

**Asit C. Mehta**  
FINANCIAL SERVICES LTD.

**39<sup>th</sup>**

# **ANNUAL REPORT**

**2022-23**

**Asit C. Mehta Group Company**

# Our Vision

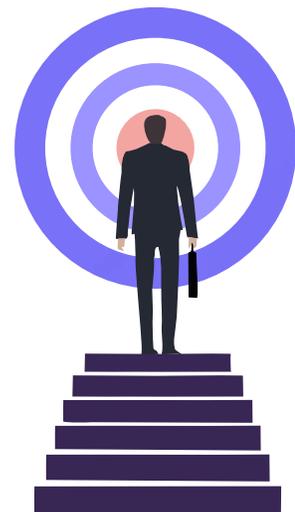
## Trusted Financial Intermediary

### Corporate Purpose:

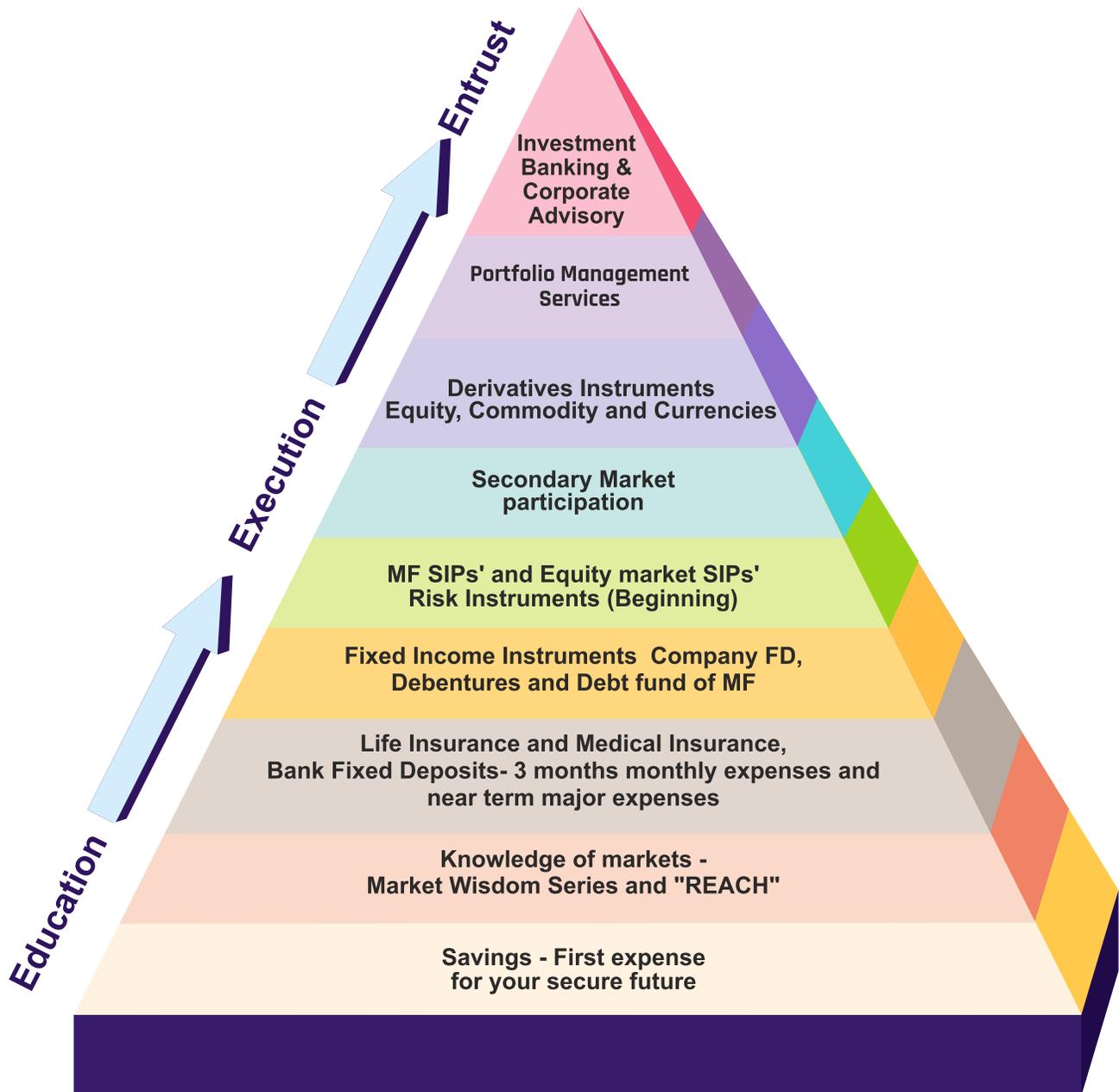
- To reach appropriate financial products, services and solutions to every Indian entity.

### Beliefs:

- That every household can, should and will need to participate in the financial markets directly or indirectly to protect their financial interests.
- That regulatory/legal compliance ensures economic sustainability.
- That transparency and fairness are the cornerstones of all dealings.
- That knowledge rather than capital is the key driver of this business.
- That product, process and technology led innovations are necessary preconditions for continuously adding value to all our constituents.
- That given the environment every person will realize her/ his potential.
- That people are driven by causes.



# INVESTMENT PYRAMID



# All Financial Products on one platform



**Equities  
Derivatives  
and Currency**



**Mutual  
Funds**



**iBasket**



**Research  
Advisory**



**IPO and  
Pre-IPO**



**Fixed Deposit  
Instruments**



**54EC,  
RBI Bonds**



**Debentures &  
Fixed Income  
Instruments**



**Treasury Bills**



**Sovereign  
Gold Bonds**



**Offer for  
Sale (OFS)**



**Buy Back  
(OTB)**



**Portfolio  
Management  
Service**



**Investment  
Banking**



**NPS**



**SME Listing**



**Alternate  
Investments**



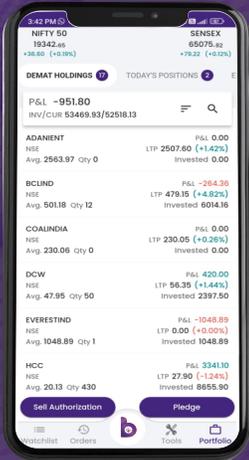
**Corporate Advisory  
& Capital Raising  
(through Pantomath  
Capital Advisors)**



WHERE CUTTING-EDGE TECH MEETS DECADES OF EXPERTISE.....

# INTRODUCING BEST APPLICATION TO TRANSACT BY INVESTMENTZ

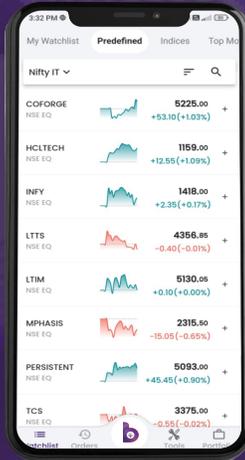
YOUR COMPLETE  
INVESTMENT  
COLLECTION,  
ALL IN ONE



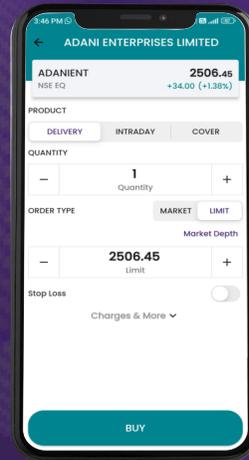
CHARTING WITH  
**7/7**



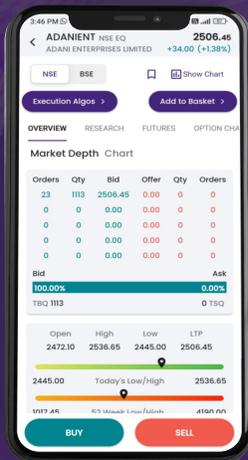
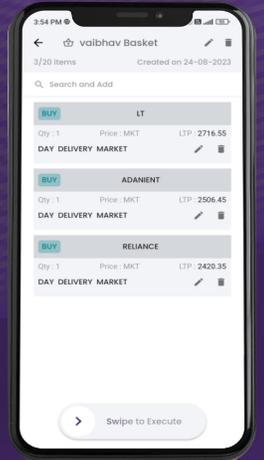
PREDEFINED  
WATCHLISTS  
FOR EASY  
MARKET UPDATE



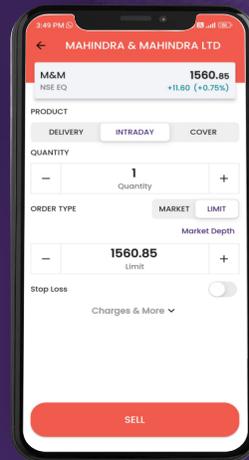
BUY  
YOUR FAVORITE  
BUSINESS SCRIP



CREATE YOUR  
OWN BASKET



GET QUICK  
MARKET UPDATE  
OF YOUR SCRIP



SELL  
YOUR SCRIP WITH  
A QUICK CLICK

Launched on 25th August 2023

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Financial Highlights

(₹ IN LAKH)

Particulars	2022-23#	2021-22#	2020-21#	2019-20	2018-19
Net Worth*	(1,235.80)	(673.27)	(246.25)	829	878
Borrowings	8,568	7,680	4,419	3,495	3,461
Net fixed Assets (including revaluation)	4,619	4,740	5,253	24	27
Investments	5,271	5,270	2,372	1,572	1,572
Book Value per share	43.27	55.82	64.81	84.80	85.96
Gross Income	530	420	941	639	1,092
Operating and Other expenses	1,182	853	861	689	730
Profit Before Tax	(652)	(432)	80	(50)	362
Profit After Tax	(560)	(439)	22	(49)	306
Equity Dividend Per share	-	-	-	-	-

\* Excluding revaluation reserve

# The amounts are restated pursuant to the merger of Company's Wholly Owned Subsidiary i.e Nucleus IT Enabled Services Limited and our Company.

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### Company Details

ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(CIN: L65900MH1984PLC091326) (ISIN: - INE041B01014)

Registered Office: Pantomath Nucleus House, Saki-Vihar Road,  
Andheri (East), Mumbai: 400072. Tel: 022-61325757 / 28583333

Website: www.acmfsl.com

Email id: investorgrievance@acmfsl.co.in

**Corporate Information**

**Board of Directors**

**Mr. Asit C. Mehta**

Chairman

Non-Executive Director & Non-Independent Director

DIN: 00169048

**Mrs. Deena A. Mehta**

Non-Executive Director & Non-Independent Director

DIN:00168992

**Mr. Kirit H.Vora**

Non-Executive Director & Non-Independent Director

DIN: 00168907

**Mr. Manohar Lal Vij (upto August 22, 2023)**

Non-Executive Director & Non-Independent Director

DIN: 00755522

**Mr. Radha Krishna Murthy**

Non-Executive Director & Independent Director

DIN: 00221583

**Mr. Pundarik Sanyal**

Non-Executive Director & Independent Director

DIN: 01773295

**Mr. Ambareesh Baliga**

Non-Executive Director & Independent Director

DIN: 07004422

**Ms. Madhu Lunawat**

Non-Executive & Non-Independent Director

DIN: 06670573

**Chief Financial Officer**

Mr. Binoy Dharod (w.e.f 05th August, 2022)

**Company Secretary & Compliance Officer**

Mr. Sumit Sharma (upto 16th May,2022)

Ms. Gauri H. Gokhale (upto 21st November, 2022)

Ms. Khushboo Hanswal as Compliance officer

(w.e.f 12th December 2022)

Ms. Khushboo Hanswal as Company Secretary

(w.e.f 13th February 2023)

**Manager**

Mr. Pankaj Jeevanlal Parmar

**Statutory Auditors**

M/s M S K A & Associates.,

Chartered Accountants, 602, Floor 6, Raheja Titanium,  
Western Expressway Geetanjali Railway Colony, Ramnagar,  
Goregaon (E), Mumbai- 400 063, Maharashtra.

**Internal Auditors**

M/s. MAKK & CO;

Chartered Accountants, 605, 6th floor, Manish Chambers,  
Commercial Complex, Sonawala Road, Goregaon (East),  
Mumbai – 400 063, Maharashtra

**Secretarial Auditor**

M/s. Hemanshu Kapadia & Associates, Company Secretaries,

Office No. 12, 14th Floor, Navjivan Society, Building No. 3

Lamington Road, Mumbai-400 008, Maharashtra.

Website: www.hkacs.com

**Registrar and Transfer Agent**

Link Intime India Private Limited,

C 101, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai - 400083.

Phone no: 022- 4918 6270 Fax no.:022-4918 6060

Website: www.linkintime.co.in

Email id: rnt.helpdesk@linkintime.co.in

**Bankers**

Bank of India

State Bank of India

IndusInd Bank Limited

**Registered Office Address**

Pantomath Nucleus House, Saki-Vihar Road, Andheri (East),

Mumbai: 400072

Tel. No: 022- 61325757/28583333

E-mail: investorgrievance@acmfsl.co.in

Website: www.acmfsl.com

CIN: L65900MH1984PLC091326

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(CIN: L65900MH1984PLC091326)

**Registered Office:** Pantomath Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai:400072

Tel: 022-61325757/ 28583333

**Website:** [www.acmfsl.com](http://www.acmfsl.com) **Email id:** [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)

#### NOTICE

**Notice** is hereby given that the **Thirty Ninth Annual General Meeting (39<sup>th</sup> AGM)** of Asit C. Mehta Financial Services Limited will be held on Saturday, 30<sup>th</sup> September, 2023 at 11.00 a.m. (Indian Standard Time) through Video Conferencing (“**VC**”) or Other Audio Visual Means (“**OAVM**”) to transact the following business as mentioned below. The venue of the meeting shall be deemed to be at the registered office of the Company situated at Pantomath Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400 072.

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. To consider appointment of a Director in place of Mr. Asit Chimanlal Mehta (DIN: 00169048) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider appointment of a Director in place of Mrs. Deena Asit Mehta (DIN: 00168992) who retires by rotation and being eligible, offers herself for re-appointment.

**For and on Behalf of Board of Directors  
Asit C Mehta Financial Services Limited**

**Sd/-  
ASIT C. MEHTA  
CHAIRMAN  
DIN: 00169048**

**Date:** 25/07/2023

**Place:** Mumbai

#### **Registered Office:**

Pantomath Nucleus House,  
Saki- Vihar Road, Andheri (East),  
Mumbai – 400 072

**CIN:** L65900MH1984PLC091326

**Email:** [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)

**Website:** <https://www.acmfsl.com/index.htm>

#### **NOTES:**

1. The Ministry of Corporate Affairs (“MCA”), vide its General circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020 and 10/2022 dated December 28, 2022 (collectively “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular nos. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively “SEBI Circulars”), have permitted companies to conduct AGM through VC or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA and SEBI Circulars, applicable provisions of the Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”), the 39th AGM of the Company is being convened and conducted through VC. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The Company has enabled the Members to participate at the 39th AGM through VC facility. The instructions for participation by Members are given in the subsequent pages. Participation at the AGM through VC shall be allowed on a first-come-first-serve basis.
3. In addition to the above, the proceedings of the 39th AGM will be web-casted live for all the Members appearing in the Register of Members as on the cutoff date i.e., Saturday, September 23, 2023.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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4. As per the provisions under the MCA Circulars, Members attending the 39th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote-voting and e-voting during the AGM.
6. The process and instructions for remote e-voting are provided in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 39th AGM being held through VC.
7. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, will be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
8. The Company has appointed Mr. Hemanshu Kapadia (Membership No. F3477), Proprietor of M/s Hemanshu Kapadia & Associates, Practicing Company Secretaries, as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
9. As per Section 105 of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on their behalf. Since the 39th AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 39th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
10. Corporate Members are required to upload a certified copy of the Board resolution authorizing their representative to vote on their behalf. Institutional investors are encouraged to attend and vote at the meeting through VC.
11. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. The Register of Members and Share Transfer books will remain closed from Wednesday, September 27, 2023 to Friday, September 29, 2023 (both days inclusive).
13. In line with the MCA and SEBI Circulars, the notice of the 39th AGM along with the Annual Report 2022-23 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2022-23 will also be available on the Company's website at [https://acmfsl.com/inv\\_info.htm](https://acmfsl.com/inv_info.htm), website of the Stock Exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of Link Intime India Pvt Ltd. at <https://instavote.linkintime.co.in/>.
14. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s).
15. In respect of shares held in physical form, Members may register their email id by writing to the Company's Registrar and Share Transfer Agent i.e Link Intime India Pvt Ltd., C 101, 247 Park, Lal Bahadur Shastri Road, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai – 400 083, along with the duly filled in form ISR-1.
16. The statutory registers will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee from the date of circulation of this Notice up to the date of AGM, i.e. September 30, 2023. Members seeking to inspect such documents can send an email to [cs@acm.co.in](mailto:cs@acm.co.in).
17. Members who hold shares in dematerialized form and want to provide/change/correct the bank account details should send the same to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details.
18. Members who are holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent i.e Link Intime India Pvt Ltd., (Unit: Asit C Mehta Financial Services Limited), C 101, 247 Park, Lal Bahadur Shastri Road, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai – 400 083.
19. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or its Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio as per the procedure stipulated in SEBI circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022.

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20. In accordance with the proviso to Regulation 40(1) of the Listing Regulations, as amended from time to time, and read with SEBI circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, transfer of securities of the Company including transmission and transposition requests shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them, eliminate all risks associated with physical holding and participate in corporate actions.
21. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13, prescribed by the Government can be obtained from the Registrar and Share Transfer Agent or the Corporate Secretarial Department of the Company at its registered office.
22. SEBI, vide its circular nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021, SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD- 1/P/CIR/2023/37 dated March 16, 2023, has mandated Members holding shares in physical form to submit PAN, nomination, contact details, bank account details and specimen signature in specified forms. Members may access for Form ISR-1 to register PAN/email id/bank details/ other KYC details, Form ISR-2 to update signature and Form ISR-3 for declaration to opt out. Members may make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, the format of which is available on the website of the Registrar and Transfer Agent.
23. In case a holder of physical securities fails to furnish PAN, nomination, contact details, bank account details and specimen signature by October 1, 2023, Link Intime will be obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the Registrar/the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.
24. Dispute Resolution Mechanism at Stock Exchanges-SEBI, vide its circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022, provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its Registrar and Transfer Agent on delay or default in processing any investor services related request. In compliance with SEBI guidelines, the Company had sent communication intimating about the said Dispute Resolution Mechanism to all the Members holding shares in physical form.
25. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:
  - a) the change in the residential status on return to India for permanent settlement, and
  - b) the particulars of the NRE account with a bank in India, if not furnished earlier.
26. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office or at [cs@acm.co.in](mailto:cs@acm.co.in). Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.
27. Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. Saturday, September 23, 2023, may cast their votes electronically. The e-voting period commences on Wednesday, September 27, 2023 (9:00 a.m. IST) and ends on Friday, September 29, 2023 (5:00 p.m. IST). The e-voting module will be disabled by CDSL thereafter. Members will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. Saturday, September 23, 2023. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.
28. In case of any queries regarding the Annual Report, the Members may write to [cs@acm.co.in](mailto:cs@acm.co.in) to receive an email response.
29. As the 39th AGM is being held through VC, the route map is not annexed to this Notice.
30. Additional information, pursuant to Regulation 36 of the LODR Regulations and SS 2, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### **INFORMATION FOR MEMBERS**

#### **CDSL e-Voting System – For Remote e-voting and e-voting during 39th AGM.**

1. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020. 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 EGM/AGM will be provided by CDSL.
2. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/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 EGM/AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. 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/EGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at <https://www.acmfsl.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
6. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
7. In continuation of this MCA General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021 and MCA Circular No.2/2022 dated May 05, 2022.
8. **MCA General Circular No. 10/2022 dated 28.12.2022**, In Continuation of this Ministry's General Circular No. 20/2020 dated 05.05.2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2023, to conduct their AGMs on or before 30th September, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 05.05.2020.

#### **The Instructions for Shareholders for remote E-Voting and E-Voting during AGM/EGM and joining General Meeting through VC/OAVM are as under:-**

- (i) The e-voting period begins on Wednesday, September 27, 2023 at 9:00 A.M. and ends on Friday, September 29, 2023 at 5:00 P.M, during this period, the shareholders of the Company holding shares either in physical form or in dematerialised form, as on the cutoff date (record date) of Saturday, September 23, 2023 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) 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.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or 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 &amp; voting during the meeting</li> </ol>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	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.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://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:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
<b>PAN</b>	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"> <li>• 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.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	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"> <li>• 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.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.

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- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (investorgrievance@acmfsl.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (investorgrievance@acmfsl.co.in ). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM 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 EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. 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/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

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 toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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 toll free no. 1800 22 55 33.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### ANNEXURE-A

#### Details of Directors seeking re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)

<b>Name of the Director</b>	<b>Mr. Asit Chimanlal Mehta</b>
<b>DIN</b>	00169048
<b>Date of Birth</b>	24th August 1959
<b>Age</b>	64
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	1 <sup>ST</sup> April, 2001
<b>Remuneration last drawn for the financial year 2022-23</b>	Nil (Except Sitting fees)
<b>Remuneration proposed to be paid</b>	Nil (Except Sitting fees)
<b>Relationship with Directors and Key Managerial Personnel</b>	Mrs. Deena Asit Mehta (Spouse)
<b>Expertise in specific functional area</b>	Corporate Debt, Inter-bank, Forex Broking, Investment Banking, Portfolio management, Stock Broking
<b>Qualification(s)</b>	B. Com., ACA, PG Diploma in Securities Law
<b>Board Membership of other listed companies as on March 31, 2023:</b>	Investment Trust of India Ltd.
<b>Directorship/Memberships of the Committees of other public limited companies as on March 31, 2023</b>	1. Asit C Mehta Investment Intermediates Ltd 2. The Investment Trust of India Limited
<b>a. Audit Committee</b>	-
<b>b. Stakeholders' Grievance Committee</b>	-
<b>c. Nomination and Remuneration Committee</b>	-
<b>d. CSR Committee</b>	-
<b>e. Other Committee(s)</b>	-
<b>Number of equity shares held in the Company as of March 31, 2023</b>	14,43,693 Equity Shares of ₹ 10 each

<b>Name of the Director</b>	<b>Mrs. Deena Asit Mehta</b>
<b>DIN</b>	00168992
<b>Date of Birth</b>	18th February, 1961
<b>Age</b>	62
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	25th March, 1991
<b>Remuneration last drawn for the financial year 2022-23</b>	Nil (Except Sitting fees)
<b>Remuneration proposed to be paid</b>	Nil (Except Sitting fees)
<b>Relationship with Directors and Key Managerial Personnel</b>	Mr. Asit C Mehta (Spouse)
<b>Expertise in specific functional area</b>	Wide experience of 39 years in Capital Market, Finance and Debt market.
<b>Qualification(s)</b>	B. Com., ACA, MMS, PG Diploma in Securities Law.
<b>Board Membership of other listed Companies as on March 31, 2023:</b>	FINO Payments Bank Limited
<b>Chairmanships/Memberships of the Committees of other public limited Companies as on March 31, 2023</b>	1. Asit C Mehta Investment Intermediates Ltd 2. NMIMS Business School Alumni Association 3. Reliance Asset Reconstruction Company Ltd 4. FINO Payments Bank Limited 5. Gandhar Oil Refinery (India) Limited

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

<b>a. Audit Committee</b>	<b>Name of the Companies</b>	<b>Position</b>	
	Gandhar Oil Refinery (India) Limited	Chairperson	
	Fino Payments Bank Limited	Chairperson	
	Reliance Asset Company Limited Reconstruction	Member	
<b>b. Stakeholders' Grievance Committee</b>	-		
<b>c. Nomination and Remuneration Committee</b>	<b>Name of the Companies</b>	<b>Position</b>	
	Gandhar Oil Refinery (India) Limited	Member	
	Reliance Asset Company Limited Reconstruction	Member	
<b>d. CSR Committee</b>	<b>Name of the Companies</b>	<b>Position</b>	
	Gandhar Oil Refinery (India) Limited	Member	
	Reliance Asset Company Limited Reconstruction	Member	
<b>e. Other Committee(s)</b>	<b>Name of the Companies</b>	<b>Type of Committees</b>	<b>Position</b>
	Fino Payments Bank Limited	Risk and Asset Liability Management Committee	Member
	Fino Payments Bank Limited	IT Strategy Committee	Member
	Reliance Asset Company Limited Reconstruction	Investment Committee	Member
	Reliance Asset Company Limited Reconstruction	Review Committee on willful Defaulters	Member
<b>Number of equity shares held in the Company as of March 31, 2023</b>	4,66,783 Equity Shares of ₹ 10 each		

### Brief profile of Director seeking re-appointment at the 39th Annual General Meeting to be held on September 30, 2023

- Mr. Asit C. Mehta** is a Seasoned Capital Market Professional. He is a qualified Chartered Accountant (1984) and holds a Post Graduate Diploma in Securities Law from Government Law College, Mumbai (2004-05).

