	2,106.34	27,673.73
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- 1) Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve
- 2) Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act .
- 3) General Reserve is a distributable reserve maintained by the Group out of transfers made from profits
- 4) Retained earnings represent the accumulated earnings net of losses if any made by the Group over the years.
- 5) Other comprehensive income (OCI) includes fair value gain on equity instruments measured at fair value through OCI and remeasurement of defined benefit plan.
- 6) The Company has not made any adjustment in other equity capital due to prior period errors

Notes forming part of the consolidated financial statements

In terms of our Report attached **1-52** **For and on behalf of the board**

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

LKP Finance Limited

Sanjay Kothari
Partner
Membership Number 048215

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

Pratik Doshi
Director
DIN: 00131122

Mumbai, 5 May, 2022

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

S.S Gulati
Head-Corporate Affairs

Consolidated Statement of Cash flow for the year ended 31 March 2022

	(Rs. in Lakhs)	
	31 March 2022	31 March 2021
A. Cash flow from operating activities		
Profit before tax	4,190.37	6,954.94
Adjustments for:		
Depreciation and amortization expense	3.90	2.63
(Profit) on disposal of property, plant and equipment	-	(125.66)
Interest expenses	257.84	116.23
Interest Income	(1,091.85)	(428.83)
Dividend Income	(92.08)	(29.55)
Net loss/ (gain) on fair value changes	(752.70)	(5,881.94)
Net loss/ (gain) on sale of investments	(3,806.72)	(3,233.44)
Impairment on financial instruments	340.96	986.28
Operating profit before working capital changes	(950.26)	(1,639.35)
Adjustments for:		
Decrease / (increase) in Trade Receivables and other receivables	625.17	446.09
(Decrease) /increase in Trade payables and other payables	9.27	(236.79)
(Decrease) /increase in Financial assets	51.64	572.86
(Decrease) /increase in Non financial assets	2.40	(3.22)
Other Non-Financial Liabilities	(30.79)	63.04
Other Financial Liabilities	(272.85)	519.28
Cash generated from operations	(565.43)	(278.07)
Direct tax paid (net of refunds)	(788.95)	(1,024.86)
Net cash from/ (used in) operating activities (A)	(1,354.38)	(1,302.94)
B. Cash flow from investing activities		
Sale of Property, plant and equipment and intangible assets	-	134.00
Purchase of Property, plant and equipment and intangible assets	(1.56)	(4.15)
Net proceedings from sale of investments	6,833.71	3,319.47
Advance for purchase of investments	(560.59)	
Loans given (net)	(7,423.45)	(2,671.94)
(Increase)/ decrease in bank deposits	(601.70)	(376.80)
Interest received	1,206.81	367.41
Dividend received	92.08	29.55
Net cash from/ (used in) investing activities (B)	(454.70)	797.54
C. Cash flow from financing activities		
Dividend Paid	(270.22)	-
Increase / (decrease) in borrowings	3,645.54	980.99
Interest paid	(257.84)	(116.23)
Net cash from/ (used in) financing activities (C)	3,117.48	864.76
Net changes in cash and cash equivalents (A+B+C)	1,308.40	359.36
Cash and cash equivalents at the beginning of the year	777.45	418.09
Cash and bank balances at the end of the year	2,085.86	777.45

Notes:

- Previous year figures have been regrouped or recast wherever, considered necessary
- As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 36
- Cash and cash equivalents consists of :**

Cash in Hand	0.11	0.08
Balances with banks:		
in current accounts	2,017.08	661.08
in deposit accounts	-	100.93
Cheques on hand	68.67	15.36
Total	2,085.86	777.45

In terms of our Report attached **For and on behalf of the board**

For MGB & Co. LLP Chartered Accountants Firm Registration Number 101169W/W-100035 Sanjay Kothari Partner Membership Number 048215	LKP Finance Limited M.V Doshi Executive Chairman & Managing Director DIN: 00123243 G.B Innani G.M (Legal) & Company Secretary	Pratik Doshi Director DIN: 00131122 S.S Gulati Head-Corporate Affairs
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Mumbai, 5 May, 2022

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022
1 Corporate information

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

The Holding Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 7 August 1999 vide Regn No. B.13.01282. The consolidated financial statement (hereinafter referred to as "Financial statements ") of the Group for the year ended 31 March 2022 were authorised for issue by the Board of Directors at the meeting held on 05 May 2022.

2 Significant accounting policies
(a) Basis of preparation

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

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

The Financial statements have been prepared on a going concern basis. The Group presents its balance sheet in order of Liquidity.

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

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of schedule III (except per share data), unless otherwise stated.

Principles of Consolidation

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

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

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

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

Name of the Subsidiaries	Proportion of Interest (including beneficial interest) / Voting Power (either directly / indirectly or through Subsidiary)	Principal place of business
Direct Subsidiary		
Bond Street Capital Private Limited (formerly known as Gayatri Cements & Chemicals Industries Private Limited).	100% (100%)	India

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

(b) Property, plant and equipment and Intangible assets

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

(c) Depreciation on property, plant & equipment

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

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

(d) Derecognition of property, plant and equipment / intangible assets

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

(e) Leases

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

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

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

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

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

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

(g) Cash and cash equivalents

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

(h) Fair value measurement

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

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

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

Financial instruments

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

Financial assets

i Initial recognition

Financial assets are recognized when the group becomes a party to the contractual provisions of the financial instrument.

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

ii Subsequent measurement

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

Debt Instrument

Amortised Cost

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

Fair value through other comprehensive income (FVTOCI)

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 'Financial instruments' are measured at fair value. However the Group has strategic investments in equity for which it has elected to present subsequent changes in the fair value in OCI. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

Derivative financial instruments

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

iii Derecognition of financial assets

A financial asset is derecognised only when

- i) The Group has transferred the rights to receive cash flows from the asset or the rights have expired or
- ii) The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Impairment of financial assets

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

Financial liabilities and equity instruments

Debt or equity instruments issued by the group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Net Gain/ loss on fair value changes includes the effect of financial instruments held at fair value through Profit or loss (FVTPL) for continuing and discontinuing portfolio.

Financial liabilities

i Classification

Financial liabilities are recognized when the group becomes party to contractual provisions of the instrument. The Group determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss. The Group classifies all financial liabilities at amortised cost or fair value through profit or loss.

ii Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- i) Financial liabilities measured at amortised cost
 - ii) Financial liabilities measured at FVTPL (fair value through profit or loss)
- i) Financial liabilities measured at amortised cost**

After initial recognition, financial liability are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

ii) Financial liabilities at fair value through profit or loss

After initial recognition, loans, borrowings and deposits are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. The EIR amortisation is included in finance costs in the statement of profit and loss.

Trade and other payables

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

iii) De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowings.

(j) Provisions, contingent liabilities and contingent assets

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

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

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

(k) Revenue recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfill these contracts.

- A. Revenue - Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Group.
- a) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.
- b) Dividend income is recognised when the Group's right to receive dividend is established.
- c) Advisory fees is measured and recognised as per the term of the agreement
Transaction price is accounted net of GST. Since GST is not received by the group on its own account, rather, it is collected by the Group on behalf of the government. Accordingly, it is excluded from revenue.
- d) The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss

(e) The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

B. Contract Costs

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

C. Arrangements with Multiple Performance Obligations

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

D. Contract assets and liabilities

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

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

(l) Retirement and other employee benefits

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

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

For defined benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. The Group makes contribution to a scheme administered by the Life Insurance Corporation of India ("LIC") to discharge the gratuity liability to employees. The Group records its gratuity liability based on an actuarial valuation made by an independent actuary as at year end. Contribution made to the LIC fund and provision made for the funded amounts are expensed in the books of accounts.

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

(ii) Short term employee benefits:

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

(m) Transactions in foreign currencies

(i) The functional currency of the Group is Indian Rupees ("Rs."). Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

(ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

(iii) Non-monetary foreign currency items are carried at historical cost and translated at the exchange rate prevalent at the date of the transaction.