He also attended Management Development Programs on Financial Services (1989) and Portfolio Management (1990) by Indian Institute of Management, Ahmedabad. He also completed the Securities Clearance-Derivative Instruments Program conducted by New York Institute of Finance in 1993. He has also completed in 2010 the 14-Module Drucker Curriculum from Ducker Institute of Claremont Graduate University offered by Prism Centre of Learning.

He started his career in the corporate finance markets in the year 1983 by associating with leading Government Security brokers of those times. He concentrated on Corporate Debt comprising of IDs, Bill Discounting, Syndication of Loans, Issue of commercial papers, Short-term debentures, etc. He was among the initial participants in the Units 1964 and other innovative financial instruments.

Within the group he focused on debt business comprising of Government Securities and Corporate Debt Paper. His efforts which started in the year 1987 has seen the company (subsequently incorporated) as a leading broker in the inter bank, G-SEC market with significant market share with Banks/ Institutional clients.

He expanded the product portfolio by adding both the inter bank forex broking and retail money changing and later on money transfer services. Besides, his passion for technology led him to the technology sector way back in 1996 with certain assignments in business process, GIS and data management solutions. One of his Companies was also a Registrar and Transfer Agent and later on global custodian for most of the companies listed on the OTC Exchange.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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He also has served as independent member on the Investment Committee of an AIF. He also served as independent director on the Board of a Hire Purchase and Lease company in the past. He has extensive experience in Portfolio Management, Investment Banking and Financial Services industry in general as a directly operating officer as well as at Board level.

He continues to be a key management person and Board member of all his group companies offering diverse financial services to their customers.

2. **Mrs. Deena Mehta** is a Financial markets profession for about 4 decades. She is a Chartered Accountant, Master's in Management Studies (Finance) and Fellow Member of Securities and Investment Institute London. She is the promoter of Asit C Mehta group of companies.

She is on the Board of Reliance Asset Reconstruction Company Limited, Fino Payments Bank Limited, Gandhar Oil Refinery (India) Ltd. as Independent Director. She is on Advisory Board of Several education institutions such as SVKM (NMIMS), Indian Education Society (IES) and MIT Pune.

Mrs. Mehta has been former President of BSE Ltd. (formerly known as Stock Exchange Mumbai) and has the honour of being the first woman Director on Board of BSE as well as first woman President. She has served on the Board of National Payments Corporation of India (NPCI) for 6 years during the initial formative years as Chairperson of Audit Committee and members of Risk, strategy and various other committees.

Mrs. Mehta is the promoter director of Central Depository Services India Ltd. She was also on the Board of the BOI shareholding the Clearing House of BSE Ltd for several years. She is also founder member of South Asian Federation of exchanges, the association of stock exchanges of SAARC countries. She has been an invitee to International Securities Regulators Organization, and member of Index Committee and Advisory Committee on Mutual Funds of Stock Exchange, Mumbai and a member of SEBI Committees such as Review of Eligibility (CORE) norms of SEBI, Derivative Committee, Delisting Committee, Ethics Committee and Investor Education.

Mrs. Mehta has travelled over 450 districts of India and conducted over 1000 investor education programs in these districts. Mrs. Mehta has been awarded by several organizations for her pioneering work in stock exchange reforms. She has published several articles in financial and other leading newspapers in various languages on investor education and current issues affecting stock markets and investor protection.

**For and on Behalf of Board of Directors  
Asit C Mehta Financial Services Limited**

**Sd/-  
ASIT C. MEHTA  
CHAIRMAN  
DIN: 00169048**

**Date: 25/07/2023**

**Place: Mumbai**

**Registered Office:**

Patomath Nucleus House,  
Saki- Vihar Road, Andheri (East),  
Mumbai – 400 072

CIN: L65900MH1984PLC091326

**Email:** [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)

**Website:** <https://www.acmfsl.com/>

# ASIT C. MEHTA FINANCIAL SERVICES LIMITED

## DIRECTOR'S REPORT

Dear Members,

The Board of Directors is delighted to present the (39th) Thirty-Ninth Annual Report on the business and operations of Asit C Mehta Financial Services Limited (the "Company") together with the summary of Audited Financial Statements for the financial year ended 31 March, 2023. This report is prepared in compliance as per the requirements of the Companies Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and other rules and regulations as applicable to the Company.

### 1. FINANCIAL SUMMARY/PERFORMANCE OF THE COMPANY

Particulars	Standalone (₹ In Lakh)		Consolidated (₹ In Lakh)	
	2022-23	2021-22	2022-23	2021-22
Total Revenue	530.00	420.44	3,383.24	4,154.08
<b>Profit before Interest, Depreciation &amp; Tax</b>	<b>280.22</b>	<b>287.01</b>	<b>196.77</b>	<b>1,119.06</b>
Less: Interest	813.16	590.82	1,017.15	792.72
Less: Depreciation	118.78	117.96	155.71	167.49
<b>Profit/ (Loss) Before Tax</b>	<b>(651.71)</b>	<b>(432.43)</b>	<b>(976.09)</b>	<b>158.85</b>
Tax Expenses				
Current Tax	-	-	0.00	-
Deferred Tax	(95.25)	(4.29)	(114.66)	71.86
MAT credit entitlement	-	10.39	0.65	10.39
Prior Period tax	3.53	0.17	11.57	(0.20)
Profit from discontinued operations	-	-	-	<b>69.53</b>
<b>Net Profit/ (Loss) after Tax</b>	<b>(559.99)</b>	<b>(438.70)</b>	<b>(931.25)</b>	<b>146.33</b>
<b>Other comprehensive</b>	<b>(13.06)</b>	<b>10.30</b>	<b>(202.12)</b>	<b>33.86</b>
<b>Total comprehensive income</b>	<b>(573.05)</b>	<b>(428.40)</b>	<b>(1,133.37)</b>	<b>180.19</b>
<b>Appropriations:</b>				
Proposed Dividend	-	-	-	-
Tax on Proposed Dividend	-	-	-	-
Transfer to General Reserve	-	-	-	-
<b>Balance carried to Balance Sheet</b>	<b>(573.05)</b>	<b>(428.40)</b>	<b>(1,133.37)</b>	<b>180.19</b>
Paid up Equity Share Capital	495.26	484.74	495.26	484.74
EPS (Equity Shares of ₹ 10/- each) Basic & Diluted (in ₹)*	(11.46)	(9.08)	(19.06)	3.02

The summary of the Company's financial performance for the financial year ended 31 March 2023 is summarized below:

#### Notes

- The Company has adopted Indian Accounting Standard (Ind AS) with effect from 1st April 2017, and accordingly these financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein.
- "Pursuant to the Composite Scheme of Arrangement (the "Scheme") under the provisions of Section 230 to 232 of the Companies Act, 2013 in respect of merger of Nucleus IT Enabled Services Ltd. (Wholly owned subsidiary/ Transferor Company) with the Holding Company. All the assets, liabilities, reserves and surplus of the Transferor Company have been transferred to and vested in the Holding Company with effect from appointed date at their carrying values. The Holding Company had received requisite approvals from the Honourable NCLT having jurisdiction over the Holding Company and the Transferor Company. The Holding Company has given effect to the scheme in the standalone financial statements for the year ended March 31, 2023. The Scheme has also been approved by the Hon'ble National Company Law Tribunal ("NCLT") vide its order dated January 20, 2023, with the appointed date of March 31, 2021.
- The consolidated figures include the figures of Asit C. Mehta Investment Intermediates Limited (ACMIIL) and Edgytal Fintech Investment Services Private Limited are subsidiaries of the Company.

### 2. STATE OF THE COMPANY'S AFFAIRS

On standalone basis, your Company's gross earning increased to ₹ 530.00 lakhs from ₹ 420.44 lakhs as compared to previous year. The year ended with a Loss after tax of ₹ (559.99) Lakhs as compared to Loss after tax of ₹ (438.70) Lakhs in the previous year. The increase of loss on a standalone basis is in pursuant to the composite scheme of arrangement under the provisions of Section 230

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

to 232 of the Companies Act, 2013 in respect of merger of Nucleus IT Enabled Services Ltd. (Wholly owned subsidiary/ Transferor Company) with the Company.

The Company has let out part of the Office premises on Lease/ Leave and License basis to external Companies. The Company offered advisory and consultancy services to certain clients and earned the fees aggregating to ₹28.25 lakhs from Advisory and Consultancy Division.

On a consolidated basis, the gross revenue decreased to ₹ 3,383.24 lakhs as compared to ₹ 4154.08 lakhs in the previous year and loss after tax at ₹ (931.25) lakhs as against profit after tax of ₹ 146.33 lakhs in the previous year.

Income from operations from Asit C Mehta Investment Intermediates Ltd., Material subsidiary of the Company – engaged into broking services has reduced to ₹ 2750.99 Lakhs as compared to ₹3569.26 Lakhs in the previous year and the profit before depreciation and finance cost is ₹ 71.45 Lakhs as compared to ₹ 960.11 Lakhs in the previous year. The overall loss stood at ₹ (255.43) Lakhs as compared to ₹ 626.09 Lakhs in the previous year.

Income from operations from Edgytal Fintech Investment Services Private Limited, a Subsidiary of the Company – engaged in information & communication service activities has increased to ₹ 120.77 Lakhs as compared to ₹ 18.15 Lakhs in the previous year, and profit before depreciation and finance cost is ₹ (48.55) lakhs as compared to ₹ 3.44 lakhs in the previous year. The overall loss stood at ₹ (129.23) Lakhs as compared to ₹ (23.46) Lakhs in the previous year.

### Following is a detailed account of the key initiatives:

- Setting up of Wealth Management Services:** Envisaged to service investors by distributing various high-end products including PMS, AIF Investments, Mutual Funds, among others.
- Distribution Products for Non-resident Indians (NRIs):** Marketing Distribution Products to NRIs is another high growth oriented segment. Senior staff has been recruited on PAN India basis.
- Expansion of B2B Network:** Company is aggressively expanding its B2B network PAN India and has recruited senior staff for the same. Additionally, agents for Insurance, Mutual Funds, Postal Agents, etc. are being registered through continuous webinars.
- Inorganic Acquisitions:** Company is looking at inorganic growth by acquiring other broking firms who wish to consolidate and reduce the cost and hassle of compliance.
- Enhancing the Institutional Equities Research:** Company has set up a research team to service Institutional clients, we expect growth in this income due to improvement in our grading amongst institutions. We have already onboarded 20 institutions as on date.
- Investment Baskets and Products for Retail Investors:** Company has invested in setting up a platform called “Chhota Nivesh” for retail investors looking to invest small sums. Additionally, products such as I-Baskets, National Pension Scheme (NPS), Sovereign Gold Bonds, Government Bonds, Corporate Fixed Deposits, T-Bills etc. are being made online and can be seamlessly obtained from stock the exchanges through a single mobile app called “INVESTMENTZ”.

### 3. DIVIDEND

Your Directors do not recommend any dividend for the financial year 2022-23 in view of losses. Further the company did not recommend any dividend for last 3 years.

### 4. TRANSFER TO RESERVES

Appropriations to general reserves for the financial year ended 31 March 2023, as per standalone and consolidated financial statements were:

(₹ In Lakh)

	Standalone		Consolidated	
	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23
Net profit for the year	-	-	-	-
Balance of Reserves at the beginning of the year	-	-	-	-
Balance of Reserves at the end of the year	-	-	-	-

**During the year, Company has not transferred any amount to General Reserve.**

For complete details on movement in Reserves and Surplus during the financial year ended 31 March 2023, please refer to the Statement of Changes in Equity included in the Standalone and Consolidated financial statements of this Annual Report.

### **5. SHARE CAPITAL**

During the period under review the Authorised Share Capital of the Company was increased from ₹ 10 crore to ₹ 15 crore, pursuant to the certified true copy of the merger order received from NCLT on February 1, 2023.

The paid-up Equity Share Capital as on 31 March 2023 was ₹ 4,95,25,600/- divided into 49,52,560 equity shares of ₹ 10/- each. There is no change in the Equity Share Capital of the Company during the year.

### **6. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), is presented in a separate section forming part of the Annual Report as **Annexure 1**

### **7. MATERIAL CHANGES AFFECTING THE COMPANY AND COMMITMENTS**

There have been no material changes and commitments affecting the financial position of the Company between the end of the Financial Year and the date of this Report. There has been no change in the nature of Business of the Company.

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

Pursuant to the Composite Scheme of Arrangement (the "Scheme") under the provisions of Section 230 to 232 of the Companies Act, 2013, Nucleus IT Enabled Services Ltd. (Wholly owned subsidiary/ Transferor Company) has been merged with your Company as per the certified true of copy order received from NCLT dated February 01, 2023.

As per the Scheme of amalgamation, Nucleus IT Enabled Services Ltd. (the Amalgamating Company) is wholly owned subsidiary of the Company. As a result, no shares of the Amalgamated Company shall be allotted in lieu or exchange of its holding in the Amalgamating Company and the entire issued, subscribed and paid up capital of the Amalgamating Company shall stand cancelled.

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

The information pertaining to the conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in **Annexure 2** and is attached to this report.

### **10. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

The Company has a Risk Management Policy in place, pursuant to Section 134 of the Companies Act, 2013. This robust Risk Management framework enables the identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The Company has laid down a well-defined risk management mechanism commensurate with its size and the nature of business covering risk mapping, risk exposure and risk mitigation process. The Company's Risk Management Policy has been developed to include various categories such as Human Resources, Financial, Business Processes and Systems, Strategy, Corporate Governance and Compliance and Information Security.

Further, the Board ensures risk reporting and updates, risk policy compliances and provides overall guidance and support to business risk owners.

### **11. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The expenditure towards Corporate Social Responsibility is not applicable to the Company for the financial year 2022-23 in accordance with Section 135 of the Companies Act, 2013.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### 12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Amounts outstanding as on 31 March 2023

(₹In Lakh)

Particulars	Amounts
Loans given	740.66
Guarantees given	130.00
Investments made	5077.68

Name of Entity	Relation	Amount (in Lakh)	Particulars of Loan/Guarantee/Investments	Purpose
Edgytal Fintech Investment Services Private Limited	Subsidiary of the Company as per Section 2(87) of the Companies Act, 2013	300.00	Investments	Investment in Equity Shares of the Company
Edgytal Fintech Investment Services Private Limited	Subsidiary of the Company as per Section 2(87) of the Companies Act, 2013	75.00	Investments	Investment in Share Warrants of the Company
Asit C Mehta Investment Intermediates Limited (ACMIL)	Subsidiary of the Company as per Section 2(87) of the Companies Act, 2013	4072.83	Investments	Investment in Equity Shares of the Company
Omniscience Capital Advisors Private Limited	None	34.90	Investment	Investment in Preference Shares of the Company
Pentation Analytics Private Limited	None	594.95	Investment	Investment in Equity Shares of the Company
Edgytal Fintech Investment Services Private Limited	Subsidiary of the Company as per Section 2(87) of the Companies Act, 2013	641.08	Loan	Financial Support
Pentation Analytics Private Limited	None	48.16	Loan	Financial Support
Chargein Kiosk Private Limited	None	50.00	Loan	Financial Support
Ladder 2 Rise Private Limited	None	1.42	Loan	Financial Support
Asit C Mehta Investment Intermediates Limited (ACMIL)	Subsidiary of the Company as per Section 2(87) of the Companies Act, 2013	130.00	Security / Guarantee	Financial Support

### 13. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered, into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any contract/ arrangement/ transaction with related parties, which could be considered material in accordance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has also disclosed related party transactions on a consolidated basis for the year ended 31 March 2023 to the stock exchange and has also published the same on the website of the Company.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website [https://www.acmfsl.com/pdf/Policies/Related\\_Party\\_Transactions\\_Policy.pdf](https://www.acmfsl.com/pdf/Policies/Related_Party_Transactions_Policy.pdf)

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. However, the particulars as required under the Act are furnished in **Annexure 3** (Form No. AOC-2) as a disclosure to this Report.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### 14. AUDITORS AND AUDITOR'S REPORT

#### a) Statutory Auditors & Auditor's Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, M/s. M S KA & Associates, Chartered Accountants (Firm Registration No. 105047W) were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 38th Annual General Meeting held on 16th September, 2022 until the conclusion of 43rd Annual General Meeting of the Company to be held in the calendar year 2027, on such remuneration as may be decided by the Audit Committee and the Board of Directors.

Pursuant to Section 139 and 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate from the Auditors to the effect, inter-alia, confirming that their appointment continues to be within the limits laid down by the Act, is as per the term provided under the Act, that they are not disqualified for continuing such appointment under the provisions of applicable laws and also that there are no pending proceedings against them or any of their partners with respect to professional matters of conduct.

The Auditors' Report is self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

#### b) Secretarial Auditor and Secretarial Audit Report

The Board appointed M/s. Hemanshu Kapadia & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2022-23 as mandated under Section 204 of the Companies Act, 2013 and Rule 9 there-under. The Secretarial Audit Report for the financial year ended 31 March 2023 is annexed herewith marked as **Annexure 4** to this Report.

The qualification, reservation, adverse remark or disclaimer made by the Secretarial Auditor in his report and management reply on the same are given below:

SL. NO	PARTICULARS OF QUALIFICATION, RESERVATION, ADVERSE REMARK OR DISCLAIMER.	MANAGEMENT REPLY
1.	Pursuant to Section 139(8) the Board of Directors has not filled the Casual vacancy caused due to resignation of the Statutory Auditor within the time limit prescribed in the Act i.e. 30 days (resignation of Auditor on 16th June 2022 and casual vacancy was filled w.e.f. 5th August 2022). However the Company has appointed the Statutory Auditor at the Annual General Meeting held on 16th September 2022 for a period of 5 years.	The Company had appointed the new statutory auditor within the stipulated period. However, since there was no board meeting after that date till August 5, 2022, the appointment of the statutory auditor was taken up in the Board meeting dated August 5, 2022.
2.	Pursuant to Section 203 of the Act, the vacancy of Chief Financial Officer ("CFO") was filled-up by the Board at its meeting held on 5th August, 2022 which is beyond period of six months (previous CFO resigned w.e.f. 28th October 2021).	Mr. Binoy Dharod had been offered the post of CFO and he had accepted the same within the stipulated time. However, due to his previous employment responsibilities resulting in delay in his relieving date, he could join only in August 2022.
3.	Pursuant to Section 102 of the Act, Explanatory Statement enclosed in the Postal Ballot Notice does not contain the requisite Information regarding disclosure of nature of interest of directors/ key managerial personnel/ relatives	The Company has given the disclosure of her nature of interest of Ms. Madhu Lunawat. Whereas, for the other two items the Company inadvertently missed the same. The company will ensure non-recurrence of the same.
4.	Notice of the Annual General Meeting does not contain additional information of the Directors seeking appointment or re appointment in the General Meeting pursuant to Clause 1.2.5 of Secretarial Standards 2 and Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and explanatory statement does not contains the requisite Information required under section 102 of the Act regarding appointment of Mr. Manohar Lal Vij and the terms and conditions of re-appointment of and details of remuneration sought to be paid to Mr. Kirit Vora. Further the appointment of Mr. Manohar Lal Vij is taken as Ordinary Business and explanatory statement under Section 102 of the Act is not attached.	The Company has inadvertently missed to mention the requisite details in respect of Mr. Kirit Vora and Mr. Manohar Lal Vij in the notice. However, the same was conveyed to the shareholders at the time of the Annual General Meeting. The Company has complied in respect of the same in this Annual Report.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

SL. NO	PARTICULARS OF QUALIFICATION, RESERVATION, ADVERSE REMARK OR DISCLAIMER.	MANAGEMENT REPLY
5.	Pursuant to Section 134 of the Act read with rules made thereunder, the Director's report does not contain requisite disclosures relating to the number of meetings of Board and Committees, attendance at each meeting, details of loans from Directors not provided and weblink of annual return is incorrect.	The Company has inadvertently missed to give the requisite details in the previous year. The Company has complied with the provision for the financial year 2022-23.
6.	Pursuant to Regulation 36(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, requisite details related to the Statutory Auditor not provided to the Shareholders viz proposed fees and basis of recommendation.	The Company has noted the same for compliance and going forward it will be duly complied with, as and when there will be a new appointment of statutory auditor.
7.	As per Schedule V para D of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management, does not form part of the Annual Report.	The Company has taken the requisite Declaration and has inadvertently missed to give the requisite details in the Annual Report. Since the company does not have any chief executive officer, the Company has taken the declaration in respect of code of conduct for Board of Directors, from Mr. Pankaj Parmar, Manager of the Company.
8.	As per Schedule V para F of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Disclosures with respect to demat suspense account/ unclaimed suspense account, not forms part of the Annual Report.	The Company has neither declared nor given any dividend in the last more than 7 years. Hence, in the Company's opinion the said disclosure is not applicable to the Company. However, going forward, the Company will make a statement regarding demat suspense account/ unclaimed suspense account whether applicable and maintained or otherwise.
9.	Pursuant to SEBI circular CIR/CFD/CMD/4/2015 dated 09-09-2015, the Company has not furnished the requisite details regarding amendment to Memorandum and Articles of Association of the Company and details of merger not provided to the Stock Exchange.	The Company has not amended its Memorandum of Association. While the Company had Restated its entire Articles of Association, hence the same was not viable to be given to the Stock Exchange. The Company had made intimation to the Stock Exchange when it had received NCLT Order on February 2, 2023.
10.	Pursuant to Regulation 5(c)(6) of SEBI PIT Regulations, the Company has not maintained the structured digital database as on 31st March 2023 and the same was maintained in excel format. However, the company has subsequently purchased the software after the end of the reporting period.	The software has been purchased from Trackwizz Solutions Private Limited and automated version of the structured digital database is being implemented.
11.	Pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Radha Krishna Murthy is not registered as Independent Director with Indian Institute of Corporate Affairs, which affecting the composition of the Board of Directors and its Committees.	As per the Company views Mr. Radha Krishna Murthy is exempted from the Online Proficiency Test and the Company is in the process to get him registered as an Independent Director with the Indian Institute of Corporate Affairs
12.	Pursuant to Section 203, Ms Khushboo Hanswal, was appointed as the Whole-time Company Secretary w.e.f. 13th February 2023. However, she has been appointed as the Company Secretary of the subsidiary Asit C Mehta Investment Intermediates Ltd. w.e.f. 3rd February 2023.	Ms. Khushboo Hanswal was appointed as a Compliance officer of the Company vide Circulation resolution dated 12/12/2022, and there was no upcoming meeting of listed entity.  The Subsidiary Company's meeting was scheduled to held on 03/02/2023 to approve the Unaudited financials before placing the same to the holding Company therefore Ms. Khushboo was first appointed in Subsidiary Company's Meeting and during the meeting of Subsidiary, the notice and agenda of Holding Company was duly circulated to the Board for her Appointment as Company Secretary.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### 15. COST AUDIT

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is not required to maintain cost records and conduct cost audit.

### 16. POLICY RELATING TO DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has framed a Policy relating to the appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, Independence of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013 based on the recommendation of Nomination and Remuneration Committee. The details of this Policy have been disclosed in the Corporate Governance Report, which forms part of this Report. The weblink of the policy is as follows - <https://www.acmfsl.com/pdf/Policies/Nomination-Remuneration-Policy.pdf>

### 17. ANNUAL EVALUATION OF BOARD'S PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of the working of its own performance, the Directors individually as well as evaluation of its Committees.

The Board and Nomination and Remuneration Committee reviewed the performance of Individual Directors, the Board as a whole, Committees of the Board and Chairman after taking into consideration feedback received from Directors. The evaluation was done on various parameters such as vision and strategy, participation, disclosures of interests, good governance, leadership skills, operations, business development, human resources development, corporate communication etc. The feedback received from Directors were then consolidated and placed before the Committee / Board for its evaluation. The Directors expressed their satisfaction with the evaluation process.

### 18. ANNUAL RETURN

As required under the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is required to place a copy of Annual Return (in Form MGT-7) on the Company's website, web link of such annual return shall be disclosed in the Board's Report. viz. [https://www.acmfsl.com/inv\\_info.htm](https://www.acmfsl.com/inv_info.htm) By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report.

### 19. BOARD MEETINGS

During the financial year 2022-23, 5 (five) Board Meetings were held on May 27, 2022; August 05, 2022; August 10, 2022; November 12, 2022 and February 13, 2023, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013.

#### • COMPOSITION, NUMBER OF MEETINGS & ATTENDANCE OF BOARD

Five meetings of the Board of Directors were held during the year on 27.05.2022, 05.08.2022, 10.08.2022, 12.11.2022 and 13.02.2023

Name of the Directors	Category	No. of meetings held during the year	No. meetings required to be attended	Meetings attended
Asit Chimanlal Mehta	Chairman, Non-Executive Director & Non Independent Director	5	5	4
Deena Asit Mehta	Non-Executive Director & Non Independent Director	5	5	5
Kirit Himatlal Vora	Non-Executive Director & Non Independent Director	5	5	5
Manohar Lal Vij#	Non-Executive Director & Non Independent Director	5	5	5
Radha Krishna Murthy	Non-Executive Director & Independent Director	5	5	4
Pundarik Sanyal	Non-Executive Director & Independent Director	5	5	5

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Name of the Directors	Category	No. of meetings held during the year	No. meetings required to be attended	Meetings attended
Madhu Lunawat*	Non-Executive Director & Non-Independent Director	5	1	1
Ambareesh Bhaskar Baliga*	Non-Executive Director & Independent Director	5	1	1

\*Ms. Madhu Lunawat & Mr. Ambareesh Baliga were appointed as Additional Directors on 26 December 2022. On 22 March 2023, the members of the Company approved their appointment via Postal Ballot through remote voting.

# Mr. Manohar Lal Vij resigned as Non-Executive & Non-Independent Director on August 22, 2023

Board and Committee Meetings held during the year are also given in the Corporate Governance Report which forms part of the Annual Report. Board meeting dates are finalised in consultation with all Directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions. In accordance with the provisions of Schedule IV of Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), a separate meeting of the Independent Directors of the Company was held on 14 February 2023 to review the performance of Non-Independent Directors (including the Chairperson) and the entire Board.

The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board.

### 20. COMMITTEES OF THE BOARD

The Board of Directors have the following Committees:

#### a) Audit Committee

The Audit Committee comprises four members. The Chairman of the Committee is an Independent Director. The Committee met four times during the year on 27.05.2022, 05.08.2022, 12.11.2022 and 13.02.2023.

Name of the Directors	Category	No. of meetings held during the year	No. meetings required to be attended	Meetings attended
Pundarik Sanyal	Chairman	4	4	4
Radha Krishna Murthy	Member	4	4	3
Kirit Himatlal Vora	Member	4	4	4

Note: Mr. Ambareesh Baliga was appointed as Additional Director on 26 December 2022. the Company re-constituted its committee in its meeting held on 13 February 2023. On 22 March 2023, the members of the Company approved his appointment via Postal Ballot through remote voting.

#### b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises four members. The Chairman of the committee is an Independent Director. There were four meetings of the committee held during the year on 25.05.2022, 05.08.2022, 26.12.2022 and 13.02.2023.

Name of the Directors	Category	No. of meetings held during the year	No. meetings required to be attended	Meetings attended
Pundarik Sanyal	Chairman	4	4	4
Radha Krishna Murthy	Member	4	4	3
Asit Chimanlal Mehta	Member	4	4	3

Note: Mr. Ambareesh Baliga was appointed as Additional Director on 26 December 2022, the Company re-constituted its committee in its meeting held on 13 February 2023. On 22 March 2023, the members of the Company approved his appointment via Postal Ballot through remote voting.

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### c) Stakeholders' Relationship Committee

The Stakeholders and relationship committee comprises of four members. The chairperson of the committee is Non-Executive Director as per compliance with section 178(5) of the Companies Act, 2013. There were four meetings of the committee held during the year on 27.05.2022, 05.08.2022, 30.11.2022 and 13.02.2023.

Name of the Directors	Category	No. of meetings held during the year	No. meetings required to be attended	Meetings attended
Deena Asit Mehta	Chairperson	4	4	4
Kirit Himatlal Vora	Member	4	4	4
Pundarik Sanyal	Member	4	4	4

Note: Ms. Madhu Lunawat was appointed as Additional Director on 26 December 2022, Thereafter the Company re-constituted the committee in its meeting held on 13 February 2023. On 22 March 2023, the members of the Company approved her appointment via Postal Ballot through remote voting.

The details of the Committees along with their composition, number of meetings held and attendance at the meetings are also provided in the Corporate Governance Report.

## 21. DIRECTORS RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors, in respect of the year ended March 31, 2023, hereby confirm that:

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

## 22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has two subsidiaries as on 31 March 2023. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("the Act"). There has been no change in the nature of the business of the subsidiary.

The Company has a material subsidiary viz. Asit C Mehta Investment Intermmediates Limited in which it holds 93.09% total paid-up share capital of the Company as per section 2(87) of the Companies Act 2013 and as well as Subsidiary viz. Edgytal Fintech Investment Services Private Limited in which it holds 77.88% total paid- up share capital of the Company as per section 2(87) of the Companies Act 2013, as on March 31, 2023.

Pursuant to the Composite Scheme of Arrangement (the "Scheme") under the provisions of Section 230 to 232 of the Companies Act, 2013, of Nucleus IT Enabled Services Ltd. (Wholly Owned Subsidiary/ Transferor Company) has been merged with your Company as per the certified true of copy order received from NCLT dated February 01, 2023.

Pursuant to provisions of Section 129 (3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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Your Company has formulated and adopted a “Policy for determining Material Subsidiaries” so that your Company could identify such subsidiaries and formulate governance framework for them. The same is also available on the website of the Company ie. [https://www.acmfsl.com/pdf/Policies/Policy\\_for\\_determination\\_of\\_material\\_subsidary.pdf](https://www.acmfsl.com/pdf/Policies/Policy_for_determination_of_material_subsidary.pdf)

Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate Standalone audited accounts in respect of subsidiaries, are available on the website of the Company.

### **23. DEPOSITORY SYSTEM**

The Company has entered into agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable shareholders to hold shares in a dematerialized form. The Company also offers simultaneous dematerialization of the physical shares lodged for transfer.

### **24. DISCLOSURE UNDER SECTION 164(2) OF THE COMPANIES ACT, 2013**

The Company has received disclosures in Form DIR – 8 from all the Directors’ of the Company and has noted that none of the Director is disqualified under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

### **25. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

#### **a. DIRECTORS**

The Board of the Company is comprised of eminent persons with proven competence and integrity.

Besides the experience, strong financial acumen, strategic astuteness, and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation.

As on the date of the report, the Board comprises, 3 Independent and 5 Non-Executive Directors & Non-Independent Director, details thereof have been provided in the Corporate Governance Report.

In terms of the requirement of the Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company’s businesses for effective functioning. The list of key skills, expertise and core competencies of the Board of Directors is detailed in the Corporate Governance Report.

In the opinion of the Board, all the Directors, as well as the Directors appointed / re-appointed during the year possess the requisite qualifications, experience and expertise and hold high standards of integrity.

The notice convening the 39th AGM includes the proposal for re-appointment of Director.

A brief resume of the Directors being appointed/ re-appointed, the nature of expertise in specific functional areas, names of companies in which they hold Directorships, committee memberships/ chairmanships, their shareholding in the Company, etc., have been furnished in the Notice of the ensuing AGM.

The terms and conditions of appointment of the Independent Director are in compliance with the provisions of the Companies Act, 2013 and Listing Regulations and are placed on the website of the Company.

In the opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year.

#### **RE-APPOINTMENT OF DIRECTORS RETIRING BY ROTATION**

In terms of the provisions Section 149, 152 of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Asit Mehta (DIN: 00169048) and Mrs. Deena Mehta (DIN: 00168992) Non-Executive & Non-Independent Director of the Company, retires at the ensuing AGM and being eligible, seeks reappointment.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

A resolution seeking the re-appointment of Mr. Asit Mehta and Mrs. Deena Mehta forms part of the Notice convening the ensuing Annual General Meeting scheduled to be held on September 30, 2023.

The profile and particulars of experience, attributes and skills of Mr. Asit Mehta and Mrs. Deena Mehta have been disclosed in the annexure to the Notice of the Annual General Meeting.

### b. **Key Managerial Personnel (KMP)**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

Sr. No.	Name of the KMP	Designation	Appointment/ Cessation of KMP
1.	Mr. Pankaj Jeevanlal Parmar	Manager	Appointed w.e.f February 10, 2016
2.	Mr. Sumit R. Sharma	Company Secretary & Compliance Officer	Resigned w.e.f May 16, 2022
3.	Ms. Gauri H. Gokhale	Company Secretary & Compliance Officer	Appointed w.e.f May 27, 2022 Resigned w.e.f November 21, 2022
4.	Mr. Binoy Dharod	Chief Financial Officer	Appointed w.e.f August 5, 2022
5.	Ms. Khushboo Hanswal	Compliance Officer	Appointed w.e.f December 12, 2022
6.	Ms. Khushboo Hanswal	Company Secretary	Appointed w.e.f February 13, 2023

### 26. **PARTICULARS OF EMPLOYEES**

Disclosure with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as - **Annexure 5** to this Report.

### 27. **DECLARATION OF INDEPENDENT DIRECTORS**

All the Independent Directors of the Company have given declarations to the Company under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's and Ethics.

### 28. **INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has adopted the procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control systems, including internal financial controls are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. These systems are periodically tested and no reportable material weakness in the design or operation was observed. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial controls.

### 29. **CORPORATE GOVERNANCE**

The management is of opinion that the Corporate Governance provisions are not applicable to the Company, as the net worth is below the prescribed threshold limit and as per the Net worth certificate issued by the Chartered Accountant in practice. However the Board of Directors have decided to implement the Corporate Governance provisions to the extent possible and attach the Corporate Governance Report in the Annual Report. Accordingly the Report on Corporate Governance is attached to the Annual Report. Further a report on compliance of corporate governance and certificate regarding Non Disqualification of

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Directors, issued by M/s Hemanshu Kapadia & Associates, Practicing Company Secretaries, is attached to Board's Report.

### **AUDIT COMMITTEE AND VIGIL MECHANISM**

The Company has an Audit Committee pursuant to the requirements of the Section 177 of the Act read with the rules framed there under and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are given in the Report on Corporate Governance forming part of this Report.

During the Financial year 2022-23, the recommendations of the Audit Committee were duly approved and accepted by the Board of Directors.

The Business Responsibility Reporting, as required by Regulation 34(2) of the Listing Regulations, is not applicable to the Company for the Financial Year ending March 31, 2023. The Board of Directors of the Company has approved and adopted a Whistle Blower Policy of the Company for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding fraud or unethical behaviour as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In appropriate cases any personnel of the Company can have direct access to the audit committee. We affirm that no personnel has been denied access to the Audit Committee. The Whistle Blower Policy is posted on the website of the Company at [https://acmfsl.com/cor\\_gov.htm](https://acmfsl.com/cor_gov.htm)

### **30. GENERAL**

#### **Details relating to deposits covered under Chapter V of the Act**

During the review there were borrowings from the Directors as follows:

<b>Name of Director</b>	<b>Amount of Borrowings</b>
Mr. Asit C Mehta (DIN: 00169048)	₹ 10,00,000
Mrs. Deena A. Mehta (DIN: 00168992)	₹ 7,83,20,000

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year except as mentioned above:

- Details relating to deposits covered under Chapter V of the Act (As mentioned above).
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of sweat equity shares, bonus shares or employees stock option plan.
- The Company has constituted Anti Sexual Harassment Committee and during the year under review, there were no cases were reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- There were no frauds reported by the Auditors under Sub section (12) of Section 143 of the Companies in (Amendment) Act, 2015, to the Audit Committee, Board of Directors or Central Government, independent directors
- The Company has complied with applicable laws, listing regulations and Secretarial Standards.
- There are no proceedings initiated/ pending against your Company under the Insolvency and Bankruptcy Code, 2016 that materially impact the business of the Company.
- There were no instances where your Company required the valuation for one-time settlement or while taking the loan from the Banks or Financial institutions.
- Voting rights which are not directly exercised by the employees in respect of shares for the subscription/purchase of which

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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loan was given by the Company

### 31. **ACKNOWLEDGEMENT**

The Directors thank the Company's employees, customers, vendors, investors, and academic institutions for their continuous support.

The Directors also thank the Government of India, the Governments of various states in India, and concerned Government Departments/ Agencies for their cooperation.

The Directors appreciate and value the contributions made by every member of the team of Asit C. Mehta Financial Services Ltd.

**For and on behalf of the Board of Directors  
Asit C Mehta Financial Services Limited**

**Place :** Mumbai

**Dated :** July 25, 2023

**CIN :** L65900MH1984PLC091326

**Registered Office:** Pantomath Nucleus House Saki-Vihar Road, Andheri (E), Mumbai- 400072

**Tel No.:** 022-28583333

**Email:** investorgrievance@acmfsl.co.in

**Website:** www.acmfsl.com

**Asit C. Mehta  
Chairman  
(DIN: - 00169048)**

## ANNEXURE 1

### MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

#### OVERVIEW OF BUSINESSES

We work under the guidance of our Non- Executive Non- Independent Directors, Mr. Asit Chimanlal Mehta and Mrs Deena Asit Mehta, who have experience of more than 40 years in the Financial Service Industry and have been associated with our Company since April 01, 2001 and March 25, 1991 respectively. They have been instrumental in evolving our business.

Our consolidated revenues from operations for Fiscals 2023, 2022 and 2021 were ₹ 2,920.67 lacs, ₹ 3,453.62 lacs and ₹ 2,949.53 lacs, respectively. Our consolidated EBITDA for the Fiscals 2023, 2022 and 2021 were ₹ -323.94 lacs, ₹ 418.60 lacs and ₹ 230.72 lacs, respectively. Our consolidated profit after tax for Fiscals 2023, 2022 and 2021 were ₹ -931.25 lacs, ₹ 146.33 lacs and ₹ 225.69 lacs, respectively.

#### INDUSTRY STRUCTURE AND DEVELOPMENT:

##### Indian Economy

India's economic activity has remained consistent despite extensive global uncertainty, and it is in a considerably stronger position than the majority of other economies. Strong investment activity, bolstered by the government's capital expenditure drive, and stable private consumption, especially among upper income earners, aided the growth of the Indian economy. However, persistently escalating inflationary pressures and longer-term forecasts of higher interest rates may impact the global economy, dragging India's economic growth trajectory downward.

India's GDP experienced double-digit growth of 13.1% in Q1FY2023 partially due to the base effect. However, growth slowed down in Q2FY2023 and Q3FY2023, reaching 6.2% and 4.5% respectively, due to high inflation and weakening demand. In Q4FY2023, growth bounced back to 6.1%, pushing the overall growth rate to 7.2% for FY2023. India continues to be one of the fastest growing major economies globally in FY2023.

The International Monetary Fund (IMF) revised India's growth forecast for FY2024 to 5.9% from its previous estimate of 6.1%, citing a slowdown in domestic consumption and challenging external conditions. Additionally, the IMF reduced India's growth forecast for FY2025 by 50 basis points to 6.3%. Despite these downward revisions, India will still maintain its position as one of the fastest-growing major economies globally. The Indian economy has demonstrated remarkable resilience in the face of the deteriorating global situation due to strong macroeconomic fundamentals. Steps to promote ease of doing business, skilled manpower, presence of natural resources, liberal FDI policies, huge domestic market and prospects of healthy GDP growth have made India an attractive destination for foreign investors. Thus, going forward, India is expected to see relatively stronger growth.

Retail Equity Massive inflows into secondary markets, an increase in new investor registrations and a rise in the share of retail investors in the overall cash market turnover indicate that direct retail participation and proprietary in Indian equities has increased significantly over the past few years. In fact, retail investors have been net buyers in the Indian equity markets for the last three years.

##### Equity Markets

Indian equities stayed volatile over the entire FY23, amid an aggressive monetary policy by central banks around the world, high inflation and outflows from overseas funds. Nifty ended FY23 down by almost 0.6%, while the Sensex rose by approximately 0.8% during the year. The Nifty 500 Index declined 1.2% in FY23. The Nifty Midcap 50 Index increased by 4.5% while the Nifty Small Cap 50 Index declined by 13.8% in FY23.

##### Mutual Funds

Equity mutual funds have been the most preferred investment vehicles for investors in the current uncertain market. The mutual fund industry has been bolstered by healthy net inflows into equity mutual funds. As investors alter their allocation between short-term and long-term funds amid elevated interest rates, debt funds continue to experience outflows. From 1st April 2023, the indexation benefit will no longer be available when calculating long-term capital gains on Specified Mutual Funds, i.e. mutual funds that invest less than 35% of their proceeds in domestic company equity shares. As the tax burden on returns may increase, this change may reduce the appeal of debt funds as an investment option. Without indexation benefits, debt mutual fund investments would now be comparable to bank deposits and other fixed-income products. During FY23, the average assets under management (AAUM) for mutual funds increased by approximately 7% to Rs. 40.05 trillion from Rs. 37.70 trillion in FY22. The retail assets under management (AUM) for equity, hybrid and solution-oriented schemes increased from Rs. 18.75 trillion in FY22 to Rs. 20.34 trillion in FY23, thereby growing at 8.5%.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The following table sets forth, for the periods indicated, certain items from our financial statements, in each case also stated as a percentage of our total income:

(₹ in Lakhs except percentage data)

Particular	2023	Percentage of total income	2022	Percentage of total income	2021	Percentage of total income
		(%)		(%)		(%)
<b>INCOME</b>						
Revenue from Operations	2,920.67	86.33%	3,453.62	83.14%	2,949.53	75.17%
Other Income	462.57	13.67%	700.46	16.86%	974.12	24.83%
<b>Total Income (A)</b>	<b>3,383.24</b>	<b>100.00%</b>	<b>4,154.08</b>	<b>100.00%</b>	<b>3,923.65</b>	<b>100.00%</b>
<b>EXPENDITURE</b>						
Employee benefit expenses	1,144.45	33.83%	792.97	19.09%	783.47	19.97%
Finance costs	1,017.15	30.06%	792.72	19.08%	690.67	17.60%
Net Loss on Fair Value Change	57.60	1.70%	0.00	0.00%	0.00	0.00%
Depreciation and amortisation expense	155.71	4.60%	167.49	4.03%	205.68	5.24%
Other Expenses	2,042.02	60.36%	2,242.05	53.97%	1,935.34	49.32%
<b>Total Expenses (B)</b>	<b>4,416.93</b>	<b>130.55%</b>	<b>3,995.23</b>	<b>96.18%</b>	<b>3,615.16</b>	<b>92.14%</b>
<b>Profit Before exceptional items</b>	<b>(1,033.69)</b>	<b>(30.55%)</b>	<b>158.85</b>	<b>3.82%</b>	<b>308.49</b>	<b>7.86%</b>
Exceptional Item	0.00	0.00%	0.00	0.00%	0.00	0.00%
<b>Profit before tax</b>	<b>(1,033.69)</b>	<b>(30.55%)</b>	<b>158.85</b>	<b>3.82%</b>	<b>308.49</b>	<b>7.86%</b>
Tax expense :						
(i) Current tax	0.00	0.00%	0.00	0.00%	48.00	1.22%
(ii) Deferred tax	(114.66)	(3.39%)	71.86	1.73%	5.44	0.14%
(iii) MAT Credit Entitlement Written off / Utilised	0.65	0.02%	10.39	0.25%	28.31	0.72%
Prior Tax Adjustment	11.57	0.34%	(0.20)	0.00	1.05	0.03%
<b>Total Tax Expense</b>	<b>(102.44)</b>	<b>(3.03%)</b>	<b>82.05</b>	<b>1.98%</b>	<b>82.80</b>	<b>2.11%</b>
Profit from Discontinued operations	0.00	0.00	69.53	1.67%	0.00	0.00
<b>Profit for the year</b>	<b>(931.25)</b>	<b>(27.53%)</b>	<b>146.33</b>	<b>3.52%</b>	<b>225.69</b>	<b>5.75%</b>
<b>Other Comprehensive Income</b>						
a) Re-measurement gains/ (losses) on defined benefit plans	(17.62)	(0.52%)	3.75	0.09%	(54.03)	(1.38%)
b) Effect of measuring Equity Instruments on Fair Value	(252.52)	(7.46%)	41.51	1.00%	54.88	1.40%
c) Income Tax on (a) and (b)	68.02	2.01%	(11.40)	(0.27%)	(0.70)	(0.02%)
<b>Other comprehensive income for the year, net of tax</b>	<b>(202.12)</b>	<b>(5.97%)</b>	<b>33.86</b>	<b>0.82%</b>	<b>0.15</b>	<b>0.00</b>
<b>Total comprehensive income for the year</b>	<b>(1,133.37)</b>	<b>(33.50%)</b>	<b>180.19</b>	<b>4.34%</b>	<b>225.84</b>	<b>5.76%</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Consolidated Financial Results for the year ended 31st March 2023 as shown in Table below is of the Company, and its subsidiary.

Summarised Consolidated financials:

(₹ in Lakhs)

Segment Revenue		
Particulars	2022-23	2021-22
Stock Broking and allied services	2,750.99	3,330.19
Advisory and Consultancy	28.25	36.54
Investments Activities	141.43	78.02
Information Technology	0.00	8.18
Segment Results Profit/(Loss) after depreciation and interest		
Particulars	2022-23	2021-22
Stock Broking and allied services	(146.32)	406.02
Advisory and Consultancy	11.33	15.77
Investments Activities	(210.21)	(150.93)
Information Technology	(133.91)	(19.75)
<b>Total</b>	<b>(479.11)</b>	<b>251.11</b>
Less: Interest	(1,017.15)	(792.72)
Add: Unallocable income	462.57	700.46
<b>Total Profit / (Loss) before tax</b>	<b>(1,033.69)</b>	<b>158.85</b>

### BUSINESS OUTLOOK

India continues to remain a bright spot in the global economic landscape. It leverages its demographic dividend, digital transformation and innovation potential to drive sustained growth. According to the economic survey, real GDP growth is forecasted to reach 6.5% in FY24, though lower than FY23, India will still be one of the fastest growing economies in the world. This will be primarily driven by a progressive regulatory environment, a strong industrial policy (through PLI), a deleveraged private sector and sustained capital expenditure, especially on largescale infrastructure projects.

The current financial landscape, with rising incomes, increasing financial-savviness of customers and greater retail participation has benefited our Subsidiary ACMIL's business. Recognising this opportunity, the Company has launched several focused products in this category to make the investing digital driven, cost effective and in the reach of smallest investors. Our recently launched products like I-basket, Chotta Nivesh Gold, INVESTMENTZ Mobile App, etc. are estimated to further strengthen our position in the industry. This coupled with our technology integration and digital drive is expected to boost our margins and returns in long term through cost optimisation and enhanced efficiency.