(n) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

Current tax

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

with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax

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

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

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

Presentation of current and deferred tax

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

(o) Impairment of non-financial assets

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

(p) Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

(q) Share based payments

The Group recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to share based payment reserves.

(r) Provisions

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

(s) Contributed equity

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

(t) Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expenses are classified as an exceptional item and accordingly, disclosed in the financial statements.

(u) Critical accounting judgment and estimates

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

a Contingencies

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

b Useful lives and residual values

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

c Impairment testing

Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

d Tax

The Group's tax charge is the sum of the total current and deferred tax charges. The calculation of the Group's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or Group in which the deferred tax asset has been recognized.

e Defined benefit obligation

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

f Recent accounting pronouncements

Standards issued but not yet effective

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

IndAS16–Property Plant and equipment -The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

IndAS37–Provisions, Contingent Liabilities and Contingent Assets–

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022

	(Rs. In Lakhs)		(Rs. In Lakhs)						
	31 March 2022	31 March 2021	Particular	31 March 2021					Total
3(a) Cash and cash equivalents				Less than 6 Months	6 Months to 1 Years	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	
Cash on hand	0.11	0.08		219.67	-	-	500.00	-	719.67
Balances with banks -			Undisputed Trade receivables – considered good	-	-	-	-	-	-
- In Current accounts	2,017.08	661.08	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
- Deposit with original maturity less than 3 months	-	100.93	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Cheques on hand	68.67	15.36	Disputed Trade receivables – considered good	-	-	-	-	-	-
Total	2,085.86	777.45	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
			Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
			Total	219.67	-	-	500.00	-	719.67

3(b) Bank balances other than cash and cash equivalents	31 March 2022	31 March 2021
Unpaid dividend accounts	39.63	58.48
Earmarked Balance with bank against bank deposits *	2,763.61	2137.72
Total	2,803.24	2,196.20

*(2022: Rs 2582.42 Lakhs)(2021: Rs 1955.53 Lakhs) is lien against Cash Credit and Bank Overdraft taken from bank and (2022: Rs 181.19 Lakhs) (2021: Rs 182.19 Lakhs) lien marked against bank guarantee given to Government Authority . (Refer note 28 (i))

4 Receivables	31 March 2022	31 March 2021
Trade receivables*		
Considered good - Unsecured	4.50	719.67
Significant increase in credit risk	250.00	-
Less: Impairment Loss Allowance	(80.00)	-
Total	174.50	719.67

For related party transactions refer note 34

Particular	(Rs. In lakhs)					
	31 March 2022					
	Less than 6 Months	6 Months to 1 Years	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	Total
Undisputed Trade receivables – considered good	4.50	-	-	-	-	4.50
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-250.00	-	250.00
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	4.50	-	-	-250.00	-	254.50

5 Loans	31 March 2022	31 March 2021
At amortised cost		
Considered Good - Secured		4,000.00
Considered Good - Unsecured		8,685.59
Significant increase in credit risk		800.00
Less: Impairment Loss Allowance		500.00
		12,985.59
Loans to employees		
- Considered Good		1.50
		0.35
Total	12,987.09	5,580.99
Loans in India		
- Others		13,487.09
		6,750.99
Total (Gross)	13,487.09	6,750.99
Less: Impairment loss allowance	500.00	1,170.00
Total (Net)	12,987.09	5,580.99

* Includes Rs.460.00 Lakhs (2021 : Nil) due from a private limited Company in which director is interested

*For related party transactions refer note 34

For FY 2021-22	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Type of Borrower		
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	460.00	3.54
For F.Y. 2020-21		
Type of Borrower		
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	460.53	8.25

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022

		(Rs. In lakhs)			
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
6	Investments			1,00,000 (2021:1,00,000) Jaiprakash Power Ventures Limited	6.79 3.28
	(A) Investment in Mutual Funds			Nil (2021:3,00,417) L& T Finance Holdings Limited	- 287.65
	Investment carried at Fair value through profit and loss			25,400 (2021:25,400) Raymond Limited	217.11 91.87
	Face value of Rs 1000 each**	1,468.38	1,431.75	92,838 (2021 : 96,837) Yuken India Limited	516.36 445.30
	Face value of Rs 100 each	-	2,503.23	20,00,000 (2021: 20,00,000) Subex Limited **	642.00 711.00
		1,468.38	3,934.98	4,241 (2021 : 4,241) John Cockeril India Limited (formerly CMI FPE Limited)	66.03 35.33
	(B) Investments in government securities^			Nil (2021 : 2,502) Ironwood Education Limited ((formerly Greycells Education Limited)	- 0.50
	Investment carried at Fair value through profit and loss			13,46,760 (2021: 73,39,942) Religare Enterprises Limited **	1,752.81 6,429.79
	5.63% Government of India 2026 face value of Rs.100	1,012.77	-	1,00,000 (2021: Nil) Coal India Limited **	183.00
	6.54% Government of India 2032 face value of Rs.100	2,489.90	-	Nil (2021 : 50,16,000) Vodafone Idea Limited	- 463.98
		3,502.68	-	Nil (2021: 15,000) Solara Activa Pharma Limited	- 209.14
	(C) Investments in debentures or bonds ^			5,400 (2021 : 5,400) Cremica Agro Foods Limited#	0.00 -
	Investment carried at Fair value through profit and loss			332 (2021 : 332) Linde India Limited	5.98 5.98
	10% Edelweiss Housing Finance Limited 2026 face value of Rs.1,000	485.43	475.00	250 (2021 : 250) Sandur Manganese & Iron Ores Limited	2.53 2.53
	6.75% India Infradebt Limited 2027 face value of Rs.1,000	1,507.11	-	17,000 (2021: 17,018) Solid Stone Company Limited	4.08 8.24
		1,992.55	475.00	Nil (2021: 1,00,000) Allied Digital Services Limited	- 43.45
	(D) Investment in Equity Shares -			Nil (2021: 10,00,000) Steel Authority of India Limited	- 788.50
	a) Unquoted			4,00,000 (2021 : Nil) Reliance Infrastructure Limited	450.40 -
	(i) Investment carried at Fair value through other comprehensive income			5,00,000 (2021 : Nil) JSW Ispat Special Product Limited	161.50 -
	Equity shares of face value of Rs. 10 each			11,500 (2021 : Nil) Specility Resturants Limited	18.56 -
	3,50,000 (2021 : 3,50,000) SAMCO Ventures Private Limited	2,100.00	2,100.00		
	19,86,211 (2021 : 19,96,211) Care Health Insurance Company Limited (formerly known as Religare Health Insurance Co Limited)	2,840.28	2,854.58		
	5,600 (2021 : 5,600) The Hindustan Times Limited	304.67	304.67		
	2,035 (2021: Nil) Nivaata System Private Limited	199.97	-		
		5,444.92	5,259.25		
	b) Quoted			Equity shares of face value of Rs 5 each	
	(i) Investment carried at Fair value through other comprehensive income			1,36,061 (2021: 5,28,898) Prime Securities Limited	125.72 219.49
	Equity shares of face value of Rs. 10 each			Nil (2021 : 2,00,000) Jump Networks Limited	- 18.72
	8,153 (2021:8,153) Everlon Synthetics Limited	3.13	0.93	Equity shares of face value of Re 1 each	
	1,500 (2021:1,500) IDBI Bank Limited	0.64	0.58	Nil (2021:2,00,000) Sintex Plastics Technologies Limited	- 6.50
	5,000 (2021:5,000) MRPL Limited	2.08	1.96	50,000 (2021:Nil) Sun Pharma Advanced Research Company Limited	148.43 -
	8,400 (2021:8,400) IND Renewable Energy Limited	0.96	0.92	2,00,000 (2021: 2,00,000) Transformers and Rectifiers (India) Limited	65.90 32.70
	Equity shares of face value of Rs. 2 each			Nil (2021: 361,046) International Conveyors Limited	- 157.06
	3,500 (2021:3,500) Yes Bank Limited	0.43	0.57	2,99,993 (2021: 326,633) Elpro International Limited	180.90 135.23
	35,29,514 (2021 : 1,800) LKP Securities Limited	487.78	0.12	50,000 (2021: Nil) Greaves Cotton Limited **	95.45 -
		495.02	5.08		
	(ii) Investment carried at Fair value through profit and loss				
	Equity shares of face value of Rs. 10 each				

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022

	31 March 2022	31 March 2021
Investment in Portfolio Management Services (PMS)		
106 (2021 : Nil) Bajaj Finance Limited	7.69	-
5,781 (2021 : Nil) City Union Bank Limited	7.46	-
310 (2021 : Nil) Housing Development Financial Corporation Limited	7.40	-
673 (2021 : Nil) HDFC Bank Limited	9.89	-
1,052 (2021 : Nil) ICICI Prudential Life Insurance Company Limited	5.26	-
1,603 (2021 : Nil) India Energy Exchange	-	-
578 (2021 : Nil) Kotak Mahindra Bank Limited	10.14	-
130 (2021 : Nil) L&T Technology Services Limited	6.63	-
26 (2021 : Nil) Shree Cement Limited	6.24	-
1,140 (2021 : Nil) TATA Consumer Product Limited	8.86	-
270 (2021 : Nil) Timken India Limited	5.81	-
432 (2021 : Nil) Titan Company Limited	10.96	-
211 (2021 : Nil) Jubilant Foodwork Limited	5.56	-
212 (2021 : Nil) Indigo Paint Limited	3.39	-
406 (2021 : Nil) Tube Investment of India Limited	6.58	-
373 (2021 : Nil) FSN - E Commerce Venture Limited	6.30	-
	4,751.72	10,096.23

(E) Investments In Alternate Investment Funds
Investment carried at Fair value through profit and loss

26,87.50 (2021 : 2775)Edelweiss Infra Yield plus of Rs. 10,000/- each	354.24	298.00
26,824.35 (2021: 34,913.149) Edelweiss credit opportunity fund of Rs 1,000/- each	195.78	367.98
2,000 (2021 : 2,000) Edelweiss stressed & Troubled Assets revival fund of Rs 10,000/- each	13.71	54.00
	563.73	719.98

Total Investments (A+B+C+D)
18,218.99 20,490.53

"0" (Zero) denotes amounts less than thousand

** HDFC Mutual fund amounting to Rs 958.81 lakhs and other equity instruments are marked as lien against secured loan from NBFC viz. Tata Capital Financial Services Limited and Barclay Investment and Loan (India) Private Limited

For related party transactions refer note 34

	As at 31 March 2022	As at 31 March 2021
Out of Above		
In India	18,218.99	20,490.53
Outside India	-	-
Aggregate book value of quoted investments	12,774.07	15,231.28
Aggregate book value of unquoted investments	5,444.92	5,259.25
Aggregate market value of quoted investments	12,774.07	15,231.28

	31 March 2022	31 March 2021
7 Other financial assets		
Security Deposits- (unsecured and considered good)		
- others	31.90	23.90
Advance for Investment Application money	560.59	-
Other Advances - unsecured		
- Related parties*	-	0.13
- others	0.58	205.33
Total	593.07	229.36

*For related party transactions refer note 34

8(a) Current tax assets (net)
Balance with Government Authorities

Advance Direct tax (net of provisions)	356.36	307.42
Total	356.36	307.42

8(b) Current tax Liabilities (net)
Balance with Government Authorities

Advance Direct tax (net of provisions)	9.37	-
Total	9.37	-

9 Defered tax assets / (liabilities) (net)

Depreciation and amortisation	(14.03)	-
Allowance Credit loss	164.94	299.43
Fair valuation of Financial Instruments	(704.14)	(1,069.85)
Preliminary Expenses as per Section 35D	1.52	-
Unabsorbed depreciation and Business Losses	1.48	-
Total	(550.22)	(770.42)

10 Property, Plant and Equipments

(Rs. In Lakhs)

Description of Assets	Buildings	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Block					
Balance as at 31 March 2020	21.39	0.04	-	-	21.43
Additions during the year	-	-	4.15	-	4.15
Disposals/Adjustment/ Deductions	9.93	-	-	-	9.93
Balance as at 31 March 2021	11.47	0.04	4.15	-	15.65
Additions during the year	-	-	-	1.56	1.56
Disposals/Adjustment/ Deductions	-	-	-	-	-
Balance as at 31 March 2022	11.47	0.04	4.15	1.56	17.21
II. Accumulated Depreciation					
Balance as at 31 March 2020	1.34	0.01	-	-	1.34
Depreciation charged for the year	2.43	-	0.21	-	2.63
Disposals/Adjustment/ Deductions	(0.05)	-	-	-	(0.05)
Balance as at 31 March 2021	3.80	0.01	0.21	-	4.02
Additions during the year	3.02	0.03	0.49	0.36	3.90
Disposals/Adjustment/ Deductions	-	-	-	-	-
Balance as at 31 March 2022	6.82	0.04	0.70	0.36	7.92
Net block					
As at 31 March 2021	7.67	0.03	3.95	-	11.64
As at 31 March 2022	5.78	-0.00	3.45	1.20	10.43

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022

		(Rs. In Lakhs)	
		31 March 2022	31 March 2021
11	Other non-financial assets		
	Prepaid expenses	9.62	0.01
	Defined benefit asset -Gratuity	38.61	50.62
		<u>48.23</u>	<u>50.63</u>
	Deposit with Debt Recovery Tribunal (DRT) (Refer note 28)	1,126.22	1,126.22
	Total	<u><u>1,174.45</u></u>	<u><u>1,176.85</u></u>
12	Financial liabilities		
	Payables		
I)	Trade Payables (refer note 31)		
i)	total outstanding dues of micro enterprises and small enterprises	-	-
ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	Total	<u>-</u>	<u>-</u>
II)	Other Payables (refer note 31)		
i)	total outstanding dues of micro enterprises and small enterprises	-	-
ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	6.96	11.76
	Total	<u><u>6.96</u></u>	<u><u>11.76</u></u>
	Trade payables and other payables are non-interest bearing and are normally settled as per contractual terms.		
	For related party transactions refer note 34		
		31 March 2022	31 March 2021
13	Borrowings		
	Loans repayable on demand		
	- from banks (Note 1 below)	3,616.12	275.90
	- from Financials Institutions (Note 2 and 3 below)	1,013.31	705.09
	- from Other Parties (Note 3 below)	3,596.65	3,596.65
		<u>8,226.07</u>	<u>4,577.64</u>
	Total	<u><u>8,226.07</u></u>	<u><u>4,577.64</u></u>

Note No.