### OPPORTUNITIES, THREATS, RISK AND CONCERN OF MANAGEMENT

The Company's income mainly comprises of rents, and debenture interest accruing from investments made in the group Companies. The Company will be affected as per the impact on the investee Companies that are held by it as investments. Demand for rental properties and supply of the same in and around its properties will impact its revenues accordingly. Also, slowdown in the growth of Indian economy and /or volatility in the financial market could adversely affect the performance.

The Company is actively pursuing its efforts to generate more income from Advisory and Consultancy Services. Demand for the Company's services emanates from entities seeking growth money or structuring of new projects etc. Risks associated with the Advisory and Consultancy Services includes competition from unorganised advisors, employees' attrition, incorrect project assessments etc.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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Our financial condition and results of operations are affected by numerous factors and uncertainties, the following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Any adverse changes in central or state government policies;
- Any adverse development that may affect our operations in Maharashtra;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- Loss of one or more of our key customers and/or suppliers;
- An increase in the productivity and overall efficiency of our competitors;
- Our ability to maintain and enhance our brand image;
- Our reliance on third party suppliers for our products;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in foreign exchange rates or other rates or prices;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of interest with our Subsidiary, Individual Promoter and other related parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Termination of customer contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a sound internal control system, which ensures that (a) its financial reports are reliable, (b) its operations are effective and efficient, and (c) its activities comply with applicable laws and regulations. The internal control systems are further supplemented by internal audit carried out by an independent Chartered Accountant and periodical review by the Management. The Internal Audit process is designed to review the adequacy of internal control checks in the system and covers all the significant areas of the Company's operations.

The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of the internal control systems and tracks the implementation of corrective actions. Significant audit observations and corrective actions taken by the Management are presented to the Audit Committee. To maintain its objectivity and independence, the Internal Audit reports are submitted to the Chairman of the Audit Committee. Audit Committee plays a key role in providing assurance to the Board of Directors.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### HUMAN RESOURCES

Effective Human Resource Management enables employees to contribute effectively and productively to the overall Company growth and the accomplishment of the organization's goals and objectives. The Human Resource Management of our organization deals with and provides leadership and advice for dealing with all issues related to the people in the organization. They also help in attaining maximum individual development and desirable working relationship.

The Company considers its Human Resource as the most valuable resource which has to be nurtured well and equipped to meet the challenges posed by the dynamics of business developments and marketing. The employees are motivated and promoted with good work culture, training, remuneration packages and ethical values, which the Company maintains. The Board of Directors would like to record their appreciation of the efficient and loyal service rendered by the Company's employees.

Company has 1 (one) employee as on March 31, 2023.

### DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR, INCLUDING:

Ratio	Formula	2022-23 (working)	2021-22 (working)	2022-23 Ratio	2021-22 Ratio	Explanation where the ratio exceeds 25% as compared to the previous year.
<b>Debtors Turnover</b>	Net Credit Sales / Average Trade Receivables	33,522 / 4,156	24,485 / 6,265	8.07	3.91	There is a increase in net revenue (Credit Sale) but average trade receivables is lower than last year, which resulted in net increases in ratio.
<b>Return on Equity Ratio</b>	Profit after tax / Average Shareholder's Equity	(55,999) / 2,42,444	(43,870) / 2,91,921	(0.23)	(0.15)	There is a decrease in profitability due to a decrease in revenue and net margin which resulted in net loss in the FY 2022-23
<b>Interest Coverage Ratio</b>	Earnings available for debt Service / Debt Service	37,195 / 3,12,177	27,456 / 1,54,847	0.12	0.18	There is a decrease in profitability due to a decrease in revenue and net margin, along with reduction in the debt and its repayments.
<b>Current Ratio</b>	Current Assets / Current Liabilities	89,085 / 2,89,712	56,414 / 2,47,835	0.31	0.23	There is an increase in current loans and due to Increase in current borrowings resulted in Net increase in Current Ratios.
<b>Debt Equity Ratio</b>	Total Debt / Shareholder's Equity	8,56,761 / 2,14,318	7,68,005 / 2,70,570	4.00	2.84	There is a decrease in profitability due to a decrease in revenue and net margin, along with increase in the debt.
<b>Return on Capital Employed (%)</b>	EBIT / Capital Employed	16,144 / 10,71,079	15,222 / 10,38,575	0.02	0.01	-
<b>Net Profit Ratio (%)</b>	Net Profit / Net Sales	(55,999) / 33,522	(43,870) / 24,485	(1.67)	(1.79)	-
<b>Inventory Turnover Ratio (%)</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Operating profit margin (%)</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.

FY 2021-22 & FY 2022-23 Return on Net Worth was (23.10)% and (15.03)% respectively. There was a detrimental change in the Return by (53.69) %.

### DISCLOSURE OF ACCOUNTING TREATMENT

During the period under the review there was no deviation in accounting treatment applicable.

### CAUTIONARY STATEMENT

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates, and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could influence Company's operations include global and domestic financial market conditions affecting the interest rates, availability of resources for the financial sector, market for lending, changes in regulatory directions issued by the Government, tax laws, economic situation, significant changes in the political and economic environment in India, applicable statutes, litigations, labor relations and interest costs and other unforeseen events, if any.

**For and on behalf of the Board of Directors  
Asit C Mehta Financial Services Limited**

**Date:** 25/07/2023

**Place:** Mumbai

**Registered Office:**

Pantomath Nucleus House,  
Saki- Vihar Road, Andheri (East),  
Mumbai – 400 072

**CIN:** L65900MH1984PLC091326

**Email:** investorgrievance@acmfsl.co.in

**Website:** www.acmfsl.com

**Asit C. Mehta  
Chairman  
(DIN: - 00169048)**

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### ANNEXURE 2

Statement pursuant to Section 134 (1) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

#### Conservation of energy

The operations of your Company involved low energy consumption. Energy conservation efforts are being pursued on a Continuous basis. Close monitoring of power is maintained to minimise wastage and facilitate optimum utilization of energy.

Your Company has installed Roof-Top Solar PV system at the registered office of the Company in March, 2017. Installation of 25kw capacity of system will result in energy saving of 37,500 kwh.

There was no capital investment on energy conservation equipments.

#### Technology Absorption & Research & Development

During the year under review, there is no technology absorption. The Company has neither imported any technology nor incurred any expenditure on research and development of technology.

#### Foreign Exchange Earnings and Outgo

Foreign Exchange Outgo: Nil

Foreign Exchange Earnings is as follows:

(₹ in Lakh)

Particulars	Amount
Advisory charges - Export	Nil

For and on behalf of the Board of Directors  
Asit C Mehta Financial Services Limited

Date: 25/07/2023

Place: Mumbai

Asit C. Mehta  
Chairman  
(DIN: - 00169048)

#### Registered Office:

Pantomath Nucleus House,  
Saki- Vihar Road, Andheri (East),  
Mumbai – 400 072

CIN: L65900MH1984PLC091326

Email: [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)

Website: [www.acmfsl.com](http://www.acmfsl.com)

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### ANNEXURE 3

#### 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

(₹ in Lakh)

Sr. No	Name of the Subsidiary	Asit C Mehta Investment Intermediates Limited (ACMIL)	Edgytal Fintech Investment Services Private Limited
1.	The reporting period for the Subsidiary	March 31, 2023	March 31, 2023
2.	Reporting Currency	Indian Rupees (INR)	Indian Rupees (INR)
3.	Exchange Rate (as on the last date of the relevant Financial year in the case of foreign subsidiaries)	Not applicable	Not applicable
4.	Share Capital (Equity)	1,661.11	385.18
5.	Reserves & Surplus	119.76	80.28
6.	Total Assets	8,990.78	1189.22
7.	Total Liabilities	7,209.91	723.76
8.	Investments	361.50	0.00
9.	Turnover	2,750.99	120.77
10.	Profit Before Tax	(267.47)	(96.70)
11.	Provision for Taxation	12.03	1.32
12.	Profit After Tax	(255.44)	(98.02)
13.	Proposed Dividend	0.00	0.00
14.	% of shareholding	93.09%	77.89%

#### Part "B": Associates -Not Applicable

For and on behalf of the Board of Directors

**Asit C Mehta Financial Services Limited**

Asit C. Mehta  
Chairman  
DIN: 0169048

Kirit H. Vora  
Director  
DIN: 0168907

Binoy Dharod  
Chief Financial Officer

Khushboo Hanswal  
Company Secretary

Place : Mumbai

Date : 25/07/2023

Note:-

1. Nucleus IT Enabled Services Limited was Wholly Owned Subsidiary as per the Section 2(87) of the Companies Act, 2013 of Asit C Mehta Financial Services Limited. On February 1, 2023 vide NCLT order the said wholly owned subsidiary was merged with its holding Company.
2. Asit C Mehta Investment Intermediates Limited is a controlled subsidiary as per Section 2(87) of the Companies Act, 2013 of Asit C Mehta Financial Services Limited.
3. Edgytal Fintech Investment Services Private Limited is a subsidiary as per Section 2(87) of the Companies Act, 2013 of Asit C Mehta Financial Services Limited.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of the relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in the General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

S L. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

For and on behalf of the Board of Directors  
**Asit C Mehta Financial Services Limited**

Asit C. Mehta  
Chairman  
DIN: 0169048

Kirit H. Vora  
Director  
DIN: 0168907

Binoy Dharod  
Chief Financial Officer

Khushboo Hanswal  
Company Secretary

Place : Mumbai  
Date : 25/07/2023

**Annexure 4**

**FORM NO. MR-3 SECRETARIAL AUDIT REPORT**

For the Financial year ended 31st March 2023

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

**Secretarial Audit Report for the financial year ended 31st March 2023**

To,  
The Members,  
**ASIT C MEHTA FINANCIAL SERVICES LIMITED**  
Nucleus House Saki-Vihar Road, Andheri (E), Mumbai-400072

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Asit C Mehta Financial Services Limited** (CIN: L65900MH1984PLC091326) (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 our 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 our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 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 Asit C Mehta Financial Services Limited for the financial year ended on 31st March, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not Applicable to the Company during the Audit period as the Company has not issued any new securities**);
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity shares) Regulations, 2021; (**Not Applicable to the Company during the Audit period as the Company has not issued any securities under Employee Stock Option Scheme**);
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not Applicable to the Company during the Audit period as the Company has not issued any Non-Convertible Securities**);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not Applicable to the Company during the Audit period as delisting of securities did not take place**); and

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit period as the Company has not Bought back its securities);**
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”);

The Management has confirmed that no specific law applicable to the Company. We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with the Companies Act, 1956 (wherever applicable); subject to the following observations:

1. Pursuant to Section 139(8) the Board of Directors has not filled the Casual vacancy caused due to resignation of the Statutory Auditor within the time limit prescribed in the Act i.e. 30 days (resignation of Auditor on 16th June 2022 and casual vacancy was filled w.e.f. 5th August 2022). However the Company has appointed the Statutory Auditor at the Annual General Meeting held on 16th September 2022 for a period of 5 years.
2. Pursuant to Section 203 of the Act, the vacancy of Chief Financial Officer (“CFO”) was filled-up by the Board at its meeting held on 5th August, 2022 which is beyond period of six months (previous CFO resigned w.e.f. 28th October 2021).
3. Pursuant to Section 102 of the Act, Explanatory Statement enclosed in the Postal Ballot Notice does not contain the requisite Information regarding disclosure of nature of interest of directors/ key managerial personnel/ relatives.
4. Notice of the Annual General Meeting does not contain additional information of the Directors seeking appointment or re-appointment in the General Meeting pursuant to Clause 1.2.5 of Secretarial Standards 2 and Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and explanatory statement does not contains the requisite Information required under section 102 of the Act regarding appointment of Mr. Manohar Lal Vij and the terms and conditions of re-appointment of and details of remuneration sought to be paid to Mr. Kirit Vora. Further the appointment of Mr. Manohar Lal Vij is taken as Ordinary Business and explanatory statement under Section 102 of the Act is not attached.
5. Pursuant to Section 134 of the Act read with rules made thereunder, the Director’s report does not contain requisite disclosures relating to the number of meetings of Board and Committees, attendance at each meeting, details of loans from Directors not provided and weblink of annual return is incorrect.
6. Pursuant to Regulation 36(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, requisite details related to the Statutory Auditor not provided to the Shareholders viz proposed fees and basis of recommendation.
7. As per Schedule V para D of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management, not forms part of the Annual Report.
8. As per Schedule V para F of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Disclosures with respect to demat suspense account/ unclaimed suspense account, not forms part of the Annual Report.
9. Pursuant to SEBI circular CIR/CFD/CMD/4/2015 dated 09-09-2015, the Company has not furnished the requisite details regarding amendment to Memorandum and Articles of Association of the Company and details of merger not provided to the Stock Exchange.
10. Pursuant to Regulation 5(c)(6) of SEBI PIT Regulations, the Company has not maintained the structured digital database as on 31st March 2023 and the same was maintained in excel format.

However, the Company has subsequently purchased the requisite software after the end of the reporting period.

11. Pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Radha Krishna Murthy is not registered as Independent Director with Indian Institute of Corporate Affairs, which affecting the composition of the Board of Directors and its Committees.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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12. Pursuant to Section 203, Ms Khushboo Hanswal, was appointed as the Whole-time Company Secretary w.e.f. 13th February 2023. However, she has been appointed as the Company Secretary of the subsidiary Asit C Mehta Investment Intermediates Ltd. w.e.f. 3rd February 2023.

We further report that the BSE vide its mail dated 21st November, 2022 imposed penalty of ₹ 1,20,360/- for the non-compliance of Regulation 27(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e. filing of Corporate Governance Report. Further, BSE vide its mail dated 27th December, 2022 imposed penalty of ₹ 1,82,900/- for the non-compliance of Regulation 23(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for non-compliance in reporting of related party transactions. The Company had also received email imposing penalty of ₹ 5,42,800/-, for non-compliance of Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director. Pursuant to the said orders the Company has duly paid the penalty to the Stock Exchange under protest and filed waiver application to the exchange.

The management has informed that the Company is of the view that Regulation 15(2)(a) of SEBI LODR is not applicable to the Company, as the Company does not satisfy both the requirements, as neither the Paid up share capital of the Company is above ₹ 10 crores nor the Net worth of the Company is above ₹ 25 crores, during the last financial year. Further the Company has obtained Chartered Accountant certificate for the net worth calculation wherein the net worth is less than ₹25 crores. Accordingly, we have not commented on the compliance of those specific regulations.

Further during the year under review the Board of Directors of the Company constituted of 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 except as mentioned above.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions 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 out unanimously and therefore the question of capturing the views of dissenting members does not arise.

**We further report that** there are 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, there were no instances of:

- (i) Public/Rights/Bonus issue of shares/debentures/sweat equity.
- (ii) Buy-back of securities.
- (iii) Merger/amalgamation/reconstruction etc. However, National Company Law Tribunal, Mumbai bench has sanctioned the Scheme of Amalgamation between Nucleus IT Enabled Services Limited ("Transferor Company") and Asit C. Mehta Financial Services Limited ("Transferee Company") vide its Order dated 20th January, 2023, the Certified True Copy of which was received on 1st February, 2023 by the Company.
- (iv) Foreign technical collaborations.

**For Hemanshu Kapadia & Associates**

Hemanshu Kapadia

Proprietor

C.P. No.: 2285

Membership No.: 3477

UDIN: F003477E000672123

Peer Review certificate No. 1620/2021

**Date:** 25th July 2023

**Place:** Mumbai

This report is to be read with our letter of even date, which is annexed as **Annexure A** which forms an integral part of this report.

**Annexure A**

To,  
The Members,  
**ASIT C MEHTA FINANCIAL SERVICES LIMITED**  
Nucleus House Saki-Vihar Road, Andheri (E), Mumbai-400072

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provide a reasonable basis for our 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 happenings 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 Hemanshu Kapadia & Associates**

Hemanshu Kapadia  
Proprietor

C.P. No.: 2285

Membership No.: 3477

UDIN: F003477E000672123

Peer Review certificate No. 1620/2021

**Date:** 25th July 2023

**Place:** Mumbai

**ANNEXURE 5**

Information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year:**

The Directors of the Company are not paid any remuneration except the sitting fees. Hence, the ratio of the remuneration of each Director to the median remuneration of the employees is **NIL**.

**2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

The Board of the Company consists of Non-executive Directors. The non-executive Directors are paid no remuneration except the sitting fees plus reimbursement of actual travel expenses, if any.

There is no increase in the remuneration of Company Secretary, Manager and Chief Financial Officer of the Company during the financial year.

**3. The median remuneration of employees in the financial year 2022-23:**

The Company has 1 (One) permanent Employee on the rolls of Company during the Financial Year 2022-23, therefore it is not possible to ascertain the increase in the median remuneration of employee in the financial year

**4. The number of permanent employees on the rolls of the Company as on March 31, 2023:**

The Company has 1 (One) Employee in the roll of the Company as on 31st March, 2023.

**5. Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not Applicable**

**6. Affirmation that the remuneration is as per the remuneration policy of the Company:**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid is as per its remuneration policy. The particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not provided as there is only 1 (One) Employee on the roll of the Company.

**For and on Behalf of Board of Directors  
Asit C Mehta Financial Services Limited**

**Sd/-  
ASIT C. MEHTA  
CHAIRMAN  
DIN: 00169048**

**Date: 25/07/2023**

**Place: Mumbai**

**Registered Office:**

Pantomath Nucleus House,  
Saki- Vihar Road, Andheri (East),  
Mumbai – 400 072

CIN: L65900MH1984PLC091326

**Email:** investorgrievance@acmfsl.co.in

**Website:** www.acmfsl.com

### Corporate Governance Report

As per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the compliance with the corporate governance provisions as specified in Regulation 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V shall not apply, in respect of –

- a) The listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty-five crore, as on the last day of previous financial year.
- b) The listed entity which has listed its specified securities on the SME Exchange.

As per the net worth certificate, the Company is not falling under the aforesaid criteria. However the company undertakes that in spite of non- applicability of the above provisions, the company will comply with the requirements of the above regulations as good Corporate Governance to the extent possible by the company.

The management is of opinion that the Corporate Governance provisions are not applicable to the Company, as the net worth is below the prescribed threshold limit and as per the Net worth certificate issued by the Chartered Accountant in practice. However the Board of Directors have decided to implement the Corporate Governance provisions to the extent possible and attach the Corporate Governance Report in the Annual Report. Accordingly the Report on Corporate Governance is attached to the Annual Report. Further Further, a report on compliance of corporate governance is issued by M/s Hemanshu Kapadia & Associates, Practicing Company Secretaries and certificate regarding Non Disqualification of Directors, issued by Jyoti Dubey & Associates, Practicing Company Secretaries, is attached to Board's Report.

#### 1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

A governance framework is driven by the objective of enhancing long term stakeholder value without compromising on ethical standards. We also strive to ensure balance between our aims and minority rights in all our business decisions. Efficient corporate governance requires a clear understanding of the respective roles of the Board and of Senior Management and their relationships with others in the corporate structure.

Sincerity, fairness, good citizenship, and commitment to compliance are key characteristics that drive relationships of the Board and Senior Management with other stakeholders. Corporate governance is implemented through robust board governance processes, internal control systems and processes, and strong audit mechanisms. These are articulated through the Company's Code of Business Conduct, Corporate Governance Guidelines, and charters of various Committees of the Board and the Company's Disclosure Policy.

#### 2. BOARD OF DIRECTORS:

The Board of Directors of the Company have a combination of Non-Executive and Independent Directors with two woman Directors and more than fifty percent of the Board of Directors comprising of Non-Executive Directors. The Board's role is to oversee the management and governance of the Company. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

The Board of Directors, along with its Committees, provides leadership and guidance to the Management, leads, directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected.

In contracts that involve any potential conflict of interest, the Interested Directors excuse themselves and the ultimate decision-making authority is conferred upon the Independent Directors of the Company, representing fair, transparent and ethical business environment in the Company.

##### a. Composition

The Board of Directors of the Company comprises of eminent professionals and has a combination of Non- Executive Directors ("NED") and Independent Directors ("ID"), including Woman Directors, to maintain the Board's independence, and distinguish its functions of Governance and Management.

The strength of the Board is eight Directors comprising five Non-Executive Non-Independent Director & three Independent Directors. All Directors possess relevant qualifications and experience in general corporate management, finance, banking, architecture, designing and other allied fields which enable them to effectively contribute to the Company in their capacity as Directors.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

The Composition of the Board is in conformity with Section 149 of the Act. The details of Directors such as nationality, attendance, directorship, category is as under:

Name of Directors	Category	No. of Board Meetings attended during the F.Y. 2022-23	Attendance at the last AGM	Number of Other Directorships*		No. of Committee positions held in other Companies		Nationality	Share holding in the Company
				Membership	Chairmanship	Membership	Chairmanship		
Asit Chimanlal Mehta (DIN: 00169048)	Promoter - Chairman, Non-Executive Director & Non Independent Director	4	Yes	2	1	0	0	Indian	14,43,693
Deena Asit Mehta (DIN:00168992)	Promoter - Non-Executive Director & Non Independent Director	5	Yes	5	0	9	2	Indian	4,66,783
Kirit Himatlal Vora (DIN: 00168907)	Non-Executive Director & Non Independent Director	5	Yes	1	0	0	0	Indian	49,720
Manohar Lal Vij# (DIN: 00755522)	Non-Executive Director & Non Independent Director	5	Yes	2	0	0	0	Indian	Nil
Radha Krishna Murthy (DIN: 00221583)	Non-Executive Director & Independent Director	4	No	0	0	0	0	Indian	1,000
Pundarik Sanyal (DIN: 01773295)	Non-Executive Director & Independent Director	5	Yes	4	0	0	0	Indian	Nil
Madhu Lunawat* (DIN: 06670573)	Non-Executive Director & Non Independent Director	1	NA	17	0	0	0	Indian	Nil
Ambareesh Bhaskar Baliga* (DIN: 07004422)	Non-Executive Director & Independent Director	1	NA	1	0	0	0	Indian	Nil

\*Ms. Madhu Lunawat & Mr. Ambareesh Baliga were appointed as Additional Directors on 26 December 2022. On 22 March 2023, the members of the Company approved their appointments via Postal Ballot through remote evoting.

# Mr. Manohar Lal Vij resigned as Non-Executive & Non-Independent Director on August 22, 2023

In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (excluding this Company) have been considered.

### b. Board Meetings

The Board/Committee meetings are pre-scheduled to enable the Directors to plan their schedules and to ensure their meaningful participation in the meetings. However, in case of special and urgent business need, the Board's approval is taken at a specially convened meeting or by circular resolution, in which case it is ratified at the subsequent Board meeting.

During the financial year 2022-23, 5 (five) Board Meetings were held on the following dates:

27-05-2022	05-08-2022	10-08-2022	12-11-2022	13-02-2023
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## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

The necessary quorum was present for all the meetings. The gap between two consecutive Board meetings was in compliance with the provisions contained in the Act and the Listing Regulations. The Company proactively keeps its directors informed of the activities of the Company, its management, operations and provides an overall industry perspective as well as insights into issues being faced by the industry.

Proper notices and detailed agenda papers for the Board/Committee meetings along with all material information are sent well in advance to enable Directors to study deliberate, suggest and guide the Company in its decisions.

During the F.Y. 2022-23, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

Further, the Board also periodically reviews the compliance reports of applicable laws to the Company as well as steps taken to rectify instances of non-compliances, if any.

Name of the Directors	Category	No. of meetings held during the year	No. meetings required to be attended	Meetings attended
Asit Chimanlal Mehta	Chairman, Non-Executive Director & Non Independent Director	5	5	4
Deena Asit Mehta	Non-Executive Director & Non Independent Director	5	5	5
Kirit Himatlal Vora	Non-Executive Director & Non Independent Director	5	5	5
Manohar Lal Vij#	Non-Executive Director & Non Independent Director	5	5	5
Radha Krishna Murthy	Non-Executive Director & Independent Director	5	5	4
Pundarik Sanyal	Non-Executive Director & Independent Director	5	5	5
Madhu Lunawat*	Non-Executive Director & Non Independent Director	5	1	1
Ambareesh Bhaskar Baliga*	Non-Executive Director & Independent Director	5	1	1

\*Ms. Madhu Lunawat & Mr. Ambareesh Baliga were appointed as Additional Directors on 26 December 2022. On 22 March 2023, the members of the Company approved their appointments via Postal Ballot through remote voting.