- a) Cash Credit/ Overdraft from Bank of India of 2022: Rs. 301.11 lakhs (2021: Rs.275.90 Lakhs) with sanction limit of Rs.500.00 Lakhs are secured with 15% margin on fixed deposit with the bank. The loan is repayable on demand and carries interest of 10.40% p.a. (one year MCLR+ BSS+CRP) and charge for the same with Register of Companies is yet to be registered
- b) Bank of India 2022 : Rs.Nil lakhs (2021 : Rs.Nil Lakhs) with sanction limit of Rs.10,000.00 Lakhs are secured against pledge of approved debt securities rated 'A' and above with 15% margin, fixed deposit with the bank and personal guarantee of the Promoter. The loan is repayable on demand and carries interest of 10.40% p.a. (one year MCLR+ BSS+CRP)
- c) Cash Credit from Federal Bank Limited of 2022 : Rs.3315.00 Lakhs (2021: Rs.Nil) with Sanction limit of Rs.22500.00 plus Rs.2500.00 are secured against pledge of bonds in CGSL account with Federal bank Limited. The loan is repayable on demand and carries interest of 8.00% p.a. % (one year MCLR) and charge for the same with Register of Companies is yet to be registered for adhoc limit of Rs.2500.00 Lakhs
- d) Overdraft from Federal Bank Limited of 2022 : Rs. Nil lakhs (2021: Rs. Nil) with sanction limit of Rs.1474 Lakhs are secured against 110% pledge of fixed deposit with banks. The loan is repayable on demand. It carries interest wt average underly FD + 50 bps and 100 bps and charge

for the same with Register of Companies is yet to be registered

e) Overdraft from South Indian Bank of (2022 : Rs. Nil Lakhs) (2021: Rs. Nil) with sanction limit of Rs.100 Lakhs are secured against 110% pledge of fixed deposit with banks. The loan is repayable on demand. It carries interest wt average underly FD 100 bps

2	Working capital outstanding loan of 2022 : Rs.200.04 Lakhs (2021: Rs.705.09 Lakhs) with sanction limit of Rs1,500.00 Lakhs borrowed from Tata Capital Financial Services Limited sanction limit Rs.1500.00 Lakhs are secured against securities amounting to Rs. 958.81 lakhs . Loan is repayable on demand and carries interest of 9.25% floating, and charge for the same with Register of Companies is yet to be registered		
3	Working capital outstanding loan of Rs 2022 : Rs.804.14 Lakhs (2021: Nil) with sanction limit of Rs.2,500.00 Lakhs borrowed from Barclay Investment and Loan (India) Pvt. Ltd are secured against Mutual Fund and / or bond and / or equity share repayable on demand and carries interest of 7.00% p.a. floating. Borrowings of Rs 2022: 3,596.65 lakhs (2021: 3,596.65 lakhs) is considered interest free and repayable on demand in the absence of term sheet and confirmation. Refer note 28 (ii) (c)		
4	The Group has not been declared as a wilfull defaulter by any lender		
5	The Group has used the borrowings from banks for the purpose for which it was taken at the balance sheet date		
14	Other financial liabilities		
	Unclaimed dividends	39.63	58.48
	Employee Benefit Payable *	631.58	664.25
	Others	4.50	16.50
	Total	<u><u>675.71</u></u>	<u><u>739.23</u></u>
	*For related party transactions refer note 34		
15	Provisions		
	Provision for Standard Assets	50.70	19.74
	Total	<u><u>50.70</u></u>	<u><u>19.74</u></u>
16	Other non-financial liabilities		
	Statutory dues	97.35	174.07
	Other	-	17.68
	Total	<u><u>97.35</u></u>	<u><u>191.75</u></u>
17	Equity Share capital		
	Authorised*		
	20,000,000 (2021:20,000,000) Equity Shares of Rs 10/- each	2,000.00	2,000.00
		<u>2,000.00</u>	<u>2,000.00</u>
	Issued, subscribed and fully paid up		
	12,568,623 (2021:12,568,623) Equity Shares of Rs 10/- each	1,256.86	1,256.86
		<u>1,256.86</u>	<u>1,256.86</u>

*Authorised share capital of (2022: Rs 1,000 Lakhs) (2021: Rs 1,000 Lakhs); consisting of Redeemable Cumulative Preference shares of Rs. 10 each is not considered above in accordance with the requirement of Ind AS.

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

	31 March 2022		31 March 2021	
	Number of Equity shares	(Rs. in Lakhs)	Number of Equity shares	(Rs. in Lakhs)
At the beginning of the year	12,568,623	1,256.86	12,568,623	1,256.86
Outstanding at the end of the year	<u>12,568,623</u>	<u>1,256.86</u>	<u>12,568,623</u>	<u>1,256.86</u>

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022
b) Terms/rights attached to equity shares

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

(Rs. In Lakhs)
31 March 2022 31 March 2021

Other reserves
Reserve u/s 45-IC of Reserve Bank of India Act,1934

Balance as at beginning of the year	5,822.98	4,608.26
Add: Transfer from Retained Earnings	656.16	1,214.72
Balance as at end of the year	6,479.13	5,822.98

General Reserve

Balance as at beginning of the year	6,149.10	6,149.10
Balance as at end of the year	6,149.10	6,149.10

Other Comprehensive income - fair value on equity instruments

Balance as at beginning of the year	1,889.34	406.26
Gain/(Loss) on fair value of financial asset measured through other comprehensive income	202.94	4,820.42
Transfer on account of decognition of financial instrument measured through other comprehensive income to Retained Earning (net of tax)	-	(3,337.34)
Balance as at end of the year	2,092.28	1,889.34

Balance as at end of the year

Total Other Equity	27,673.75	24,065.70
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31 March 2022 31 March 2021

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

Name of shareholders	31 March 2022		31 March 2021	
	No. of shares	% Holding	No. of shares	% Holding
Mr Mahendra V Doshi	1,449,363	11.53%	1,449,363	11.53%
Mr Mahendra V Doshi-Partner M/s L K Panday	2,072,482	16.49%	2,072,482	16.49%
Sea Glimpse Investments Private Limited	2,547,515	20.27%	2,547,515	20.27%
Bhavana Holdings Private Limited	1,409,505	11.21%	1,409,505	11.21%
Aauthum Investment and Infrastructure Ltd	879,090	6.99%	898,159	7.15%
	8,357,955	66.50%	8,377,024	66.65%

d) Shares held by promoters at the end of the year

Sr. No.	Promoter Name	No. of Shares	% of total shares	% of Changed During the year
1	Sea Glimpse Investments Private Limited	2,547,515	20.27%	Nil
2	Bhavana Holdings Private Limited	1,409,505	11.21%	Nil
3	Mr Mahendra V Doshi	1,449,363	11.53%	Nil
4	Mr Pratik M Doshi	100,722	0.80%	Nil
5	Mr Mahendra V Doshi-Partner M/s L K Panday	2,072,482	16.49%	Nil
6	Ira P Doshi	200,000	1.59%	Nil
7	Samaya Pratik Doshi	200,000	1.59%	Nil
8	Shital A Sonpal	16,725	0.13%	Nil

(Rs. In Lakhs)

31 March 2022 31 March 2021

18 Other Equity
Securities Premium

Balance as at beginning of the year	370.03	370.03
Balance as at end of the year	370.03	370.03

Retained Earnings

Balance as at beginning of the year	9,834.25	1,644.84
Profit for the year	3,656.42	6,064.67
Gain/(Loss) on fair value of defined benefit plan	-	2.12
Transfer to Special Reserve Fund	(656.16)	(1,214.72)
Dividend Paid (Including Tax)	(251.37)	-
Transfer on account of decognition of financial instrument measured through other comprehensive income from Other Comprehensive Income (net of tax)	-	3,337.34
Balance as at end of the year	12,583.17	9,834.25

19 Revenue from operations
(i) Interest Income*

Interest -Loans	855.40	305.50
-Investments	152.37	8.81
-Deposit with Banks	161.08	104.12
-Bonds/Debt Securities	-	7.33
-Retirement benefits	3.26	3.07
Total	1,172.11	428.82

*For related party transactions Refer note 34

(ii) Dividend Income on Investments

	93.44	29.55
Total	93.44	29.55

iii) Net gain/loss on fair value changes on financial instrument

	752.70	5,881.94
Total	752.70	5,881.94

iv) Others

Net gain on sale of securities	4,064.85	3233.44
Advisory Fees	4.04	-
Reversal of Provision for Diminution in Value of Investments	13.05	-
Income from AIF Investments	-	1.42
Total	4,081.94	3,234.86

20 Other income

Profit on derecognition of Property, plant and equipment	-	125.66
Interest on Income tax refund	15.80	23.31
Miscellaneous Income	-	0.35
Total	15.80	149.31

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022

	31 March 2022	31 March 2021
Expenses		
21 Finance costs		
Interest on borrowings	196.52	116.23
Other financial charges	84.28	141.38
Total	280.80	257.61
22 Fees and commission expense		
Commission and sub-brokerage	5.08	67.27
Total	5.08	67.27
23 Impairment / (Reversal of Impairment) on financial instruments		
At amortised cost		
on loans	(639.04)	986.28
on trade receivable	80.00	-
Bad Debts / Loan Written off	900.00	-
Total	340.96	986.28
24 Employee benefits expense		
Salaries and other allowances*	923.00	1,170.41
Contribution to provident and other funds	2.41	3.40
Staff welfare expenses	26.66	0.19
Gratuity expense	1.78	1.98
Total	953.85	1,175.98
*For related party transactions Refer note 34		
25 Depreciation, amortisation and impairment		
Depreciation on property, plant and equipment	3.90	2.63
Total	3.90	2.63
26 Other expenses*		
Rent , Rates and taxes	37.45	45.55
Repairs and maintenance	1.00	0.39
Communication expenses	3.94	4.27
Printing and stationery	1.34	3.02
Advertisement Expenses	0.53	0.49
Directors sitting fees	10.00	13.50
Payments to auditors (Refer Note : 30)	11.04	11.97
Legal and professional charges	102.62	149.83
Travelling and Conveyance expenses	8.65	4.51
Corporate Social responsibility expenses (refer note 39)	45.00	20.00
Donation	75.00	
Miscellaneous expenses	44.45	26.25
Total	341.02	279.78
*For related party transactions refer note 34		

27 Tax Expense
(a) The major components of income tax for the year are as under:

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

	31 March 2022	31 March 2021
Current tax		
Current tax on profits for the year -current year	728.74	63.70
- earlier year	-	-

Deferred tax (Credit) / Charge

Depreciation and amortisation	14.03	-
Allowances for credit losses	134.49	(299.43)
Fair valuation of Financial Instruments	(340.31)	487.46
Preliminary Expenses as per Section 35D	(1.52)	-
Unabsorbed depreciation and Business Losses	(1.48)	-
Minimum Alternate Tax (MAT) Credit Entitlement Written off	-	663.20
Total	533.95	251.72
Effective tax rate #	12.74%	3.61%

A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at Group's effective income tax rate for the year ended 31 March 2022

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

	31 March 2022	31 March 2021
Fair value change on equity instruments through other comprehensive income	25.41	(582.40)
Deferred tax on remeasurement (gains)/ losses on defined benefit plan	-	-

Deferred tax charged to OCI **25.41** **(582.40)**

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

	31 March 2022	31 March 2021
Accounting Profit before tax	4,190.37	6,954.94
Income tax expense calculated at corporate tax rate	1,054.63	1,752.59
Tax effect on non-deductible expenses and unabsorbed losses	(268.97)	(354.39)
Effect of exempt income and income tax at Lower rates	(251.71)	(508.24)
Tax expense recognized in the statement of profit and loss	533.95	890.27

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 25.168 % for the year ended 31 March 2022 and 25.168 % for the year ended 31 March 2021 .

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 9.

(c) Deferred tax relates to the following:

	31 March 2022	31 March 2021
Reconciliation of deferred tax assets / (liabilities) net:		
Opening balance	-	663.20
Minimum Alternate Tax (MAT) Credit Entitlement Written off	-	(663.20)
Depreciation and amortisation	(14.03)	-
Fair valuation of Financial Instruments	(704.14)	(1,069.85)
Allowances for credit losses	164.94	299.43
Preliminary Expenses as per Section 35D	1.52	-
Unabsorbed depreciation and Business Losses	1.48	-
Total	(550.22)	(770.42)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022
Deferred tax recognized in statement of profit or loss

For the year ended	31 March 2022	31 March 2021
Minimum Alternate Tax (MAT) Credit Entitlement Written off	-	663.20
Depreciation and amortisation	(14.03)	487.46
Fair valuation of Financial Instruments	(109.08)	(299.43)
Allowances for credit losses	314.90	-
Preliminary Expenses as per Section 35D	1.52	-
Unabsorbed depreciation and Business Losses	1.48	-
Total	194.79	851.22

Deferred tax recognized in statement of Other Comprehensive Income

For the year ended	31 March 2022	31 March 2021
Fair valuation of Financial Instruments	(25.41)	582.40
Total	(25.41)	582.40

Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 1 April 2019, domestic companies have an option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions. During the previous year the Group has elected to exercise the option of reduced corporate income tax rate as permitted under section 115BAA of the Income Tax Act, 1961 as per the amendment notified in the official Gazette dated 12 December 2019. The Group has during the year ended 31 March 2021 written off MAT Credit entitlement of Rs 663.20 lakhs and necessary adjustments has been made in current tax .

Unused tax losses

The Group has unused tax business losses of 2022: Rs. 1298.67 Lakhs; (2021: Rs. 2051.42 Lakhs). The losses are available for offsetting for eight years against future taxable income of the Group. Deferred tax assets has been not recognised in respect of these unused tax losses in absence of convincing evidence to generate sufficient future taxable profits.

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

28 Contingent Liabilities and Litigations

- a) Against a penalty order for 2022 Rs 180 Lakhs (2021: Rs 180 Lakhs) received from the Enforcement Directorate in respect of a matter which arose in 1996 pertaining to the erstwhile money changing division of the Group , the Group has preferred an appeal in the Honorable Madras High Court. The Group has provided a bank guarantee to cover the demand. The matter is pending. The Management is of the opinion that a cash outflow is unlikely and therefore no provision is considered necessary.
- b) State Bank of India obtained an order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines, United Breweries (Holdings) Ltd and Others for recovery of dues from them. The Group received a garnishee order from the Recovery Officer, DRT, Bangalore for an amount of 2022 : Rs 2,500 lakhs (plus interest) (2021 : 2,500 lakhs Plus Interest) as the financial statements of Kingfisher Finvest Limited showed an amount of 2022 : Rs 2,500 Lakhs (2021 : 2,500 Lakhs) due from the Group. The Group has contested the same .The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai for hearing. The Group has deposited an amount of 2022 : Rs 1,126.22 Lakhs (2021 : Rs. 1,126.22 lakhs) with the DRT which is on account of deposit for preferring the Appeal before DRAT, Chennai.

Other Litigations

- c) A winding up petition filed by the Group against a borrower has been admitted by the Honourable High court of Mumbai. The recovery if any will be accounted for when the money is received from official Liquidator.
- d) The Group has filed an arbitration case (2022 : Rs. 26.18 Lakhs) (2021 : Rs. 25.11 Lakhs) against borrowers for which it has received a favourable award from the arbitrators. The opposing parties have filed an appeal in the Honourable High court of Mumbai for which the matter is pending.

- e) The Department of Group Affairs has filed a complaint in the Small Causes Court, Mumbai against, the Group, its Directors and the KMPs for non filing of information in Form INV5 in respect of Unclaimed Dividend as on 31 March 2013 . The Group has already filed the Form , The Group and Others have made an application for compounding with the Regional Director, Mumbai which is pending for hearing.

Litigation

The group has filed various cases for recovery of dues and suits are pending in various courts/tribunals. The group has engaged advocates to protect the interest of the group and expects favourable decision.

(i) Capital Commitments

During the year ended 31 March 2020, the Company has entered into an memorandum of understanding to contribute in capital amounting to Rs. 500 Lakhs and Company has already paid amounting to Rs. 268.75 Lakhs and remaining uncalled amount on investments is Rs. 231.25 Lakhs.

29 Segment Informations

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

30 Payment to Auditors

	(Rs. Lakhs)	
	31 March 2022	31 March 2021
Parent Company		
Audit fees including Limited review fees	10.00	10.00
Other matters	0.45	1.49
Subsidiary Company		
Audit fees including Limited review fees	0.59	0.48
Total	11.04	11.97

31 Micro, small and medium enterprises

The Group has no outstanding dues to party related to Micro, Small and Medium enterprises as at 31 March 2022: Nil 31 March 2021: Nil on the basis of information provided by the parties and available on record. Further, there is no interest paid / payable to micro and small enterprises during the year.