# Mr. Manohar Lal Vij resigned as Non-Executive & Non-Independent Director on August 22, 2023

### c. Disclosure of Relationships between Directors Inter-Se

During the year under review, the Board comprised of total eight Directors out of which three Directors were appointed as Independent Directors.

Details in regard of inter-se relationship between Non- Executive Directors are given below:

Sr. No	Name of Director	Category of Director	Nature of Relationship between Directors Inter-se
1.	Asit Chimanlal Mehta	Non - Executive Director & Non-Independent Director	Spouse of Deena Asit Mehta
2.	Deena Asit Mehta	Non - Executive Director & Non-Independent Director	Spouse of Asit Mehta

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### d. Number of shares & convertible instruments held by non-executive directors

Name of the Directors	No. of Shares held	No. of convertible instrument
Asit Chimanlal Mehta	14,43,693	Nil
Deena Asit Mehta	4,66,783	Nil
Kirit Himatlal Vora	49,720	Nil
Radha Krishna Murthy	1,000	Nil

### e. Familiarisation Programmes for Independent Directors

The Company familiarizes its Independent Directors pursuant to the requirements of Regulation 25 of Listing Regulations with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, product portfolio, Industry overview, manufacturing operations, internal control system and processes, functioning of various divisions, HR Management etc. The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic updates on relevant statutory changes, upcoming corporate actions, accounting policies, internal control systems and business presentations are circulated to the Directors. The details of such familiarisation programme for Independent Directors is available on the website of the Company and can be accessed at [https://acmfsl.com/pdf/Policies/Familiarisation\\_programme\\_for\\_Independent\\_Directors.pdf](https://acmfsl.com/pdf/Policies/Familiarisation_programme_for_Independent_Directors.pdf)

### f. Key Board Qualifications, Expertise and Attributes

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. The following are the skills as identified by the Board.

Name of the Director	Category	Skills /Expertise/ Competence of the Director		
		Finance, Management, Stock market, Law, Financial Service Sector & Corporate Advisory	Administrative /HR	Investment management, corporate finance
Mr. Asit C Mehta	Chairman, Non-Executive Director & Non Independent Director	✓	-	✓
Mrs. Deena A. Mehta	Non-Executive Director & Non Independent Director	✓	✓	✓
Mr. Kirit Vora	Non-Executive Director & Non Independent Director	✓	-	-
Mr. Radha Krishna Murthy	Non-Executive Director & Independent Director	-	✓	-
Mr. Pundarik Sanyal	Non-Executive Director & Independent Director	✓	-	✓
Mr. Manohar Lal Vij	Non-Executive Director & Non Independent Director	✓	-	-
Mr. Ambareesh Baliga	Non-Executive Director & Independent Director	✓	-	✓
Ms. Madhu Lunawat	Non-Executive Director & Non Independent Director	✓	✓	✓

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Core skills/Expertise/Competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have Skills expertise / Competence
Corporate Debt, Inter-bank, Forex Broking, Investment Banking, Portfolio management, Stock Broking	Mr. Asit C Mehta
Finance, Management, Stock market, Law & Financial Service Sector	Mr. Kirit Vora
Finance, Management, Stock market, Debt Market	Mrs. Deena A. Mehta
Human Resource Management, Law & Corporate Advisory services in sector like Banking , Information Technology	Mr. Radha Krishna Murthy
Textile Technology, Human resource , Corporate governance, Banking , Finance	Mr. Pundarik Sanyal
Finance, Corporate Advisory, Insolvency Profession, Financial Structuring	Mr. Manohar Lal Vij
Corporate Advisory, Stock Broking, Finance	Mr. Ambareesh Baliga
Investment management, corporate finance, asset reconstruction, M&A, due diligence and treasury operations.	Ms. Madhu Lunawat

### g. Committees of the Board

In the opinion of the Board all the independent directors meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management of the Company.

The Board of Directors of the Company has Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee.

The composition of committees is in accordance with the Companies Act, 2013 and Listing Regulations. The terms of reference of these Committees are determined by the Board and their relevance is reviewed from time to time. Meetings of each of these Committees are convened by the respective. Chairman or any member of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings.

The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings. During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The Board Committees are setup under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the respective Board Committees.

### I. Audit Committee

The Company has constituted a well-qualified and Independent Audit Committee as required under Section 177 of the Companies Act, 2013 has also in fulfilment of the requirements of Regulation 18 of the Listing Regulations. The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

#### a. The terms of reference for the Audit Committee include:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

1. To oversee the Company's financial reporting process and the disclosure of its financial information and to ensure that the Financial Statements are correct, sufficient and credible;
2. To recommend the appointment, remuneration and terms of appointment of auditors of the Company;
3. To approve payment to statutory auditors for any other services rendered by the statutory auditors;
4. To review with management the Annual Financial Statements and auditor's report thereon before submission to the Board, focusing primarily on:

- a) Any change in accounting policies and practices and reasons for the same
  - b) Matters to be included in the Director's responsibility statement to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013;
  - c) Major accounting entries based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statement arising out of audit findings;
  - e) The going concern assumption;
  - f) Compliance with the accounting standards;
  - g) Compliance with listing and legal requirements relating to financial statements;
  - h) Modified opinion(s) in the draft audit report
  - i) Any Related Party Transactions including but not limited to transactions of the Company of material nature, with Promoters or the Management, their Subsidiaries or relative etc. that may have potential conflict with the interests of the Company at large;
5. To review with the Management, the Quarterly Financial Statements before submission to the Board for approval;
  6. To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter.
  7. To review and monitor the auditor's independence and performance, and effectiveness of audit process;
  8. To approve or subsequently modify transactions of the listed entity with related parties
  9. Scrutiny of inter-corporate loans and investments
  10. Valuation of undertakings or assets of the listed entity, wherever it is necessary
  11. Evaluation of internal financial controls and risk management systems
  12. To review with Management; performance of Statutory and Internal Auditors, and review the efficacy of internal control systems;
  13. To review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
  14. To discuss with internal auditors of any significant findings and follow up there on;
  15. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;(If any)
  18. To review the functioning of the whistle blower mechanism;
  19. To approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
  20. To carry out any other function as is mentioned in the terms of reference of the audit committee.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

21. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
22. Management discussion and analysis of financial condition and results of operations
23. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
24. To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
25. To review management letters / letters of internal control weaknesses issued by the statutory auditors.
26. To review internal audit reports relating to internal control weaknesses.
27. To review statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
28. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.
29. To mandatorily review the information mentioned in Para B of Part C of Schedule II.
30. And any other matters listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Companies Act, 2013

**b. Composition of the Audit Committee and attendance details during the financial year ended March 31, 2023 are given below:**

The Audit Committee comprises of experts specialising in accounting/financial management. The details of the composition of the Audit Committee of the Company as well as the attendance of the Members at the same are summarised below:

Name of the Member	Category	Position	No. of Meetings	
			Held	Attended
Pundarik Sanyal	Non-Executive Director & Independent Director	Chairman	4	4
Radha Krishna Murthy	Non-Executive Director & Independent Director	Member	4	3
Kirit Himatlal Vora	Non-Executive Director & Independent Director	Member	4	4

Note: Mr. Ambareesh Baliga was appointed as Additional Director on 26 December 2022. Thereafter the Company re-constituted its committee in its meeting held on 13 February 2023. On 22 March 2023, the members of the Company approved his appointment via Postal Ballot through remote voting.

### Meetings held

The Committee met 4 (four) times during the financial year 2022-23 on the following dates:

27-05-2022	05-08-2022	12-11-2022	13-02-2023
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The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 16 September 2022.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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The Statutory Auditors, Internal Auditors, and Chief Financial Officer are invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

The gap between two consecutive Committee meetings was in compliance with the provisions contained in the Listing Regulations.

### II. Nomination and Remuneration Committee

The Nomination & Remuneration Committee's constitution and terms of references are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 and Part D of the Schedule II of the Listing Regulations.

The scope of activities of the Nomination and Remuneration Committee include:

#### a. The terms of reference for the Nomination and Remuneration Committee include:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. To formulate the criteria for evaluation of performance of independent directors and the board of directors
4. To devise a policy on the diversity of Board of Directors;
5. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. To recommend to the board, all remuneration, in whatever form, payable to senior management. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
8. To perform such other duties and responsibilities as may be consistent with the provisions of the committee charter;
9. And any other matters listed in Part D of Schedule II to the Listing Regulations and in Section 178 of the Companies Act, 2013.

#### b. Composition of the Nomination and Remuneration Committee and attendance details during the financial year ended March 31, 2023 are given below:

The Nomination and Remuneration Committee comprises of 4 (Four) Directors, the Chairman being Non-Executive and Independent. The Chairman of the Committee is an Independent Director. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee.

The Composition of the Nomination and Remuneration Committee as well as the particulars of attendance at the Nomination and Remuneration Committee Meetings is as under:

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Name of the Member	Category	Position	No. of Meetings	
			Held	Attended
Pundarik Sanyal	Non-Executive Director & Independent Director	Chairman	4	4
Radha Krishna Murthy	Non-Executive Director & Independent Director	Member	4	3
Asit Chimanlal Mehta	Non-Executive Director & Non Independent Director	Member	4	3

Note: Mr. Ambareesh Baliga was appointed as Additional Director on 26 December 2022. The Company re-constituted its committee in its meeting held on 13 February 2023. On 22 March 2023, the members of the Company approved his appointment via Postal Ballot through remote voting.

### Meetings held

The Committee met 4 (four) times during the financial year 2022-23 on the following dates:

27-05-2022	05-08-2022	26-12-2022	13-02-2023
------------	------------	------------	------------

The Company Secretary acts as Secretary to the Committee. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 16 September 2022.

### c. Performance Evaluation

The criteria of performance evaluation process inter alia consider attendance of Directors at Board and Committee meetings, acquaintance with business, communicating inter se board members, effective participation, vision and strategy etc. in compliance with applicable laws, regulations and guidelines.

The Board carried out annual performance evaluation of the Board, Board Committees, Individual Directors and the Chairperson. The Chairman of the Nomination and Remuneration Committee shared the evaluation summary with the Board members. The Board members appreciated the leadership and performance of the Chairman and Directors and Woman Directors, vigilant and purposive participation of the Independent Directors of the Company and expressed an overall satisfaction towards the entire evaluation mechanism.

The following are the key indicators for performance evaluation:

- highest Personal and Professional ethics, integrity and values,
- inquisitive and objective perspective, practical wisdom and mature judgment,
- demonstrated intelligence, maturity, wisdom and independent judgment,
- self-confidence to contribute to Board deliberations and stature such that other board members will respect his or her view,
- the willingness and commitment to devote the extensive time necessary to fulfill his/her duties,
- the ability to communicate effectively and collaborate with other Board Members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including willingness to listen and respect the views of others,
- the skills, knowledge, and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable Company or organization, including but not limited to relevant experience in manufacturing, international operations, public service, finance, accounting, strategic planning, supply chain, technology and marketing,
- commitment, including guidance provided to the Senior Management outside of Board/Committee Meetings,
- effective deployment of knowledge and expertise,
- independence of behavior and judgment, and
- Maintenance of confidentiality of critical issues.

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### III. Stakeholders' Relationship Committee

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per the governing provisions of Section 178 of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The status of member correspondences, queries, grievances etc. are endeavoured to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders' Relationship Committee Meeting which meets at timely intervals. The Stakeholders' Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints.

The Committee's composition and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 20 the Listing Regulations.

#### a. The terms of reference for the Stakeholders' Relationship Committee include:

1. To resolve grievances of the shareholders in respect of share transfers, transmission, non-receipt of annual report, non-receipt of dividend, issue of new/duplicate certificates, general meetings and other related activities.
2. To review measures taken for effective exercise of voting rights by shareholders.
3. To review dematerialization of shares
4. To review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
5. Matters relating to transfer of shares to the demat account of the IEPF Authority
6. To review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.]
7. To perform such other functions as may be necessary or appropriate for the performance of its duties
8. To carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

#### b. Composition of the Stakeholders Relationship Committee and attendance details during the financial year ended March 31, 2023 are given below:

The detailed constitution and attendance at the committee meetings is as under:

Name of the Member	Category	Position	No. of Meetings	
			Held	Attended
Deena Asit Mehta	Non-Executive Director & Non Independent Director	Chairman	4	4
Kirit Himatlal Vora	Non-Executive Director & Non Independent Director	Member	4	4
Pundarik Sanyal	Non-Executive Director & Independent Director	Member	4	4

Note: Ms. Madhu Lunawat was appointed as Additional Director on 26 December 2022. the Company re-constituted its committee in its meeting held on 13 February 2023. On 22 March 2023, the members of the Company approved her appointment via Postal Ballot through remote evoting.

#### Number of Meetings

During the year under review, the Stakeholders Relationship Committee met 4 (four) times during the year.

27-05-2022	05-08-2022	30-12-2022	13-02-2023

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### c. Details of Shareholders' Complaints received during the FY 2022-23:

The status of investor grievances received during the financial year 2022-23 is as follows:

Number of Shareholders' Complaints received during	Number of complaints not solved to the satisfaction of the shareholders	Number of pending complaints the year
Nil	Nil	Nil

### IV. Meeting of Independent Directors

In terms of Regulation 25 of the Listing Regulations and Schedule IV to the Companies Act, 2013, a separate meeting was held by the Independent Directors of the Company without the presence of Non-Independent Directors and members of the Management. All the Independent Directors of the Company were present at the meeting. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views.

During the year under review, the Independent Directors met on 14 February 2023, inter alia, to:

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

### V. Senior Management:

Particulars of Senior Management including the changes therein since the close of the previous financial year:

Sr. No.	Name of the Senior Management	Designation	Appointment/ Cessation of Senior Management
1.	Mr. Pankaj Jeevanlal Parmar	Manager	Appointed with effect from February 10, 2016
2.	Mr. Sumit R. Sharma	Company Secretary & Compliance Officer	Resigned with effect from May 16, 2022
3.	Ms. Gauri H. Gokhale	Company Secretary & Compliance Officer	Appointed with effect from May 27, 2022 Resigned with effect from November 21, 2022
4.	Mr. Binoy Dharod	Chief Financial Officer	Appointed with effect from August 05, 2022
5.	Ms. Khushboo Hanswal	Compliance Officer	Appointed with effect from December 12, 2022
6.	Ms. Khushboo Hanswal	Company Secretary	Appointed with effect from February 13, 2023

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### VI. General Body Meetings / Postal Ballot

Following table demonstrates the particulars of the last three Annual General Meetings of the Company:

Year ended	Date and Time	Venue	Special Resolutions passed
2019-20	30/09/2020 at 11:00 am	Through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”)	None
2020-21	17/09/2021 at 11:00 am	Through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”)	<ol style="list-style-type: none"> <li>To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, not exceeding ₹ 100 Crore.</li> <li>To approve the power to create charge on the assets of the company to secure borrowings up to ₹ 100 Crore pursuant to section 180(1)(a) of the Companies Act, 2013.</li> <li>Approval For Investments/ Loans/ Guarantees/ Securities</li> </ol>
2021-22	16/09/2022 at 11:00 am	Through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”)	None

#### • Postal Ballot Meeting

During FY2022-23, the Company sought the approval of the shareholders by way of postal ballot, the details of which are given below:

#### 1. Postal Ballot vide notice dated February 13, 2023, on the following Resolution(s)

Sr. No.	Type of Resolution	Description of the Resolution(s)
1.	Ordinary Resolution	Appointment of Ms. Madhu Lunawat (DIN: 06670573) as an Additional Non-Executive Director And Non-Independent Director
2.	Special Resolution	Appointment of Mr. Ambareesh B. Baliga (DIN: 07004422) as an Additional Independent Director Adoption of new set of Articles of Association

The voting period for remote e-voting commenced on Tuesday, February 21, 2023 at 9.00 a.m. (IST) and ended on Wednesday, March 22, 2023 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the aforementioned resolutions was provided by the Scrutiniser on Friday, March 24, 2023.

The details of voting on the aforementioned Resolution(s) are provided hereunder:

Description of the Resolution	Total No. of Members Voted	Total No. of Valid Votes in favor	Total No. of Valid Votes in against	Total of Invalid Votes	Total Votes Casted	Total Valid Votes casted	% of Total Valid Votes casted in favour of Ordinary Resolution/ Special Resolution
Appointment of Ms. Madhu Lunawat (DIN: 06670573) as an Additional Non-Executive Director And Non-Independent Director	39	3893316	50037	Nil	3943353	3943353	98.73%
Appointment of Mr. Ambareesh B. Baliga (DIN: 07004422) As An Independent Director	39	3893316	50037	Nil	3943353	3943353	98.73%
Adoption of new set of Articles of Association	39	3893316	50037	Nil	3943353	3943353	98.73%

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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The Resolution(s) were passed with requisite majority.

In respect of all the above Postal Ballot conducted by the Company during FY 2022-23, the Board of Directors had appointed Mrs. Jyoti Dubey, Practicing Company Secretary, Proprietor of M/s Jyoti Dubey & Associates (Membership no.: A64673, CP No.: 24221) as the Scrutiniser to scrutinise the postal ballot process, in a fair and transparent manner.

2. **Person who conducted the postal ballot** – Ms. Khushboo Hanswal
3. **Whether any special resolution is proposed to be conducted through postal ballot**- No
4. **Procedure of postal ballot**

All the aforesaid Postal Ballots were conducted by the Company as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, and 3/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs.

### VII. Means of Communication

- **Quarterly Results:** The Company's quarterly/half yearly are sent to the Stock Exchange i.e Bombay Stock Exchange (BSE) and published in 'Free Press Journal' & 'Navshakti'. Simultaneously, they are also put up on the Company's website (www.acmfsl.com).
- **Website:** The Company's website (www.acmfsl.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in downloadable form.
- **Annual Report:** The Annual Report containing, inter alia, Notice of Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report.
- **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, among others are also filed electronically on the Listing Centre.
- **Communication via E-mail:** The Company has designated the following email-ids exclusively for investor servicing i.e. compliance@acm.co.in and investorgrievance@acmfsl.co.in
- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

#### i. General Shareholder Information

The Company is registered with the Registrar of Companies, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65900MH1984PLC091326.

#### ii. Annual General Meeting

**Date:** 30 September, 2023

**Time:** 11:00 am

**Venue:** Through Video Conferencing

The Company shall also provide facility of e-Voting for the ensuing Annual General Meeting of the Company.

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment/re-appointment at the ensuing AGM are given in the Annexure to the Notice of the 39th AGM to be held on 30 September 2023.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### iii. Financial Year of the Company

The Company follows the financial year as prescribed under the Companies Act, 2013 that is period of 12 months starts from 1st day of April of a year and ending on the 31st day of March of the following year.

### iv. Dividend Payment Date

Your Company did not recommend any dividend for the financial year 2022-23 in view of losses.

### v. Listing on Stock Exchange

Equity shares of the Company are listed on the following Indian Stock Exchange:

**Name of Exchange:** BSE Limited ("BSE")

**Address:** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

**Stock Code:** 530723

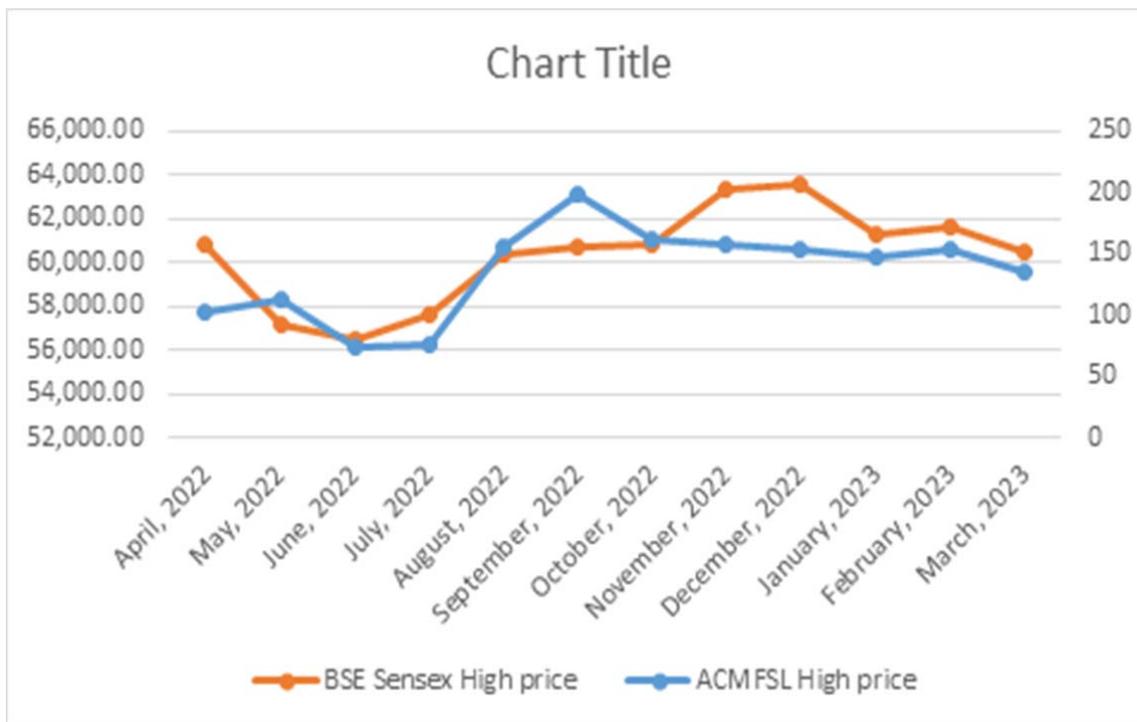
The Annual listing fees for the year 2022-23 have been paid by the Company to BSE Limited, as per the invoices raised by the Stock Exchange.

### vi. Stock Market Price Data

High, Low during each month in the financial year 2022-23 on BSE:

Month	High price	Low price
April, 2022	102.05	50.05
May, 2022	112.70	66.50
June, 2022	74.20	53.70
July, 2022	76.00	62.50
August, 2022	154.75	73.05
September, 2022	198.55	145.05
October, 2022	162.50	143.25
November, 2022	157.80	127.85
December, 2022	153.30	112.10
January, 2023	147.95	112.85
February, 2023	153.90	115.00
March, 2023	135.60	100.00

**vii. Performance of ACMFSL Share Price in comparison with BSE Sensex**



**viii. Registrar and Transfer Agents**

Link Intime India Pvt Ltd.  
 C-101, 247 Park, 1st Floor, LBS Road, Gandhi Nagar, Vikhroli (West),  
 Mumbai – 400 083  
 Tel. No.: 1800 1020 878 | Fax No.: 022 - 4918 6060  
 Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
 Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**ix. Share Transfer System:**

The Board of Directors of the Company, in order to expedite the process, has delegated the power of approving transfer, transmission, etc. of the securities of the Company to the R & TA. Securities lodged for transfer, transmission, etc. are normally processed within the stipulated time as specified under the Listing Regulations and applicable provisions of the Act. The Company has obtained certificates on half yearly basis from the Practicing Company Secretary, certifying due compliance with the formalities of share transfer as required under regulation 40 of the Listing Regulations and submitted a copy of the certificate to the Stock Exchange where the securities of the Company is listed.