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

	31 March 2022	31 March 2021
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022

	31 March 2022	31 March 2021
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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

32 Financial Instruments

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

a) Market risk:

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

1) Interest rate risk:

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

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

Interest rate risk exposure
(Rs. Lakhs)

	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings*	4,629.42	980.99

*The above figures doesnot include amount due from other parties in the absence of term sheet and confirmation. Refer note 28 (iic)

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

(Rs. Lakhs)

	Increase / decrease in basis points	Effect on Profit before tax
As on 31 March 2022	+ 50 / - 50	23.15
As on 31 March 2021	+ 50 / - 50	4.90

(Rs. Lakhs)

	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings*	4,629.42	980.99

*The above figures doesnot include amount due from other parties in the absence of term sheet and confirmation. Refer note 29 (iic)

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

(Rs. Lakhs)

	Increase / decrease in basis points	Effect on Profit before tax
As on 31 March 2022	+ 50 / - 50	23.15
As on 31 March 2021	+ 50 / - 50	4.90

2) Foreign currency risk:

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

3) Credit Risk:

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

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

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

(i) Credit risk management

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

Definition of Default

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

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

Provision for expected credit losses

Group provides for expected credit loss based on following:

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

Stage 1 :- Unimpaired and without significant increase in credit risk since initial recognition on which a 12 months allowance for ECL is recognised ; Stage 2 :- a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised ; and

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

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 30 days past due (DPD) on the reporting date and are accordingly transferred from stage 1 to stage 2 .For Stage 1 an ECL allowance is calculated on a 12 months point in time probability weighted probability of default . For stage 2 and 3 assets a life time ECL is calculated on a lifetime probability of default

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022

(Rs. Lakhs)

Trade Receivables	31 March 2022	31 March 2021
More than Six months	250.00	500.00
Others	4.50	219.67
Total (A)	254.50	719.67

(Rs. Lakhs)

	As at 31 March 2022	As at 31 March 2021
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	-	-
Add :- Provided during the year	80.00	-
Less :- Reversal during the year	-	-
Balance as at 31 March (B)	80.00	-
Net Trade receivable (A) - (B)	174.50	719.67

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

b) Liquidity Risk:

- i) Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Group consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at :

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Group consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at :

(Rs. Lakhs)

	Carrying Amount / Fair value	31 March 2022			
		Less than 1 year	2-5 years	More than 5 years	Total
Financial Liabilities :					
Other payables	6.96	6.96	-	-	6.96
Borrowings	8,226.07	8,226.07	-	-	8,226.07
Other financial liabilities	675.71	675.71	-	-	675.71
	8,908.74	8,908.74	-	-	8,908.74

(Rs. Lakhs)

	Carrying Amount / Fair value	31 March 2021			
		Less than 1 year	2-5 years	More than 5 years	Total
Financial Liabilities :					
Other payables	11.76	11.76	-	-	11.76
Borrowings	4,577.64	4,577.64	-	-	4,577.64
Other financial liabilities	739.23	739.23	-	-	739.23
	5,328.63	5,328.63	-	-	5,328.63

ii) Capital Management

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

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

(Rs. Lakhs)

	As at 31 March 2022	As at 31 March 2021
Gross debt (inclusive of long term and short term borrowing)	8,226.07	4,577.64
Less: Cash and cash equivalents	2,085.86	777.45
Net debt	6,140.21	3,800.18
Total equity	28,930.61	25,322.56
Total capital	35,070.82	29,122.75
Gearing ratio	17.51%	13.05%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

iii) Categories of financial instruments and fair value thereof

(Rs. Lakhs)

	As at 31 March 2022			As at 31 March 2021		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
A) Financial assets (other than investment in subsidiaries)						
Cash and cash equivalents	-	-	2,085.86	-	-	777.45
Bank Balance other than (a) above	-	-	2,803.24	-	-	2,196.20
Trade receivables	-	-	174.50	-	-	719.67
Loans	-	-	12,987.09	-	-	5,580.99
Investments	5,939.94	12,279.05	-	5,264.33	15,231.28	-
Other financial assets	-	-	593.07	-	-	229.36
Total financial assets	5,939.94	12,279.05	18,643.76	5,264.33	15,231.28	9,503.68

	As at 31 March 2022			As at 31 March 2021		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
B) Financial liabilities						
Trade payables	-	-	-	-	-	-
Other Payables	-	-	6.96	-	-	11.76
Borrowings	-	-	8,226.07	-	-	4,577.64
Other financial liabilities	-	-	675.71	-	-	739.23
Total financial liabilities	-	-	8,908.74	-	-	5,328.63

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022
iv Fair value hierarchy

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

Disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2022

(Rs. Lakhs)

Financial assets	As at 31 March 2022				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at FVTOCI					
Investments	5,939.94	5,939.94	487.78	-	5,452.16
Financial assets measured at FVTPL					
Investments	12,279.05	12,279.05	6,220.10	5,495.22	563.73
Total	18,218.99	18,218.99	6,707.88	5,495.22	6,015.89

Financial assets	As at 31 March 2021				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at FVTOCI					
Investments	5,264.33	5,264.33	5.08	-	2,420.74
Financial assets measured at FVTPL					
Investments	15,226.20	15,226.20	14,031.22	475.00	719.98
Total	20,490.54	20,490.54	14,036.30	475.00	3,140.72

Fair Value Hierarchy :

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

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

Foreign currency risk:

The Group enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Group analyses currency risk as to which balances outstanding in currency other than the functional currency of that Group. The management has taken a position not to hedge this currency risk.

The Group undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

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

33 Gratuity and other post employment benefit plans

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

- Details of post retirement gratuity plan are as follows:

i. Expenses recognised during the year in the statement of profit and loss

(Rs Lakhs)

	31 March 2022	31 March 2021
Current service cost	1.78	1.54
Interest cost (net)	(3.26)	(3.07)
Past Service cost	-	-
Net expenses	(1.48)	(1.53)

II Expenses recognised during the year in other comprehensive income (OCI)

(Rs Lakhs)

	31 March 2022	31 March 2021
Actuarial (Gain)/Loss recognized for the period	13.62	(1.68)
Return on Plan Assets excluding net interest	0.44	(0.44)
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Recognised during the year	14.06	(2.12)

III Net liability recognised in the balance sheet

(Rs Lakhs)

	31 March 2022	31 March 2021
Fair value of plan assets	92.62	121.81
Present value of obligation	54.01	71.19
Liability / (Assets) recognized in balance sheet	(38.61)	(50.62)

IV Reconciliation of opening and closing balances of defined benefit obligation

(Rs Lakhs)

	31 March 2022	31 March 2021
Defined benefit obligation as at the beginning of the year	71.18	67.67
Current Service Costs	1.78	1.53
Interest Costs	3.76	3.66
Benefit Paid	(36.35)	-
Actuarial (gain)/ loss on obligation	13.62	(1.68)
Defined benefit obligation at the end of the year	54.01	71.18

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

(Rs Lakhs)

	31 March 2022	31 March 2021
Fair value of plan assets at the beginning of the year	121.81	115.08
Adjustment to opening balance	0.00	(1.18)
Interest income	7.02	6.73
Contributions paid by employer	0.56	0.74
Benefits paid	(36.35)	-
Return on plan asset	(0.44)	0.44
Fair value of plan assets at year end	92.62	121.81

VI Actuarial Assumptions

(Rs Lakhs)

	31 March 2022	31 March 2021
Discount rate (Per annum)	7.05%	6.53%
Rate of escalation in salary (per annum)	5.00%	5.00%
Attrition rate	PS: 0 to 10 :7% PS: 10 to 20 :0% PS: 20 to 52 :7%	PS: 0 to 10 :7% PS: 10 to 20 :0% PS: 20 to 52 :7%
Mortality Table	IALM(2012-14) ult	IALM(2012-14) ult

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022
VII Quantitative Sensitivity Analysis

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

	(Rs Lakhs)	
	31 March 2022	31 March 2021
Projected benefit obligation on current assumptions		
Increase by 1% in Discount rate	51.14	68.18
Decrease by 1% in Discount rate	57.17	74.52
Increase by 1% in Rate of salary increase	55.96	73.17
Decrease by 1% in Rate of salary increase	52.16	69.36

VIII Maturity analysis of projected benefit obligation : from the fund

	(Rs Lakhs)	
	31 March 2022	31 March 2021
Projected benefits payable in future years from the date of reporting		
1st Following Year	3.79	23.47
2nd Following Year	3.67	3.35
3rd Following Year	4.81	3.24
4th Following Year	4.38	4.37
5th Following Year	16.72	4.03
Sum of years 6 to 10	28.82	35.39

Notes:

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

34 Disclosure of transaction with related parties as require by Ind AS 24 Wholly own Subsidiary Company

Bond Street Capital Private Limited (formerly known as Gayatri Cements & Chemicals Industries Private Limited).

Key Management Personnel Nature of relationship

Mr. M.V Doshi	Executive Chairman & Managing Director
Mr. Sajid Mohamed	Independent Director
Mr. Pratik M. Doshi	Non-Executive Director
Mr. Dinesh Waghela	Non-Executive additional Director
Mr. Vineet N. Suchanti	Independent Director
Smt. Anjali Suresh	Independent Director
Mr. G B Innani	G.M Legal & Company Secretary
Mr. S S Gulati	Head - Corporate Affairs

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

LKP Securities Limited
 MKM Share & Stock Brokers Limited
 Bhavana Holding Private Limited
 Alpha Commodity Private Limited

Sea Glimpse Investments Private Limited
 Keynote Fincorp Limited
 Keynote Commodities Limited
 Keynote Financial Services Limited
 Jayalaxmi Vasantrai Doshi Charitable Trust
 L K Pandey

Transactions with Related parties:

	(Rs. Lakhs)	
	31 March 2022	31 March 2021
Remuneration to Key Management Personnel		
Key Management Personnel	347.69	377.33
Mr. M V Doshi	294.30	308.40
Mr. S.S. Gulati	34.65	47.81
Mr. Girish Innani	18.74	21.12
Interest Income	95.95	61.45
LKP Securities Limited	59.51	17.58
Alpha Commodities Private Limited	-	9.57
Keynote Commodities Limited	22.23	-
Keynote Fincorp Limited	14.21	34.30
CSR Exepenses		
Jayalaxmi Vasantrai Doshi Charitable Trust	20.50	20.00
Brokerage and Depository Charges Paid		
LKP Securities Limited	82.11	26.52
Legal and Professional Charges Paid		
Keynote Financial Services Limited	-	16.52
Loans /Other advances given	4,160.00	64,415.00
LKP Securities Limited	3,700.00	63,395.00
Alpha Commodities Private Limited	-	1,020.00
Keynote Commodities Limited	460.00	-
Repayment Received of Loans given	4,128.80	64,455.80
LKP Securities Limited	3,700.00	63,395.00
Alpha Commodities Private Limited	-	1,060.80
Keynote Fincorp Limited	428.80	-
Provision for impairment		
MKM Share & Stock Brokers Limited	80.00	-
Others Advances Paid		
Bhavana Holdings Private Limited	-	40.00

Director Remuneration / Commission Payable	152.69	143.50
Mr M.V Doshi		
Loans given / Other Advances (Including Interest)		
Keynote Fincorp Limited	-	460.53
Keynote Commodities Limited	460.00	-
LKP Securities Limited	-	0.13
Trade Receivables		
MKM Share & Stock Brokers Limited*	250.00	500.00
Provision for impairment		
MKM Share & Stock Brokers Limited	80.00	-
Trade and Other Payable		
L K Panday	0.00	14.10

*Closing balance of trade payable and trade receivable includes transaction pertaining to purchase and sale of securities in the ordinary course of business Transactions effected on exchange platforms are not considered

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022
35 Earnings per share

	31 March 2022	31 March 2021
Profit after tax (Rs.)	3,656.42	6,064.67
Weighted average number of equity shares		
- for Basic Earnings per share	1,25,68,623	1,25,68,623
- for Diluted Earnings per share	1,25,68,623	1,25,68,623
Face value of equity share (Rs/ share)	10	10
Basic earnings per share (Rs.)	29.09	48.25
Diluted Earnings per share (Rs/ share)	29.09	48.25

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

(Rs. Lakhs)

	As at 31 March 2021	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2022
				Interest Accrued	Other Charges	
Borrowings	4,577.64	3,645.54	-	-	-	8,223.18

	As at 31 March 2020	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2021
				Interest Accrued	Other Charges	
Borrowings	3,596.65	980.99	-	-	-	4,577.64

37 Disclosures as required by Ind AS 115
Revenue Consists of following

(Rs. Lakhs)

	31 March 2022	31 March 2021
Interest Income	1,172.11	428.82
Dividend Income	93.44	29.55
Net Gain on sale of securities / net fair value changes / reversal of provision for diminution	4,830.60	9,116.79
Advisory Fees	4.04	-
Total	6,100.19	9,575.17

Revenue Disaggregation by Industrial Vertical & Geography is as follows

(Rs. Lakhs)

Revenue by offerings	31 March 2022	31 March 2021
Financial Services/ India	6,100.19	9,575.17
Total	6,100.19	9,575.17

Timing of Revenue Recognition

(Rs. Lakhs)

	31 March 2022	31 March 2021
Income accounted at point in time	4,924.04	9,146.35
Income accounted over period in time	1,172.11	428.82
Total	6,096.15	9,575.17

38 The Group, has no long-term contracts including derivative contracts having material foreseeable losses as at 31 March 2022.

39 As per section 135 of the Companies Act, 2013, Rs45.00 Lakhs is required to be spent by the group during the year ended March 31, 2022 and Rs.16.29 Lakhs during the year ended March 31, 2021 on Corporate Social Responsibility (CSR).

(Rs. In Lakhs)

		2022
(i)	Amount required to be spent by the Group during the year	45.00
(ii)	Amount of expenditure incurred,	45.00
(iii)	Shortfall at the end of the year,	4.50
(iv)	Total of previous years shortfall,	Nil
(v)	Reason for shortfall,	N.A.
(vi)	Nature of CSR activities,	Education activities and rural development
(vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Smt Jayalaxmi Vasantraai Doshi Charitable Trust
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	No Provision

40 Dividend Recommendation:

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

(Rs. Lakhs)

	2022	2021
Proposed dividend on equity shares for the year ended on 31 March, 2022: Rs.3/-per share (Rs.10/-per share)*	377.06	251.37

*Payment of the proposed dividend is subject to its approval by the shareholder, in the ongoing Annual General Meeting of the company

There are no unclaimed dividend for a period of more than seven years. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as on 31 March 2022

41 Due to the lockdown on account of COVID-19, although the capital market were impacted and volatility has increased in the stock market; the Group being a SEBI registered intermediary and considered among essential services, continued to operate during the lockdown in India and there was no major impact on our business as the capital markets remained open and functioned normally.