**x. Shareholding pattern as at March 31, 2023**

Sr. No.	Name of Shareholders	No of shareholder	Total number of sharesm (Fully paid-up)	Total number of shares (Partly paid-up)	Total number of shares (Fully paid-up & Partly paid-up)	Shareholding (in %)
<b>(A). Promoter &amp; Promoter Group</b>						
	Asit Chimanlal Mehta	1	14,43,693	0	14,43,693	29.15
	Deena Asit Mehta	1	4,66,783	0	4,66,783	9.43
	Asit Chimanlal Mehta HUF	1	77,000	0	77,000	1.55
	Jayesh T Desai HUF	1	7,120	0	7,120	0.14

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Sr. No.	Name of Shareholders	No of shareholder	Total number of sharesm (Fully paid-up)	Total number of shares (Partly paid-up)	Total number of shares (Fully paid-up & Partly paid-up)	Shareholding (in %)
	Gopa Jayesh Desai	1	1,900	0	1,900	0.04
	Rupa Atul Shah	1	1,500	0	1,500	0.03
	Cliqtrade Stock Brokers Private Limited	1	18,41,683	0	18,41,683	37.19
	Asit C Mehta Commodity Services Limited	1	0	0	0	0
<b>Sub Total (A)</b>		<b>7</b>	<b>38,39,679</b>	<b>0</b>	<b>38,39,679</b>	<b>77.53</b>
<b>(B). Public Shareholder</b>						
	Foreign Portfolio Investors	0	0	0	0	0
	Financial Institutions	0	0	0	0	0
	Investor Education and Protection Fund (IEPF)	1	24,576	0	24,576	0.50
	Non Institutions (Individual share capital upto ₹ 2 lakhs)	1915	5,75,070	0	5,75,070	11.61
	Non Institutions (Individual share capital in excess of ₹ 2 lakhs)	8	3,99,974	0	3,99,974	8.08
	Bodies Corporate	21	86,357	0	86,357	1.74
	Any other	38	24,514	0	24,514	0.49
	Clearing Members	1	300	0	300	0.01
	HUF	37	24,214	0	24,214	0.49
	Non Resident Indian	7	2,390	0	2,390	0.05
<b>Sub Total (B)</b>		<b>1990</b>	<b>11,12,881</b>	<b>0</b>	<b>11,12,881</b>	<b>22.47</b>
<b>Total (A+B)</b>		<b>1997</b>	<b>49,52,560</b>	<b>0</b>	<b>49,52,560</b>	<b>100.00</b>

### xi. Distribution of Shareholding as on March 31, 2023

Shareholding of Nominal		No. of Shareholders	% of Shareholders	Amount in Rupees	% of shareholding
1	500	1812	89.3932	1648990	3.3296
501	1000	91	4.4894	752410	1.5192
1001	2000	46	2.2694	726290	1.4665
2001	3000	21	1.0360	515160	1.0402
3001	4000	10	0.4933	371400	0.7499
4001	5000	9	0.4440	406860	0.8215
5001	10000	16	0.7893	1122230	2.2660
10001 and above	-	22	1.0853	43982260	88.8071
<b>TOTAL</b>		<b>2027</b>	<b>100</b>	<b>49525600</b>	<b>100</b>

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### xii. Dematerialization of shares and liquidity:

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31 March 2023, 98.58 % of the total Subscribed and Fully Paid-up equity share capital comprising of 48,82,583 equity shares of the Company are in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form as per the notification issued by the Securities and Exchange Board of India.

### xiii. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on Equity:

Not Applicable as there were no outstanding ADRs or GDRs, Warrants or any Convertible instruments.

### xiv. Commodity price risk or foreign exchange risk and hedging activities:

Not applicable.

### xv. Location of Plant / Office:

Pantomath Nucleus House, Saki Vihar Road, Andheri (East), Mumbai – 400072

### xvi. Address of the Company:

**ASIT C MEHTA FINANCIAL SERVICES LIMITED**

Pantomath Nuclues House, Saki Vihar Road,  
Andheri (East), Mumbai – 400072, Maharashtra.

**Tel. No.:** +91 22 61325757/ 28583333

**Email:** [invertorgrievance@acmfsl.co.in](mailto:invertorgrievance@acmfsl.co.in)

**Web:** [www.acmfsl.com](http://www.acmfsl.com)

### xvii. Nomination Facility for Shareholding:

As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer agent of the Company.

### xiii. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the entity involving mobilization of funds, whether in India or abroad:

Not Applicable

## VIII. OTHER DISCLOSURES

### i. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

During the financial year under review, there were no materially significant related party transactions with the Promoters, Directors, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are entered into by the Company are based on business exigencies and are intended to further the Company's interests. The Company has formulated a policy on Related Party Transaction and the said policy is uploaded on website of Company. ([https://www.acmfsl.com/cor\\_gov.htm](https://www.acmfsl.com/cor_gov.htm))

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

Sr. No.	Com-pliance Requirement (Regulations/ circulars/ guide- lines including specific clause)	Regu-lation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Obser- vations/ Re- marks by Company	Man- age- ment Re- sponse	Re- marks
1.	Corporate Governance Report	Reg. 27(2) of SEBI LODR	Non-filing of Corporate Governance Report for the quarter ended September 2022	BSE	Fine	Non-filing of Corporate Governance Report for the quarter ended September 2022	₹ 1,20,360	The Company is of the view that Reg. 15(2) (a) of SEBI LODR is not applicable to the Company, as the Company does not satisfy both the requirements, neither Paid Up share capital of the Company is above ₹ 10 crores nor the Net worth of the Company is above ₹ 25 crores, during the last FY. At present Company has paid the fine and filed waiver application to the exchange.	The Company has obtained CA certificate for the net worth and the net worth is less than ₹25 crores	The Company has commenced filing the report under good corporate governance.
2.	Related Party Transaction reporting	Reg. 23(9) SEBI LODR	Non-filing of Related Party Transaction Report for the half year ended September 2022	BSE	Fine	Non-filing of Related Party Transaction Report for the half year ended September 2022	₹ 1,82,900	The Company is of the view that Reg. 15(2) (a) of SEBI LODR is not applicable to the Company, as the Company does not satisfy both the requirements, neither Paid Up share capital of the Company is above ₹ 10 crores nor the Net worth of the Company is above ₹ 25 crores, during the last FY. . At present Company has paid the fine and filed waiver application to the exchange.	The Company has obtained CA certificate for the net worth and the net worth is less than ₹25 crores	The Company has commenced filing the report under good corporate governance.
3.	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	Regulation 17(1)	Non-compliance with said regulation	BSE	Fine	Non-compliance with the requirements pertaining to the composition of the Board	₹ 5,42,800	The Company is of the view that Reg. 15(2) (a) of SEBI LODR is not applicable to the Company, as the Company does not satisfy both the requirements, neither the Paid Up share capital of the Company is above ₹ 10 crores nor the Net worth of the Company is above ₹ 25 crores, during the last FY. . At present Company has paid the fine and filed waiver application to the exchange	The Company has obtained CA certificate for the net worth calculation to that effect where the net worth is less than ₹25 crores	The Company is awaiting for the response of the exchange in relation to the applicability of Reg. 15(2) (a) of SEBI LODR.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

**iii. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has a Vigil Mechanism cum Whistle Blower Policy in place, details of which have been furnished in the Board's Report. The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee.

**iv. Details of compliance with mandatory requirements and adoption of the non- mandatory requirements:**

The Company has complied with all the mandatory requirements of the Schedule V of the Listing Regulations. Though, the Regulation 15(2) (a) of SEBI LODR is not applicable to the Company, as the Company does not satisfy both the requirements, neither Paid Up share capital of the Company is above ₹ 10 crores nor the Net worth of the Company is above ₹ 25 crores, during the last FY as per the certificate of Chartered Accountant regarding Net Worth, Company has paid the fine and filed waiver application to the exchange. However as a good Corporate Governance Company had started complying the said Regulation.

**v. Web link for determining 'material subsidiaries' [https://www.acmfsl.com/pdf/Policies/Policy\\_for\\_determination\\_of\\_material\\_subsiary.pdf](https://www.acmfsl.com/pdf/Policies/Policy_for_determination_of_material_subsiary.pdf)**

**vi. Web link for dealing with Related Party Transactions [https://www.acmfsl.com/pdf/Policies/Related\\_Party\\_Transactions\\_Policy.pdf](https://www.acmfsl.com/pdf/Policies/Related_Party_Transactions_Policy.pdf)**

**vii. Disclosure of commodity price risks and commodity hedging activities:**

Not applicable

**viii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

Not applicable since the Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

**ix. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: ₹ 11,00,000/-**

**x. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints received during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

**xi. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.**

<b>Name of material subsidiaries</b>	Asit C Mehta Investment Interrmediates Ltd
<b>Date &amp; Place of Incorporation</b>	01/12/1993 & Mumbai
<b>Name &amp; Date of appointment of the statutory auditor of such Subsidiary</b>	<b>Name:</b> M/s Manek & Associates <b>Date of Appointment:</b> September 15, 2022

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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**Xii. A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.**

Refer Annexure 6

**X. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED:**

The Company has complied with the requirements of corporate governance report of sub paras (2) to (10) of Clause (C) of the Schedule V of the Listing Regulations to the extent possible.

Note: The Company is of the view that Reg. 15(2) (a) of SEBI LODR is not applicable to the Company, as the Company does not satisfy both the requirements, neither Paid Up share capital of the Company is above ₹ 10 crores nor the Net worth of the Company is above ₹ 25 crores, during the last FY, Company has paid the fine and filed waiver application to the exchange. The Company has also obtained net worth certificate from Chartered Accountant wherein the view of the Company is reaffirmed. However as a good corporate governance Company had started complying the requirement of said regulation to the extent possible.

**XI. ADOPTION OF THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF THE SCHEDULE II OF THE LISTING REGULATIONS:**

**a) The Board**

The Company has a Non- Executive Chairman and hence, the requirement pertaining to reimbursement of expenses to a Non - Executive Chairman does not arise.

**b) Shareholder Rights**

The Company's quarterly/half-yearly/annual results are furnished to the Stock Exchange, BSE also published in the newspapers and also displayed on the website of the Company and therefore results were not separately sent to the Members. Quarterly/half-yearly/annual results of the Company are displayed on the website of the Company at the link [https://www.acmfsl.com/inv\\_info.htm](https://www.acmfsl.com/inv_info.htm)

**c) Modified opinion(s) in audit report**

The Company has received an unmodified opinion in the Auditors' Report for the financial year 2022-23.

**d) Reporting of Internal Auditor**

The Internal Auditor reports directly to the Audit Committee.

**XII. Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:**

The Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations to the extent possible as the said Regulations are not applicable to the Company in view of the net worth certificate obtained from the Chartered Accountant. The details of the compliance of Regulations 17 to 27 of the Listing Regulations are given in this Corporate Governance Report. Further, the Company has uploaded the documents/details mentioned in the clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations on its website <https://www.acmfsl.com/index.htm>

**XIII. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.**

Refer Annexure 7

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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**XIV. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the Directors' report.**

Refer **Annexure 8**

**XIV. Disclosures with respect to demat suspense account/ unclaimed suspense account**

The Company has neither declared nor given any dividend in the last more than 7 years. Hence, the disclosure with respect to demat suspense account/ unclaimed suspense account is not applicable.

**For and on behalf of the Board of Directors  
Asit C Mehta Financial Services Limited**

**Place :** Mumbai  
**Dated :** July 25, 2023  
**CIN :** L65900MH1984PLC091326

**Asit C. Mehta  
Chairman  
(DIN: - 00169048)**

**Registered Office:** Pantomath Nucleus House, Saki-Vihar Road., Andheri (E), Mumbai- 400072  
**Tel No.:** 022-28583333  
**Email:** investorgrievance@acmfsl.co.in  
**Website:** www.acmfsl.com

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### ANNEXURE 6

#### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
ASIT C MEHTA FINANCIAL SERVICES LIMITED  
Nucleus house Saki vihar rd., Andheri (E), Mumbai-72

We have examined the following documents:

- Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents')

as received from the Directors of ASIT C MEHTA FINANCIAL SERVICES LIMITED (hereinafter referred to as 'the Company') to the Board of Directors of the Company for the Financial Year 2022-23, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of Appointment	Date of Cessation
1	Kirit Himatlal Vora	0000168907	04/03/1992	-
2	Deena Asit Mehta	0000168992	25/03/1991	-
3	Asit Chimanlal Mehta	0000169048	01/04/2001	-
4	Radha Krishna Murthy	0000221583	31/01/2006	-
5	Manohar Lal Vij	0000755522	14/02/2022	-
6	Pundarik Sanyal	0001773295	31/07/2014	-
7	Madhu Lunawat	0006670573	26/12/2022	-
8	Ambareesh Bhaskar Baliga	0007004422	26/12/2022	-

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act. Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company.

Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-  
Name: Ms. Jyoti Dubey  
Membership No. : A64673  
CP No. : 24221  
UDIN: A064673E000679716

Date: 25/07/2023  
Place: Mumbai

**Annexure 7**

**CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for Directors and Senior Management.

For **Asit C Mehta Financial Services Limited**

**Binoy Dharod**  
**Chief Financial Officer**

**Date: 25/07/2023**

**Place: Mumbai**

**Annexure 8**

**Compliance Report regarding Compliance of Condition of Corporate Governance**

To,  
The Members  
**Asit C Mehta Financial Services Limited**

As per Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations) [hereinafter referred as "SEBI (LODR)"], compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report.

As explained to us by the management as well as the opinion formed by the Audit Committee, the Corporate Governance provisions are not applicable to the Company, since the net worth is below the threshold limit as per the Net worth certificate issued by the Chartered Accountant in practice.

However the Board of Directors have decided to implement the Corporate Governance provisions to the extent possible and attach the Corporate Governance Report in the Annual Report.

Since the implementation of Corporate Governance is on voluntary basis, it was decided not to comment on the non-compliances, if any.

This report is for the information of the Members.

**For Hemanshu Kapadia & Associates  
Practicing Company Secretaries**

**Hemanshu Kapadia  
Proprietor**

**FCS No.: 3477**

**CP No.: 2285**

**Peer Review Certificate No.: 1620/2021**

**UDIN: F003477E000857858**

**Date: 24th August 2023**

**Place: Mumbai**

# STANDALONE FINANCIAL STATEMENTS

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### INDEPENDENT AUDITOR'S REPORT

#### To the Members of Asit C Mehta Financial Services Limited Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Asit C Mehta Financial Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to Note 56 to the standalone financial statements regarding the approval of Composite Scheme of Arrangement (the "Scheme") between the Company and its wholly owned subsidiary namely Nucleus IT Enabled Services Limited (the "transferor company"). Pursuant to the Scheme being approved by the Hon'ble National Company Law Tribunal vide its order dated January 20, 2023, all the assets, liabilities, reserves and surplus of the transferor company have been transferred to the Company from the appointed date of March 31, 2021, at carrying values as on that date. The Company has given effect to the scheme in the standalone financial statements for the year ended March 31, 2023.

However, as per the requirements of Appendix C to Ind AS 103 "Business Combination", the financial information in the standalone financial statements in respect of prior periods have been restated as if the common control business combination had occurred from the beginning of the preceding period in the standalone financial statements. Accordingly, the comparatives for the year ended March 31, 2022, have been restated after recognising the effect of the merger as stated above.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2023 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

The standalone financial statements of the Company for the year ended March 31, 2022, were audited by another auditor whose report dated May 27, 2022 expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of this matters.

### 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 of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) 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 financial statements – Refer Note 36 to the standalone financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. 1) Under Rule 11(e)(i)

The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 42 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) Under Rule 11(e)(ii)

The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Note 42 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Under Rule 11(e)(iii)

Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. In our opinion, according to the information and explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

### **For M S K A & Associates**

#### **Chartered Accountants**

ICAI Firm Registration Number: 105047W

Swapnil Kale

Partner

Membership Number: 117812

UDIN: 23117812BGXQWF5745

Mumbai

May 29, 2023

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ASIT C. MEHTA FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED March 31, 2023.

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, Investment property and relevant details of Right-of-Use Assets.
- B. The Company has no intangible assets. Accordingly, the provisions stated in paragraph 3(i)(a)(B) of the Order are not applicable to the Company.
- (b) All the Property, Plant and Equipment, Investment property and Right of Use Assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) (a) of the Order are not applicable to the Company.
- (b) The Company has not been sanctioned any working capital limits during the year. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) According to the information and explanations provided to us, the Company has provided loans or provided advances in the nature of loans, or given guarantee, or provided security to any other entity.
- (A) The details of such loans or advances and guarantees or security to subsidiaries are as follows:

(₹ In Lakhs)

	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	-	-	508.00	-
Balance Outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	130.00	-	641.08	-

- (B) The details of such loans or advances and guarantees or security to parties other than Subsidiaries are as follows:

(₹ In Lakhs)

	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
- Others	-	-	14.00	-
Balance Outstanding as at balance sheet date in respect of above cases				
- Others	-	900.00	99.59	-

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantees provided, securities given and grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the interest of the Company.
- (c) The loans and advances in the nature of loan are repayable on demand. During the year, the Company has not demanded such loans or interest.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the loans are repayable on demand and the Company has not demanded such loans and advance in nature of loan (including receivable in nature of loan).
- (e) According to the information and explanations provided to us, the loan or advance in the nature of loan granted has not been demanded by the Company during the year. Hence, the requirements under paragraph 3(iii) (e) of the Order are not applicable to the Company.
- (f) According to the information and explanations provided to us, the Company has granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

(₹ In Lakhs)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	740.66	-	641.08
- Agreement does not specify any terms or period of repayment (B)			
Total (A+B)	744.66		641.08
Percentage of loans/ advances in nature of loans to the total loans	100.00%	-	86.55%

- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, income-tax, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, income-tax, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

- (b) According to the information and explanations given to us and examination of records of the Company, details of statutory dues referred to in sub Clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded ₹	Amount Paid ₹	Period to which the amount relates	Forum where dispute is pending
Foreign Exchange Regulation Act, 1973	Contravention of FERA regulations	1,61,86,000	-	AY 1994-95	Foreign Exchange tribunal and Bombay High Court
Finance Act, 1994, Chapter V Service tax	Service tax & penalties on certain income	1,01,97,580	-	AY 1996-00	Customs, Excise & Service tax Appellate Tribunal, Mumbai
Income tax Act, 1961	Tax Demand	19,910	-	AY 2010-11	Rectification u/s 154 pending with Assessing Officer
Income tax Act, 1961	Tax Demand	5,89,870	-	AY 2016-17	Commissioner of Income-tax (Appeals)
Income tax Act, 1961	Tax Demand	1,16,76,020	-	AY 2017-18	Commissioner of Income-tax (Appeals)

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, reporting under Clause 3(ix) (f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3(x)(b) of the Order are not applicable to the Company.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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- xi. (a) Based on 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 report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii)(a) to (c) of the Order are not applicable to the Company.
- 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, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Group does not have more than one CIC as a part of its group. Hence, the provisions stated in paragraph 3 (xvi)(d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has incurred cash losses in the current financial year and in the immediately preceding financial year. The details of the same are as follows:

Particulars	March 31, 2023 (Current year)	March 31, 2022 (Previous Year)
Cash Losses	409.82	298.35

- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

## **ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

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- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph (xx)(a) to (b) of the Order is not applicable to the Company.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

### **For M S K A & Associates**

#### **Chartered Accountants**

ICAI Firm Registration Number: 105047W

Swapnil Kale

Partner

Membership Number: 117812

UDIN: 23117812BGXQWF5745

Mumbai

May 29, 2023

### ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ASIT C MEHTA FINANCIAL SERVICES LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Asit C Mehta Financial Services Limited on the Financial Statements for the year ended March 31, 2023]

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

##### Opinion

We have audited the internal financial controls with reference to standalone financial statements of Asit C Mehta Financial Services Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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.

##### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone<sup>1</sup> financial statements, whether due to fraud or error.

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

##### Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

### **Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements**

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

#### **For M S K A & Associates Chartered Accountants**

ICAI Firm Registration Number: 105047W

Swapnil Kale

Partner

Membership Number: 117812

UDIN: 23117812BGXQWF5745

Mumbai

May 29, 2023

# ASIT C. MEHTA FINANCIAL SERVICES LIMITED

## Balance Sheet as at March 31, 2023

		(₹ in '000)	
Particulars	Note No.	As on March 31, 2023	As on March 31, 2022
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	3A	2,212	3,000
(b) Investment Property and Right of Use Assets	3B	459,659	470,996
(c) Other Intangible Assets	3C	-	172
(d) Financial Assets			
(i) Investments	4	527,067	527,007
(ii) Trade Receivables	5	1,637	1,637
(iii) Others Financial Assets	6	1,393	1,393
(e) Non-Current Tax Assets	7	10,769	7,642
(f) Other Non-Current Assets	8	-	1,770
<b>Total Non Current Assets</b>		<b>1,002,737</b>	<b>1,013,617</b>
<b>(2) Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	9	1,205	3,834
(ii) Cash and Cash Equivalents	10	1,999	5,409
(iii) Bank Balance Other Than (ii) above	11	8,093	8,093
(iv) Loans	12	74,067	34,761
(v) Other Financial Assets	13	1,407	1,224
(b) Other Current Assets	14	2,314	3,093
<b>Total Current Assets</b>		<b>89,085</b>	<b>56,414</b>
<b>Total Assets</b>		<b>1,091,822</b>	<b>1,070,031</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	49,526	48,474
(b) Other Equity	16	164,792	222,096
<b>Total Equity</b>		<b>214,318</b>	<b>270,570</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	582,153	537,751
(ii) Lease Liabilities	18	68	225
(iii) Other Financial Liabilities	19	4,371	3,634
(b) Provisions	20	16	7
(c) Deferred Tax Liabilities (net)	21	-	9,968
(d) Other Non-Current Liabilities	22	1,184	41
<b>Total Non- Current Liabilities</b>		<b>587,792</b>	<b>551,626</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	274,608	230,254
(ii) Lease Liabilities	24	157	143
(iii) Trade Payables	25	-	-
- dues to micro enterprises and small enterprises; and		-	-
- dues to creditors other than micro enterprises and small enterprises		5,854	8,508
(iv) Other Financial Liabilities	26	5,276	4,396
(b) Other Current Liabilities	27	3,817	4,534
<b>Total Current Liabilities</b>		<b>289,712</b>	<b>247,835</b>
<b>Total Liabilities</b>		<b>877,504</b>	<b>799,461</b>
<b>Total Equity and Liabilities</b>		<b>1,091,822</b>	<b>1,070,031</b>

Notes (Including Significant Accounting Policies)

1 to 58

Forming Part of the Financial Statements

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration Number :105047W

**Swapnil Kale**

Partner

Membership Number: 117812

Mumbai

May 29, 2023.

For and on behalf of the Board of Directors

**Asit C Mehta**

Director

DIN: 00169048

Mumbai

May 29, 2023.

**Kirit H Vora**

Director

DIN: 00168907

Mumbai

May 29, 2023.

**Binoy Dharod**

Chief Financial Officer

Mumbai

May 29, 2023.

**Khushboo Hanswal**

Company Secretary

Mumbai

May 29, 2023.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Statement of Profit and Loss for the period ended March 31, 2023

(₹ in '000)

Particulars	Note No.	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>INCOME</b>			
Revenue From Operations	28	33,522	24,485
Other Income	29	19,478	17,559
<b>Total Income</b>		<b>53,000</b>	<b>42,044</b>
<b>EXPENSES</b>			
Employee Benefits Expense	30	557	1,547
Finance Costs	31	81,316	59,082
Net Loss on Fair Value Changes	32	5,760	-
Depreciation and Amortisation Expense	3A & 3B	11,878	12,862
Other Expenses	33	18,660	11,796
<b>Total Expenses</b>		<b>118,171</b>	<b>85,287</b>
<b>Loss Before Tax</b>		<b>(65,171)</b>	<b>(43,243)</b>
Tax expense:			
- Current tax		-	-
- Deferred tax ( Assets)		(9,525)	(429)
- MAT Credit Entitlement Written off / Utilised		-	1,039
- Prior year tax adjustment		353	17
<b>Total Tax Expense</b>		<b>(9,172)</b>	<b>627</b>
<b>Loss for the year after tax</b>		<b>(55,999)</b>	<b>(43,870)</b>
<b>Other Comprehensive Income</b>			
i) Items that will not be reclassified to profit or Loss:			
a) Re-measurement gains / (Losses) on defined benefit plans		10	36
b) Effect of measuring Equity Instruments on Fair Value		(1,759)	1,341
c) Income Tax on (a) and (b)		443	(347)
<b>Other Comprehensive Income for the year, net of tax</b>		<b>(1,306)</b>	<b>1,030</b>
<b>Total Comprehensive Income for the year after tax</b>		<b>(57,305)</b>	<b>(42,840)</b>
<b>Earnings per Equity Share: (Share Nominal value of ₹ 10 per share.)</b>			
Basic and Diluted (in ₹)	40	(11.46)	(9.08)

Notes (Including Significant Accounting Policies)

1 to 58

Forming Part of the Financial Statements

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration Number :105047W

**Swapnil Kale**

Partner

Membership Number: 117812

Mumbai

May 29, 2023.

For and on behalf of the Board of Directors

**Asit C Mehta**

Director

DIN: 00169048

Mumbai

May 29, 2023.

**Kirit H Vora**

Director

DIN: 00168907

Mumbai

May 29, 2023.

**Binoy Dharod**

Chief Financial Officer

Mumbai

May 29, 2023.

**Khushboo Hanswal**

Company Secretary

Mumbai

May 29, 2023.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Cash Flow Statement For The Year Ended March 31, 2023

(₹ in '000)

	Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Loss before Tax	(65,171)	(43,243)
	<b>Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:</b>		
	Depreciation and Amortisation Expense	11,878	12,862
	Interest Income	(4,422)	(4,256)
	Lease Equalisation Adjustment	(1,397)	-
	Dividend Income	(11)	-
	Amortisation of Financial Guarantee	(167)	(696)
	Fixed Assets Written off	552	-
	Profit on Sale of Investment Property	-	(8,961)
	Profit on Sale of Investment Treasury Shares	(14,764)	(2,287)
	Loss on Sale of Investment (Net)	-	1,085
	Notional Loss on Fair Value Changes	5,760	-
	Interest Expenses	81,316	59,082
	<b>Operating Profit Before Changes in Working Capital</b>	<b>13,574</b>	<b>13,586</b>
	<b>Adjustment for Changes in Working Capital</b>		
	Decrease in Trade Receivables	2,629	12
	(Increase) / Decrease in Other Financial Assets	(183)	1,271
	(Increase) in Leased Liability	(143)	(130)
	(Increase) / Decrease in Other Current Assets	9,707	(2,064)
	(Decrease) in Trade Payables	(2,653)	(3,586)
	Increase in Other Liabilities	426	1,931
	Increase / (Decrease) in Other Financial Liability	1,617	(25,287)
	(Decrease) in Provisions	(1)	(599)
	<b>Cash Generated from (used in) Operations</b>	<b>24,973</b>	<b>(14,866)</b>
	Less: Direct Taxes Refund/(Paid) [Net]	(3,128)	515
	<b>NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITY (A)</b>	<b>21,845</b>	<b>(14,351)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant and Equipment	(133)	-
	Interest Received	4,212	4,256
	Dividend Received	11	-
	Inter Corporate Loan Given (Net)	(39,306)	(28,946)
	Proceeds from Sale of Investment Property	-	48,000
	Purchase / Acquisition of Investment	(5,750)	(255,356)
	<b>NET CASH FLOW USED IN INVESTING ACTIVITY (B)</b>	<b>(40,966)</b>	<b>(232,046)</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

( ₹ in '000)

	Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
	Proceeds of Sale of Treasury Shares	15,816	2,425
	Interest Paid	(72,916)	(57,883)
	Long Term Borrowing (Net of Repayment)	36,137	210,497
	Inter-Corporate Deposit (Net of Repayment)	36,674	95,675
	<b>NET CASH FLOW FROM FINANCING ACTIVITY (C)</b>	<b>15,711</b>	<b>250,714</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>(3,410)</b>	<b>4,317</b>
	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>5,409</b>	<b>1,092</b>
	<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>1,999</b>	<b>5,409</b>
	<b>COMPONENTS OF CASH AND CASH EQUIVALENTS :</b>		
	Cash on Hand	55	69
	Balances with Scheduled Banks in Current Accounts	1,944	5,340
	<b>TOTAL</b>	<b>1,999</b>	<b>5,409</b>

### Notes :

- Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Figures in brackets represent outflows / deductions.

As per our report of even date attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration Number :105047W

**Swapnil Kale**

Partner

Membership Number: 117812

Mumbai

May 29, 2023.

For and on behalf of the Board of Directors

**Asit C Mehta**

Director

DIN: 00169048

Mumbai

May 29, 2023.

**Kirit H Vora**

Director

DIN: 00168907

Mumbai

May 29, 2023.

**Binoy Dharod**

Chief Financial Officer

Mumbai

May 29, 2023.

**Khushboo Hanswal**

Company Secretary

Mumbai

May 29, 2023.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Statement of Changes in Equity for the year ended March 31, 2023

#### A. Equity Share Capital (refer note 15)

(₹ in '000)

Particulars	No. of shares	Amount
Balance as at April 1, 2021	4,833,575	48,336
Add: Changes in Equity Share Capital during the year*	13,802	138
Balance as at March 31, 2022	4,847,377	48,474
Add: Changes in Equity Share Capital during the year*	105,183	1,052
Balance as at March 31, 2023	4,952,560	49,526

\* Disposal of 105183 (13802) Equity Shares (Treasury Shares) held by Nucleus Stock Trust.

#### B. Other equity (refer note 16)

##### For the year ended 31 March 2023

(₹ in '000)

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	Retained Earnings	Other Item of Other Comprehensive Income	
Balance as at April 1, 2022	760	41,044	136,178	44,115	222,096
Profit/(Loss) for the year	-	-	(55,999)	-	(55,999)
Other comprehensive income	-	-	-	(1,306)	(1,306)
<b>Total Comprehensive Income</b>	-	-	<b>(55,999)</b>	<b>(1,306)</b>	<b>(57,305)</b>
Balance as at 31 March 2023	<b>760</b>	<b>41,044</b>	<b>80,179</b>	<b>42,809</b>	<b>164,792</b>

##### For the year ended 31 March 2022

(₹ in '000)

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	Retained Earnings	Other Item of Other Comprehensive Income	
Balance as at April 1, 2021	760	41,044	180,048	43,085	264,936
Profit/(Loss) for the year	-	-	(43,870)	-	(43,870)
Other comprehensive income	-	-	-	1,030	1,030
<b>Total Comprehensive Income</b>	-	-	<b>(43,870)</b>	<b>1,030</b>	<b>(42,840)</b>
Balance as at 31 March 2022	<b>760</b>	<b>41,044</b>	<b>136,178</b>	<b>44,115</b>	<b>222,096</b>

Notes (Including Significant Accounting Policies) 1 to 58

Forming Part of the Financial Statements

The above Statement of changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration Number :105047W

For and on behalf of the Board of Directors

**Swapnil Kale**

Partner

Membership Number: 117812

Mumbai

May 29, 2023.

**Asit C Mehta**

Director

DIN: 00169048

Mumbai

May 29, 2023.

**Kirit H Vora**

Director

DIN: 00168907

Mumbai

May 29, 2023.

**Binoy Dharod**

Chief Financial Officer

Mumbai

May 29, 2023.

**Khushboo Hanswal**

Company Secretary

Mumbai

May 29, 2023.

# ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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## Notes forming part of the Financial Statements for the year ended March 31, 2023.

### 1 Corporate Information

Asit C Mehta Financial Services Limited ("the company") is a Public Limited Company Incorporated and domiciled in India and has its registered office in Nucleus House, Saki Vihar Road, Andheri (East) Mumbai - 400072. The shares of the company are listed on BSE Limited.

The Company is engaged in the business of renting of immovable properties. The Company has classified the aforesaid business as an 'Investment Activities'. The Company also invests in Start-ups and other Businesses. The Company is also rendering 'Advisory and Consultancy Services'.

### 2 Significant Accounting Policies

#### 2.1 Basis of Preparation of Financial Statements

##### i Statement of Compliance with Ind AS

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements for the year ended March 31, 2023, has been authorised and approved by the Board of Directors in their meeting held on May 29, 2023.

The Guidance Note on Division III - Schedule III to the Companies Act. 2013 issued by the Institute of Chartered Accountants of India ("ICAI") has been followed in so far as they are not inconsistent with any of these Directions.

##### ii Basis of measurement

These Financial Statements are prepared on going concern basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

- i. Certain financial assets and liabilities
- ii. Defined Benefits Plans- Plan assets

##### iii Classification between Current and Non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle
- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.”

#### iv Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management’s evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

#### v Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency and all amounts are rounded off to the nearest Thousands Rupees, except when otherwise indicated.

### 2.2 Property, Plant and Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the company’s accounting policy.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on “Property, Plant and Equipment”.

The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

Asset Class	Useful Life
Office Equipment	5 Years
Computers	3 Years
Furniture & Fixture	10 Years
Air Conditioner	5 Years
Solar System	15 Years
Projector	5 Years
Electrical Fittings	14 Years

### 2.3 Depreciation

Depreciation on Property, Plant and Equipment is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013. The Company has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis.

### 2.4 Investment Property

Property that is held to earn rentals or for capital appreciation or both, is classified as an Investment Property. It is measured initially at its cost, including related transaction costs. Subsequently, it is carried at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses (Refer Note 3B). Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss. Transfer to, or from, investment property is done at the carrying amount of the property.

Depreciation on Investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the management, corresponds to those prescribed by the Schedule II - Part 'C'.

Asset Class	Useful Life
Investment Property	60 Years

### 2.5 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised as per Ind AS 38. Software is being amortised over a period of Three years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

### 2.6 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

### 2.7 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit or net loss for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### 2.8 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences if any to the extent regarded as an adjustment to the borrowing costs.

### 2.9 Segment Reporting

The company identifies primary segments based on the dominant source, nature of risk and returns and Internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources in assessing the performance.

The accounting policies adopted for segment reporting are in the line with the accounting policies of the Company.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue/expenses/assets/liabilities” respectively.

### 2.10 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

### 2.11 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### Rental Income

Rental Income is accounted as and when accrues on straight line method and reported net of goods and service tax.

### Interest Income

Interest income from a financial asset is recognised on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

### Dividends

Dividend income from investments is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

### Advisory

Revenue from advisory, brokerage and consultancy services is recognised on rendering of services / work performed and reported net of goods and service tax.

### Other Non-operating Income

All other income is recognised on an accrual basis, when there is no uncertainty in the ultimate collection / realisation.

## 2.12 Employee Benefits

### (i) Short term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

### (ii) Long-term employee benefits:

- **Defined Contribution Plan:**

- **Provident Fund:**

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions if any, are made to the Central Provident Fund under the State Pension Scheme. Provident Fund is classified as Defined Contributions Plans as the Company has no further obligation beyond making the contribution. The Company's contribution if any, is charged to the Statement of Profit and Loss as incurred.

- **Defined Benefit Plan:**

- **a. Gratuity:**

The Company has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The Company pays these benefits as and when due based on its own liquidity.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance sheet represents the present value of the defined benefit obligation.

### b. Compensated absences:

The Company provides for encashment of leave or leave with pay subject to certain rules. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and loss in the year in which they arise.

## 2.13 Taxes

**Income tax expense represents the sum of the tax currently payable and deferred tax.**

### Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated as per the applicable provisions and tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

### Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

## 2.14 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft."

### 2.15 Financial Instruments

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

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### Initial Recognition:

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 or 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 or loss are recognised in the Statement of Profit and Loss.

#### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income ("FVTOCI") or Fair Value Through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

#### Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Fair Value through Other Comprehensive Income (FVTOCI):

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

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

#### Fair Value through Profit or Loss (FVTPL):

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

#### Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

### **Other Financial Liabilities:**

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

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

### **Impairment of financial assets:**

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

### **Derecognition of financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit or Loss if such gain or loss would have otherwise been recognised in Statement of Profit or Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in Statement of Profit or Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### **Derecognition of financial liabilities:**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

### **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

### **Offsetting:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### **2.16 Leases**

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method.

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

#### **As a Lessor**

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other Operating Revenue under Revenue from Operations in the Statement of Profit and Loss.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116.

#### **As a Lessee**

The Company assesses whether a contract is or 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.

#### **Operating Leases**

Leases are classified as operating leases whenever the terms of the lease do not transfer substantially all the risks and rewards incidental to ownership.

Lease rentals on assets under operating lease are recognized or charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental income is recognised on a straight line basis over the term of the relevant lease.

Where the rental are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

### 2.17 Right-of-Use Asset ("ROU")

At the date of commencement of the lease, the Company recognise a right-of-use-asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term lease and lease of low-value assets.

The Right-of-use assets are initially recognised at cost, which comprise 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 cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter the lease term and useful life of the underlying asset and the average lease terms.

The Right-of-use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

### 2.18 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares, if any, outstanding during the year, except where the results would be anti-dilutive.

### 2.19 Critical Accounting judgments and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### Key estimates, assumptions and judgments

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### Income taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Refer Note. 34

#### Depreciation and amortisation

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets. Refer Note: 3A and 3C

### Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note. 30

### Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### Recoverability of Trade Receivables

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. Refer Note. 5 and Note 9.

### Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### Impairment of Assets

The Company has used certain judgments and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

### Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances. Refer Note. 20

## 2.20 Business combination under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

## 2.21 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.

Note 3A:

Property, Plant and Equipment:

Particulars	( ₹ in '000)									
	Furniture and fixtures	Office and Other Equipments	Air Conditioners	Solar System	Projector	Computers	Electric Fittings	Total		
<b>(I) Gross Carrying Value</b>										
Balance as at April 1, 2021	1,569	1,428	51	2,183	7	5,274	11	10,523		
Additions during the year	-	-	-	-	-	-	-	-		
Deductions/Adjustments during the year	-	(68)	-	-	-	-	-	(68)		
Other Adjustments during the year	-	-	-	-	-	-	-	-		
<b>Balance as at March 31, 2022</b>	<b>1,569</b>	<b>1,360</b>	<b>51</b>	<b>2,183</b>	<b>7</b>	<b>5,274</b>	<b>11</b>	<b>10,455</b>		
Additions during the year	-	-	133	-	-	-	-	133		
Deductions/Adjustments during the year	(129)	(81)	-	-	-	(1,136)	(11)	(1,357)		
Other Adjustments during the year	-	-	-	-	-	-	-	-		
<b>Balance as at March 31, 2023</b>	<b>1,440</b>	<b>1,279</b>	<b>184</b>	<b>2,183</b>	<b>7</b>	<b>4,138</b>	<b>-</b>	<b>9,231</b>		
<b>(II) Accumulated Depreciation</b>										
Balance as at April 1, 2021	935	1,130	14	538	-	4,224	-	6,841		
Depreciation expense for the year	80	110	7	138	-	279	-	614		
Deductions/Adjustments during the year	-	-	-	-	-	-	-	-		
<b>Balance as at March 31, 2022</b>	<b>1,015</b>	<b>1,240</b>	<b>21</b>	<b>676</b>	<b>-</b>	<b>4,503</b>	<b>-</b>	<b>7,455</b>		
Depreciation expense for the year	75	44	25	138	-	87	-	369		
Deductions/Adjustments during the year	-	(77)	-	-	-	(728)	-	(805)		
<b>Balance as at March 31, 2023</b>	<b>1,090</b>	<b>1,207</b>	<b>46</b>	<b>814</b>	<b>-</b>	<b>3,862</b>	<b>-</b>	<b>7,019</b>		
Net Carrying Value (I-II)										
Balance as at March 31, 2022	554	120	30	1,507	7	771	11	3,000		
Balance as at March 31, 2023	350	72	138	1,369	7	276	-	2,212		

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 3B: Investment Property and Right of Use Assets

#### (i) Investment Property:

(₹ in '000)

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
Balance as at April 1, 2021	581,265
Additions during the year	-
Deductions/Adjustments during the year	45,464
Other Adjustments during the year	-
<b>Balance as at March 31, 2022</b>	<b>535,801</b>
Additions during the year	-
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
<b>Balance as at March 31, 2023</b>	<b>535,801</b>
<b>(II) Accumulated Depreciation</b>	
Balance as at April 1, 2021	59,655
Depreciation expense for the year	11,949
Deductions/Adjustments during the year	6,425
<b>Balance as at March 31, 2022</b>	<b>65,179</b>
Depreciation expense for the year	11,212
Deductions/Adjustments during the year	-
<b>Balance as at March 31, 2023</b>	<b>76,391</b>
<b>Net Carrying Value (I-II)</b>	
<b>Balance as at March 31, 2022 (A)</b>	<b>470,622</b>
<b>Balance as at March 31, 2023 (B)</b>	<b>459,410</b>

#### (ii) Right of use Assets:

(₹ in '000)

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
Balance as at April 1, 2021	-
Additions during the year	499
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
<b>Balance as at March 31, 2022</b>	<b>499</b>
Additions during the year	-
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
<b>Balance as at March 31, 2023</b>	<b>499</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

		( ₹ in '000)
Particulars		Office Premises
<b>(II) Accumulated Depreciation</b>		
<b>Balance as at April 1, 2021</b>		-
Depreciation expense for the year		125
Deductions/Adjustments during the year		-
<b>Balance as at March 31, 2022</b>		<b>125</b>
Depreciation expense for the year		125
Deductions/Adjustments during the year		-
<b>Balance as at March 31, 2023</b>		<b>250</b>
<b>Net Carrying Value (I-II)</b>		
<b>Balance as at March 31, 2022 (C)</b>		<b>374</b>
<b>Balance as at March 31, 2023 (D)</b>		<b>249</b>
<b>Balance as at March 31, 2022 (A+C)</b>		<b>470,996</b>
<b>Balance as at March 31, 2023 (B+D)</b>		<b>459,659</b>

Notes :

The Company has mortgaged above Investment property as security against the borrowings.

### Disclosure pursuant to Ind AS 40 "Investment Property

#### a. Amount recognised in the Statement of Profit and Loss from investment property:

( ₹ in '000)		
Particulars	As on March 31, 2023	As at March 31, 2022
Rental income derived from investment property	30,697	20,005
Direct operating expenses arising from investment property that generated rental income	(37,217)	(30,980)
Loss from investment properties before depreciation	(6,520)	(10,975)
Depreciation	(11,212)	(12,074)
<b>Profit from Investment property</b>	<b>(17,732)</b>	<b>(23,049)</b>

#### b. Fair Value of Investment Property

( ₹ in '000)		
Particulars	As on March 31, 2023	As at March 31, 2022
Fair Value of Investment Property	938,704	1,006,505
<b>Total</b>	<b>938,704</b>	<b>1,006,505</b>

Valuation is based on the report as of March 31, 2023 of an accredited independent valuer. Fair value is based on market value approach wherever available.

#### c. Contractual Obligations

There is no contractual obligation to purchase, construct or develop investment property.

#### d. Leasing arrangements

Certain identifiable portions of investment properties are leased out to tenants under cancellable operating lease.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 3C

#### Other Intangible Asset

		( ₹ in '000)
	Particulars	Amount
<b>(I)</b>	<b>Gross Carrying Value</b>	
	<b>Balance as at April 1, 2021</b>	864
	Additions during the year	-
	Deductions/Adjustments during the year	-
	Other Adjustments during the year	-
	<b>Balance as at March 31, 2022</b>	<b>864</b>
	Balance as at April 1, 2022	864
	Additions during the year	-
	Deductions/Adjustments during the year	-
	Other Adjustments during the year	-
	<b>Balance as at March 31, 2023</b>	<b>864</b>
<b>(II)</b>	<b>Accumulated Depreciation</b>	
	<b>Balance as at April 1, 2021</b>	519
	Depreciation expense for the year	173
	Deductions/Adjustments during the year	-
	<b>Balance as at March 31, 2022</b>	<b>692</b>
	Balance as at April 1, 2022	692
	Depreciation expense for the year	172
	Deductions/Adjustments during the year	-
	<b>Net Carrying Value (I-II)</b>	<b>864</b>
	<b>Balance as at March 31, 2022</b>	<b>172</b>
	<b>Balance as at March 31, 2023</b>	<b>-</b>

#### 4 Financial Assets- Investments

		( ₹ in '000)	
	Particulars	As on March 31, 2023	As on March 31, 2022
<b>4.1</b>	<b>Investment in equity instruments (fully paid-up)</b>		
	<b>(i) Investment in Subsidiaries</b>		
	<b>Equity investments measured at Cost</b>		
	<b>Unquoted equity shares</b>		
	1,54,62,761 (Previous Year: 1,54,62,761) Equity Shares of ₹ 10 each fully paid in Asit C Mehta Investment Intermediates Limited.	407,283	407,283
	30,00,000 (Previous Year: 30,00,000) Equity Shares of ₹. 10 each fully paid in Edgytal Fintech Investment Services Private Limited.	45,000	45,000
	50,00,000 (Previous Year: 30,00,000) Warrants of ₹. 15 each, ₹. 1.5 paid in Edgytal Fintech Investment Services Private Limited.	7,500	7,500
	270 (Previous Year: 270) equity shares of ₹ 10 each in Chargein Kiosk Private Limited. fully paid	3	3
		<b>459,786</b>	<b>459,786</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>(ii) Investment in Other Entities</b>		
Equity investments at fair value through other comprehensive income (FVOCI)		
<b>Unquoted equity shares</b>		
1,82,500 (Previous Year: 1,82,500) equity shares of ₹100 each fully paid-up in Pentation Analytics Private Limited	59,495	61,550
	<b>59,495</b>	<b>61,550</b>
<b>Total (equity instruments)</b>	<b>519,281</b>	<b>521,336</b>
Investment in preference shares (fully paid-up)		
<b>(i) Investment in Other Entities</b>		
<b>Unquoted</b>		
8,25,000 (Previous Year: 2,50,000) Redeemable Preference Shares of ₹ 10 each fully paid in Omniscience Capital Advisors Private Limited (rate of Dividend 0.01%)	2,490	671
	<b>2,490</b>	<b>671</b>
<b>Total (preference shares)</b>	<b>2,490</b>	<b>671</b>

### 4.3 Investments in Mutual Funds at fair value through OCI (fully paid)

#### Quoted

Particulars	Face Value (in INR )	Number of units		Amount	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Aditya Birla Sun Life Liquid Fund Growth	10	14,720.01	14,720.01	5,296	5,000
Total (Investment in Mutual Funds)		14,720.01	14,720.01	5,296	5,000
<b>Total (Investment in Mutual Funds)</b>				<b>5,296</b>	<b>5,000</b>
<b>Total Investments</b>				<b>527,067</b>	<b>527,007</b>
<b>Current</b>				-	-
<b>Non- Current</b>				<b>527,067</b>	<b>527,007</b>
<b>Aggregate book value of:</b>					
<b>Quoted investments</b>				<b>5,296</b>	<b>5,000</b>
<b>Unquoted investments</b>				<b>521,771</b>	<b>522,007</b>
<b>Aggregate market value of:</b>					
<b>Quoted investments</b>				<b>5,296</b>	<b>5,000</b>
<b>Aggregate amount of impairment in value of Investments</b>				-	-

4.4 On 14th February 2022, the Company has made investment of ₹ 2,006.56 lakhs in subsidiary Asit C Mehta Investment Intermediates Limited, by acquiring the additional Equity Shares of 59,01,650 at ₹ 34/- per share including the premium of ₹ 24 per share by way of issuing 2,00,65,606 (4%) Unsecured Redeemable Non Convertible Debentures at the rate of ₹ 10 each via private placement. As a result, share holding of the Company in the subsidiary increased from 57.56% to 93.09%.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

4.5 On 30th March 2022, the Company has made investment of ₹ 450 lakhs in Edgytal Fintech Investment Services Pvt. Limited, by subscribing to the Equity Shares of 30,00,000 at ₹ 15 per share including the premium of ₹ 5 per share. The Company has also acquired 50,00,000 Share Warrants at ₹ 1.50 per warrant. Post acquisition, the holding of the Company is 77.89%. As a result Edgytal Fintech Investment Services Pvt. Ltd. has become Subsidiary of the Company.