42 Struck off companies

There are no transactions during the year with struck off companies as at 31 March 2022

43 The Group has not traded or invested in crypto currency or Virtual currency during the year

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

45 During the year the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of Group (ultimate beneficiaries) or (ii) provide any guarantee, security or the like to or behalf of the ultimate beneficiaries. The Group has not given any loans except loans to employees and made inventories in the marketable equity shares. The Group has not given guarantee or provided security.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022

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

47 Financial Ratio

S No.	Ratio	Numerator	Denominator	31-03-2022	31-03-2021	Variance	Reason for variance more than 25%
1	Tier I Capital	Tier I Capital	Risk Weighted Assets	80.6	80.03	0.71	
2	Tier II Capital	Tier II Capital	Risk Weighted Assets	0.15	0.07	118.70	Increase in standard provision
3	CRAR	Tier I Capital + Tier II Capital	Risk Weighted Assets	80.75	80.10	0.81	
4	Liquidity Coverage Ratio	Cash and Cash Equivalent + Liquid Assets*100	Financial Liabilities	154.92	286.82	-45.99	Increase in borrowing during the year

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

Liabilities Side:

Liabilities :			Amount outstanding	Amount overdue
1. Loans and advances availed by the NBFCs 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 borrowing			3,596.65	-
(e) Commercial Paper			-	-
(f) Public Deposits			-	-
(g) Other Loans- Working Capital and Overdraft			4,629.43	-
2. Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :				
(a) In the form of Unsecured debenture				
(b) In the form of partly secured debenture i.e. debentures where there is a shortfall in the value of security			-	-
(c) Other public deposits				

Assets :	Amount outstanding
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below]	
(a) Secured	-
(b) Unsecured	15,285.48

4. Break up of Leased Assets and stock on hire and other assets counting towards AFC activities

(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	-
(b) Operating lease	-
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-

5. Break-up of Investments :
Current Investments :
Quoted :

(i) Shares : (a) Equity *	5,246.74
(b) Preference	-
(ii) Debentures and Bonds*	1,992.55
(iii) Units of mutual funds	1,468.38
(iv) Government Securities	3,502.68
(v) Others	-

Unquoted :

(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-

Long Term Investments :
Quoted :

(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-

Unquoted :

(i) Shares : (a) Equity	5,444.92
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	563.73

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

Category	Amount net of provisions		
	Secured	Unsecured	Total
Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	Nil	-	-
(c) Other related parties	Nil	630.00	630.00
Other than related parties	Nil	14,655.48	14,655.48
Total	Nil	15,285.48	15,285.48

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2022
7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Amount (Rs.)	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	-	-
(b) Companies in the same group	42.59	42.59
(c) Other related parties	487.78	487.78
2. Other than related parties	17,688.62	17,688.62
	18,218.99	18,218.99

** As per Indian Accounting Standard issue by ICAI

8. Other Information

	Amount (Rs.)
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	800.00
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	300.00
(iii) Assets acquired in satisfaction of debt	-

49 Analysis of change in the Gross carrying amount and corresponding ECL allowance in relation to Loans

	Stage 1		Stage 2		Stage 3		Total	
	TermLoans	Impairment loss allowances	TermLoans	Impairment loss allowances	TermLoans	Impairment loss allowances	TermLoans	Impairment loss allowances
	Gross		Gross		Gross		Gross	
Balance as at 31 March 2021	5,100.99	-	-	-	1,650.00	1,170.00	6,750.99	1,170.00
Transfers during the year								
Transfer to Stage 3 from stage 1	(400.00)	-	400.00	100.00	-	-	-	100.00
Transfer to Stage 3 from stage 2	-	-	-	-	-	-	-	-
Increase in impairment loss allowance during the year	-	-	-	-	-	100.00	-	100.00
Changes in Opening credit exposures	-	-	-	-	(1,250.00)	(870.00)	(1,250.00)	(870.00)
New Credit Exposures during the year, net of repayment	7986.10	-	-	-	-	-	7,986.10	-
Balance as at 31 March 2022	12,687.09	-	400.00	100.00	400.00	400.00	13,487.09	500.00

	Stage 1		Stage 2		Stage 3		Total	
	TermLoans Gross	Impairment loss allowances	TermLoans Gross	Impairment loss allowances	TermLoans Gross	Impairment loss allowances	TermLoans Gross	Impairment loss allowances
	Balance as at 31 March 2020	3,061.86	-	955.78	191.00			4,017.64
Transfers during the year								
Transfer to Stage 3 from stage 1	(750.00)	-			750.00	450.00	-	450.00
Transfer to Stage 3 from stage 2			(900.00)	(180.00)	900.00	180.00	-	-
Increase in impairment loss allowance during the year	-	-	-	-	-	540.00	-	540.00
Changes in Opening credit exposures			(55.78)	(11.00)	-	-	(55.78)	(11.00)
New Credit Exposures during the year, net of repayment	2789.13	-	-	-			2,789.13	-
Balance as at 31 March 2021	5,100.99	-	-	-	1,650.00	1,170.00	6,750.99	1,170.00

50 Assets Liability Management - Maturity pattern of Assets and Liabilities

	As at 31 Mar 2022			As at 31 Mar 2021		
	Within 12 months Current	After 12 Months Non-Current	Total	Within 12 months Current	After 12 Months Non-Current	Total
Financial Assets						
(a) Cash and cash equivalents	2,085.86	-	2,085.86	777.45	-	777.45
(b) Bank Balance other than (a) above	2,803.24	-	2,803.24	2,196.20	-	2,196.20
(c) Receivables						
Trade receivables	174.50	-	174.50	719.67	-	719.67
(d) Loans	10,142.09	2,845.00	12,987.09	5,580.99	-	5,580.99
(e) Investments	11,902.60	6,316.39	18,218.99	14,506.21	5,984.31	20,490.53
(f) Other financial assets	593.07	-	593.07	229.36	-	229.36
Total Financial Assets	27,701.36	9,161.39	36,862.75	24,009.89	5,984.31	29,994.20
Non-Financial Assets						
(a) Current tax assets (net)	-	356.36	356.36	-	307.42	307.42
(c) Property, plant and Equipment	-	10.43	10.43	-	11.64	11.64
(d) Other non-financial assets	1,126.23	48.22	1,174.45	-	143.00	143.00
(e) Goodwill on Consolidation	-	143.00	143.00	1,126.23	50.62	1,176.85
Total Non-Financial Assets	1,126.23	415.01	1,684.24	1,126.23	512.67	1,638.90
Financial Liabilities						
(a) (I) Trade payable						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(II) Other payable						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6.96	-	6.96	11.76	-	11.76
(b) Borrowings	8,226.07	-	8,226.07	4,577.64	-	4,577.64
(c) Other financial liabilities	675.71	-	675.71	739.23	-	739.23
Total Financial Liabilities	8,908.74	-	8,908.74	5,328.63	-	5,328.63
Non-Financial Liabilities						
(a) Current tax liabilities (net)	-	9.37	9.37	-	-	-
(a) Provisions	-	50.70	50.70	0.00	19.74	19.74
(b) Deferred tax Liabilities (net)	-	550.22	550.22	-	770.42	770.42
(c) Other non-financial liabilities	97.35	-	97.35	191.75	-	191.75
Total Non-financial liabilities	97.35	600.93	707.64	191.75	790.16	981.91

51 Additional information, as required in consolidated financial statements as per Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary

	Net Assets i.e total assets minus total liabilities		Share of Profit/ (Loss)	
	As a % of Consolidated net assets	Amount	As a % of Consolidated Profit and Loss	Amount
LKP Finance Limited	92.70	26,819.70	89.73	3,280.78
Wholly owned subsidiary				
Bond Street Capital Private Limited	7.30	2,110.90	10.27	375.65
Total	100.00	28,930.61	100.00	3,656.42

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

In terms of our Report attached

For MGB & Co. LLP

Chartered Accountants
Firm Registration Number
101169W/W-100035

Sanjay Kothari

Partner
Membership Number 048215

Mumbai, 5 May, 2022

For and on behalf of the board

LKP Finance Limited

M.V Doshi

Executive Chairman & Managing Director
DIN: 00123243

G.B Innani

G.M (Legal) &
Company Secretary

Pratik Doshi

Director
DIN: 00131122

S.S Gulati

Head-Corporate Affairs



LKP Finance Limited
203, Embassy Centre,
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Mumbai - 400 021.