4.6 Pursuant to the Composite Scheme of Arrangement (the "Scheme") under the provisions of Section 230 to 232 of the Companies Act, 2013 in respect of merger of Nucleus IT Enabled Services Ltd. (Wholly owned subsidiary/ Transferor Company) with the Company, the Board of Directors of the Company at its meeting held on April 16, 2021, considered and approved the Scheme. The Scheme has also been approved by the Hon'ble National Company Law Tribunal ("NCLT") vide its order dated January 20, 2023, with the appointed date of March 31, 2021. All the assets, liabilities, reserves and surplus of the Transferor Company have been transferred to and vested in the Company with effect from appointed date at their carrying values. The Company had received requisite approvals from the Honourable NCLT having jurisdiction over the Company and the Transferor Company. The Company has given effect to the scheme in the standalone financial statements for the year ended March 31, 2023.

As per the requirements of Appendix C to Ind AS 103 "Business Combination", the financial information in the standalone financial statements in respect of prior periods have been restated as if the common control business combination had occurred from the beginning of the preceding period in the standalone financial statements. Accordingly, the comparatives for the year ended 31 March 2022 have been restated after recognising the effect of the merger as stated above.

### Note 5:

#### Trade Receivables - Non-Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Unsecured, considered good</b>	1,637	1,637
Unsecured, considered doubtful	1,900	1,900
Less: provision for doubtful debts	(1,900)	(1,900)
<b>Total</b>	<b>1,637</b>	<b>1,637</b>

#### Trade Receivable ageing schedule as on March 31, 2023

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	1,637	-	1,637
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	1,900	1,900
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	(1,900)	(1,900)
<b>Total</b>	-	-	-	<b>1,637</b>	-	<b>1,637</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Trade Receivable ageing schedule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	1,637	-	1,637
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	1,900	1,900
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	(1,900)	(1,900)
<b>Total</b>	-	-	-	<b>1,637</b>	-	<b>1,637</b>

# The due date of payment has taken as the date of Transaction as due date of payment has not specified.

#### Note 6:

##### Other Financial Assets : Non Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Fixed Deposits with Banks having Maturity of more than twelve months (Refer the note no.11)	115	115
Security Deposits	1,278	1,278
<b>Total</b>	<b>1,393</b>	<b>1,393</b>

#### Note 7:

##### Tax Assets (net) : Non-current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Unsecured, considered good		
Income Tax	10,769	7,642
<b>Total</b>	<b>10,769</b>	<b>7,642</b>

#### Note 8:

##### Other Non-current assets

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Unsecured, considered good		
Prepaid component of 2,50,000 redeemable Preference Shares of ₹10 each of Omniscience Capital Advisors Private Limited (redeemable within 20 years i.e. ending on 29th November 2037)	-	1,770
<b>Total</b>	<b>-</b>	<b>1,770</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 9:

#### Trade Receivables - Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Unsecured, considered good	1,205	3,834
Unsecured, considered doubtful	-	-
Less: provision for doubtful debts	-	-
<b>Total</b>	<b>1,205</b>	<b>3,834</b>

#### Trade Receivable ageing schedule as on March 31, 2023

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,205	-	-	-	-	1,205
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)						-
<b>Total</b>	<b>1,205</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,205</b>

#### Trade Receivable ageing schedule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,753	1,000	24	-	57	3,834
(ii) Undisputed Trade receivables - which have significant increase in credit risk						
(iii) Undisputed Trade receivables - Credit impaired						
(iv) Disputed Trade receivables - considered good						-
(v) Disputed Trade receivables - which have significant increase in credit risk						
(vi) Disputed Trade receivables - Credit impaired						
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)						-
<b>Total</b>	<b>2,753</b>	<b>1,000</b>	<b>24</b>	<b>-</b>	<b>57</b>	<b>3,834</b>

# The due date of payment has taken as the date of Transaction as due date of payment has not specified.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 10: Cash and Cash Equivalents

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Cash on hand	55	69
<u>Balances with Banks</u>		
In Current Accounts	1,944	5,340
<b>Total</b>	<b>1,999</b>	<b>5,409</b>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Cash and cash equivalents		
Cash on hand	55	69
Balances with Banks		
In Current Accounts	1,944	5,340
<b>Total</b>	<b>1,999</b>	<b>5,409</b>

### Note 11: Bank Balances other than Cash and Cash Equivalents

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Fixed Deposits pledged with Bank against Bank guarantee [Having maturity of not more than 12 months]	8,093	8,093
<b>Total</b>	<b>8,093</b>	<b>8,093</b>

### Note 12: Loans : Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Unsecured considered good</b>		
Loans to related party (Refer the note no.12.1)	64,108	26,571
Other loans	9,959	8,190
<b>Total</b>	<b>74,067</b>	<b>34,761</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 12.1

#### Additional Regulatory Information :

Disclosure with respect to Loans or Advances granted to Promoters, Directors, KMP and the Related Parties, either severally or jointly with any other person, that are:

Type of Borrower	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
			As on March 31, 2023		As on March 31, 2022	
<b>Promoters</b>			-		-	
Directors			-		-	
<b>KMPs</b>			-		-	
Sumit Sharma	Yes	Yes	-		25	0.1%
<b>Related Parties</b>						
Edgytal Fintech Investment Services Private Limited.	Yes	No	64,108	87%	26,571	76%
<b>TOTAL</b>			<b>74,067</b>	<b>100%</b>	<b>34,761</b>	<b>100%</b>

### Note 13:

#### Other Financial Assets : Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Unsecured considered good</b>		
Interest receivable	33	144
Others	1,374	1,080
<b>Total</b>	<b>1,407</b>	<b>1,224</b>

### Note 14:

#### Other Current Assets

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Unsecured considered good</b>		
<b>Balances with Government Authorities</b>		
GST	-	911
Deposit for Service Tax Appeal	340	340
<b>Others</b>		
Prepaid Expenses	339	1,257
Prepaid Component of Preference Shares	-	58
Other advances	1,635	527
<b>Total</b>	<b>2,314</b>	<b>3,093</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 15: Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in '000	No. of shares	₹ in '000
<b>Authorised :</b>				
Equity shares of par value ₹.10/-	15,000,000	150,000	15,000,000	150,000
	<b>15,000,000</b>	<b>150,000</b>	<b>15,000,000</b>	<b>150,000</b>
<b>Equity Share Capital</b>				
<b>Issued, Subscribed and Paid up :</b>				
Equity shares of par value ₹. 10/- fully paid up	4,952,560	49,526	4,952,560	49,526
<b>Less : Treasury Shares (Nucleus Stock Trust)*</b>	-	-	(105,183)	(1,052)
	<b>4,952,560</b>	<b>49,526</b>	<b>4,847,377</b>	<b>48,474</b>
<b>Total</b>	<b>4,952,560</b>	<b>49,526</b>	<b>4,847,377</b>	<b>48,474</b>

#### Terms/Rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share.

Dividend, if any, is declared and paid in Indian Rupees. Final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in case of Interim Dividend. However, no dividend is declared on equity shares for the year ended March 31, 2023.

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 number of equity shares held by shareholders.

#### a. Reconciliation of the number of shares outstanding

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in '000	No. of shares	₹ in '000
Equity Shares Outstanding at the beginning of the year	4,847,377	48,474	4,833,575	48,336
Changes during the year *	105,183	1,052	13,802	138
<b>Equity Shares outstanding at the end of the year</b>	<b>4,952,560</b>	<b>49,526</b>	<b>4,847,377</b>	<b>48,474</b>

#### \* Treasury Shares

Treasury shares are held by Nucleus Stock Trust which represents NIL (PY: 1,05,183) Equity Shares of ₹10/- each fully paid-up of the Company issued, pursuant to a Scheme of Arrangement approved by the Hon'ble High Court of Bombay vide its Order dated February 10, 2006, to the Nucleus Stock Trust, created wholly for the benefit of the Company and is being managed by trustees appointed by it.

#### b. Shares held by promoters at March 31, 2023

Promoter Name	No. of Shares	% of total shares	% Change during the year
1) Asit C Mehta	1,443,693	29.2	37.0
2) Deena A Mehta	466,783	9.4	64.5
3) Asit C Mehta HUF	77,000	1.6	-
4) Jayesh T Desai HUF	7,120	0.1	-
5) Gopa Jayesh Desai	1,900	0.0	-
6) Rupa Atul Shah	1,500	0.0	-
7) Cliqtrade Stock Brokers Private Limited	1,841,683	37.2	100.0
<b>Total</b>	<b>3,839,679</b>	<b>77.5</b>	

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Shares held by promoters at March 31, 2022

Promoter Name	No. of Shares	% of total shares	% Change during the year
1) Asit C Mehta	2,291,638	46.3	-
2) Deena A Mehta	1,314,728	26.5	46.0
3) Asit C Mehta HUF	77,000	1.6	-
4) Jayesh T Desai HUF	7,120	0.1	-
5) Gopa Jayesh Desai	1,900	0.0	-
6) Rupa Atul Shah	1,500	0.0	-
<b>Total</b>	<b>3,693,886</b>	<b>74.6</b>	

### c. Shareholders having more than 5% holding

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% Holding	No. of shares	% Holding
Mr. Asit C. Mehta	1,443,693	29.2%	2,291,638	46.3%
Mrs. Deena A. Mehta	466,783	9.4%	1,314,728	26.6%
Cliqtrade Stock Brokers Private Limited	1,841,683	37.2%	-	-

### d. Information for the period of five years immediately preceding the date of Balance Sheet

(i) Number and class of shares allotted as fully paid up pursuant to contract without payment received in cash	Nil	Nil
(ii) Aggregate number and class of shares allotted by way of Bonus shares	Nil	Nil
(iii) Aggregate number and class of shares bought back	Nil	Nil

### Note 16:

#### Other Equity

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Capital Reserve</b>		
Balance at the beginning and at the end of the year	760	760
	<b>760</b>	<b>760</b>
<b>Securities Premium</b>		
Balance at the beginning and at the end of the year	41,044	41,044
	<b>41,044</b>	<b>41,044</b>
<b>Retained Earnings</b>		
Balance as at the beginning of the year	136,178	180,048
<b>Add : Net (Loss)/Profit after Tax transferred from the Statement of Profit and Loss</b>	(55,999)	(43,870)
	<b>80,179</b>	<b>136,178</b>
<b>Other Items of Other Comprehensive Income</b>		
Balance as at the beginning of the year	44,115	43,085
<b>Add: Profit / (loss) for the year</b>	(1,306)	1,030
	<b>42,809</b>	<b>44,115</b>
<b>Total</b>	<b>164,792</b>	<b>222,096</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Description of the nature and purpose of Other Equity

**Capital Reserve:** Capital reserves created by the Company due to forfeiture of Equity Shares of the Company on occasion of Amalgamation.

**Securities Premium:** Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

**Retained Earnings:** Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS.

**Equity Instruments through Other Comprehensive Income:** This represents cumulative gains/(losses) arising on the measurement of equity instruments at Fair Value through Other Comprehensive Income.

#### Note 17:

#### Borrowings : Non-current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Secured loans</b>		
<b>From NBFC</b>		
a. Term Loan from NBFC (refer note (i) below)	176,903	183,732
b. Term Loan from NBFC (refer note (ii) below)	13,428	15,107
c. Term Loan from NBFC (refer note (iii) below)		
d. Term Loan from NBFC (refer note (iv) below)	83,910	86,844
<b>Unsecured</b>		
<b>4% Redeemable Non Convertible Debentures</b>	200,656	200,656
2,00,65,610 (As on 31st March 2022: 2,00,65,610) Debentures of ₹ 10 each. (refer note below)		
<b>Loan from Directors</b>	107,256	51,412
(Including Interest Accrued ₹.5,736.12 ; Previous Year ₹ 3,632.56)		
<b>Total</b>	<b>582,153</b>	<b>537,751</b>

Nature of Security and Term of Repayment of Long-term Borrowing :

( ₹ in '000)

	Particulars	As on March 31, 2023	As on March 31, 2022
i)	Secured by Equitable Mortgage of the properties located at Nucleus House A wing : unit 102 of 1st Floor, unit 201, 202 & 203 of 2nd Floor and unit 801 of 8th floor and B wing : unit 101, 102 of 1st floor and Unit 301 of 3rd Floor. (Repayable in 113 Installments) Rate of Interest : Interest rate are ranging from 10.20% to 12.75%	186,158	183,733
ii)	Secured by Equitable Mortgage of the properties located at Nucleus House B wing : unit 401 of 4th floor, unit 501 of 5th floor and Unit 601 of 6th floor. (Repayable in 49 Installments) Rate of Interest : Interest rate are ranging from 10.20% to 14%	13,478	15,107

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

( ₹ in '000)

	Particulars	As on March 31, 2023	As on March 31, 2022
iii)	Secured by Equitable Mortgage of the properties located at Nucleus House A wing : unit 3rd to 7th Floor. (Repayable in 144 Installments) Rate of Interest : Interest rate are ranging from 12.15% to 12.75%	86,910	86,844
<b>Total</b>		<b>286,546</b>	<b>285,684</b>
	Less: Current Maturities of Long-term borrowings (refer note 23)	16,877	8,895
<b>Total</b>		<b>269,669</b>	<b>276,789</b>
	<b>In respect of unsecured loan - 4% Unsecured Redeemable Non-Convertible Debentures</b>		
	2,00,65,610 Debentures being 4% Unsecured Redeemable Non-Convertible Debentures of ₹ 10/- each, redeemable in 3 Installments i.e after 36 Months-33.33%, after 48 Months - 33.33% and after 60 Months - 33.34% and on redemption premium is payable at 10% issue price. The Company has right of prepayment.	200,656	200,656
<b>Total</b>		<b>200,656</b>	<b>200,656</b>

The Company has obtained term loan from Non-Banking Financial Corporation (NBFC's) during the financial year 2021-22 and 2022-23. As per the Loan Agreement/ term sheet, the said Loans was taken for the Purpose of repayment of debt, The company has used such borrowings for the purposes as stated in the loan agreement.

### Note 18:

#### Lease Liability: Non-Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Lease Liability (refer note 41)	68	225
<b>Total</b>	<b>68</b>	<b>225</b>

### Note 19:

#### Other financial liabilities: Non-Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Security Deposit	4,371	3,634
<b>Total</b>	<b>4,371</b>	<b>3,634</b>

### Note 20:

#### Provisions : Non-current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Provision for employee benefits</b>		
Gratuity (unfunded)	4	7
Leave Encashment	12	-
<b>Total</b>	<b>16</b>	<b>7</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 21:

#### Deferred Tax Liabilities (net):

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Deferred Tax Liabilities (net)	-	9,968
<b>Total</b>	<b>-</b>	<b>9,968</b>

### Note 22:

#### Other Liabilities: Non-Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Financial Guarantee Contract (On behalf of Subsidiary)	-	41
Deferred Portion of Security Deposit	1,184	-
<b>Total</b>	<b>1,184</b>	<b>41</b>

### Note 23:

#### Borrowings : Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Secured</b>		
Current Maturities of Long Term borrowings (refer note-17)	16,877	8,895
<b>Unsecured</b>		
Other Corporate Loans (including Interest Accrued ₹. 9,230.87; Previous Year ₹. 1,6196.06)	257,731	221,359
<b>Total</b>	<b>274,608</b>	<b>230,254</b>

Company has not taken any borrowing from bank or financial institution on security of current assets.

### Note 24:

#### Lease Liability: Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Lease Liability (refer note 41)	157	143
<b>Total</b>	<b>157</b>	<b>143</b>

### Note 25:

#### Trade Payables

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
(a) dues to micro enterprises and small enterprises; and	-	-
(b) dues to creditors other than micro enterprises and small enterprises	5,854	8,508
<b>Total</b>	<b>5,854</b>	<b>8,508</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Trade payables ageing schedule as on March 31, 2023

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year *	1 - 2 years	2 - 3 years	More than 3 years	
i MSME	-	-	-	-	-
ii Others (see note below)	5,854	-	-	-	5,854
iii Disputed dues - MSME	-	-	-	-	-
iv Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>5,854</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,854</b>

### Trade payables ageing schedule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year *	1 - 2 years	2 - 3 years	More than 3 years	
i MSME	-	-	-	-	-
ii Others (see note below)	5,724	2,784	-	-	8,508
iii Disputed dues - MSME	-	-	-	-	-
iv Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>5,724</b>	<b>2,784</b>	<b>-</b>	<b>-</b>	<b>8,508</b>

Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

(₹ in '000)

Amounts payable to Micro and Small Enterprises	As on March 31, 2023	As on March 31, 2022
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest Paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil

#### Note 26:

#### Other Financial Liabilities: Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Security Deposits	3,754	3,175
Interest accrued but not due on long term borrowings	1,522	1,221
<b>Total</b>	<b>5,276</b>	<b>4,396</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 27:

#### Other Current Liabilities

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Income Received in advance	457	433
Financial Guarantee Contract (On behalf of Subsidiary) (refer note-37)	-	126
<b>Others</b>		
Other Advance	157	157
Statutory dues	2,770	3,818
Deferred Portion of Security Deposit	433	-
<b>Total</b>	<b>3,817</b>	<b>4,534</b>

### Note 28:

#### Revenue from Operations

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>Sale of services</b>		
Rental Income	30,697	20,005
Advisory Income	2,825	3,655
Income from ITeS Services	-	825
<b>Total</b>	<b>33,522</b>	<b>24,485</b>

### Note 29:

#### Other Income

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>Interest Income</b>		
On Bank Deposits	426	442
On Income Tax Refund	3	439
On Inter Corporate Deposits	3,638	3,341
Deferred Income on Security Deposit	321	-
Interest on Electricity Security Deposit	34	34
Dividend Income on Preference Shares	11	-
<b>Other Non- Operating Income</b>		
Profit on Sale of Investment Property	-	8,961
Profit on Sale of Investments	-	1,068
Profit on Sale of Treasury Shares	14,764	2,287
Amortisation of financial guarantee	167	126
Bank Guarantee Commission	-	570
Insurance refund	-	66
Miscellaneous Income	114	225
<b>Total</b>	<b>19,478</b>	<b>17,559</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 30:

#### Employee Benefit Expenses

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Salary and allowances	492	1,274
Contribution to provident and other funds	39	19
Staff Welfare	7	117
Leave Encashment	12	133
Gratuity (refer note 43)	7	4
<b>Total</b>	<b>557</b>	<b>1,547</b>

### Note 31:

#### Finance Cost

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
a) Interest on Long Term Borrowings		
- Term Loans	42,058	34,234
- Debentures (to Related Parties) (refer note 37)	8,026	1,012
- On Loans from Directors	6,378	5,859
b) Interest on Short Term Borrowings		
- Inter Corporate Deposits	24,522	17,113
	-	-
c) Others	332	246
d) Other Borrowing Cost		
- Loan Processing Fees	-	618
<b>Total</b>	<b>81,316</b>	<b>59,082</b>

### Note 32:

#### Net loss on fair value changes

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>Net loss on financial instruments at fair value through profit or loss</b>		
Investments in Preference Shares of Omniscience Capital Advisors Private Limited	5,760	-
<b>Total</b>	<b>5,760</b>	<b>-</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 33:

#### Other Expenses

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Rates and Taxes	4,573	4,427
Legal and Professional	3,278	2,093
Brokerage / Commission	1,130	70
Repairs and Maintenance – Building	3,873	447
Repairs and Maintenance – Other	1,169	1,578
Travelling & Conveyance	136	80
Listing Fees Stock Exchange	467	325
Auditors remuneration :		
Audit fees (including limited reviews)	1,150	870
Directors' sitting fees	345	375
Insurance	52	100
Printing & Stationery	66	15
Electricity charges	-	358
Miscellaneous	2,421	1,058
<b>Total</b>	<b>18,660</b>	<b>11,796</b>

### Note 34:

#### Disclosure pursuant to Ind-AS 12 on “Income Taxes” :

##### A. Components of Tax Expenses/(Income)

(₹ in '000)

a. Profit or Loss Section	For the period ended March 31, 2023	For the period ended March 31, 2022
Current Tax	-	-
Deferred Tax (refer note 34C)	(9,525)	(429)
MAT Credit Entitlement written off / Utilised	-	1,039
Tax Adjustment of Earlier Years	353	17
<b>Income Tax Expense reported in the statement of Profit or Loss</b>	<b>(9,172)</b>	<b>627</b>

(₹ in '000)

b. Other Comprehensive Income Section	For the period ended March 31, 2023	For the period ended March 31, 2022
Remeasurements of Defined Benefit Plans	443	(347)
Effect of measuring Equity Instruments on Fair Value	-	-
<b>Income Tax Expense reported in Other Comprehensive Income</b>	<b>443</b>	<b>(347)</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Profit (loss) before Tax	(65,171)	(43,243)
Corporate Tax rate as per Income Tax Act, 1961 (excluding cess)	22.00%	22.00%
Tax rate u/s 115JB (excluding cess)	15.00%	15.00%
Tax on Accounting Profit	-	-
MAT Credit Entitlement	-	1,039
<b>*Tax effect of :</b>		
Income Exempt from Tax	-	-
Income considered separately	-	-
Expenses Allowed separately	-	-
<b>Current Tax Provision (A)</b>	-	1,039
Deferred Tax Liability	(9,971)	(424)
Deferred Tax Asset	2	506
<b>Deferred Tax (B)</b>	(9,968)	82
<b>Adjustments in respect of current income tax of previous years (C)</b>	353	17
<b>Tax expenses recognised during the year (A+B+C)</b>	<b>9,615</b>	<b>974</b>
<b>Effective tax rate</b>	<b>0.00%</b>	<b>0.00%</b>

### C. Deferred Tax Components and Reconciliation of Deferred Tax (Assets)/Liabilities 2022-23

(₹ in '000)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	9	(90)	-	(81)
Unabsorbed depreciation	(4,666)	(99)	-	(4,764)
Provision for doubtful debts and Other	(478)	-	-	(478)
Accrued Expenses allowable on cash basis (Section 43B of IT Act)	-	-	-	-
Unrealised (gain)/loss on FVTOCI equity securities	15,107	(72)	(445)	14,590
Net loss/(gain) on remeasurements of defined benefit plans	(4)	(2)	2	(4)
Adjustment *	-	(9,263)	-	(9,263)
<b>Total</b>	<b>9,968</b>	<b>(9,525)</b>	<b>(443)</b>	<b>0</b>

\* The Company has recognised Deferred Tax Assets to the extent of Deferred Tax Liabilities.

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

2021-22

(₹ in '000)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	128	(120)	-	9
Unabsorbed depreciation	(4,361)	(305)	-	(4,666)
Provision for doubtful debts and Other	(494)	16	-	(478)
Accrued Expenses allowable on cash basis (Section 43B of IT Act)	(9)	9	-	-
Unrealised (gain)/loss on FVTOCI equity securities	14,577	530	(338)	15,107
Net loss/(gain) on remeasurements of defined benefit plans	(301)	298	(9)	(4)
<b>Total</b>	<b>9,540</b>	<b>429</b>	<b>(347)</b>	<b>9,968</b>

**Note : 35 Ratios**

S No.	Ratio	Formula	31 March 2023		31 March 2022		Ratio as on		Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	31 March 2023	31 March 2022		
(a)	Current Ratio	Current Assets(i) / Current Liabilities(ii)	89,085	289,712	56,414	247,835	0.31	0.23	35%	There is an increase in current loans and due to Increases current borrowings resulted in Net increases in Current Ratios.
(b)	Debt-Equity Ratio	Total Debt(iii) / Shareholder's Equity	856,761	214,318	768,005	270,570	4.00	2.84	41%	There is a decrease in profitability due to decreases revenue and net margin, along with increases in the debt.
(c)	Debt Service Coverage Ratio	Earning available for debt Service(iv) / Debt Service(v)	37,195	312,177	27,456	154,847	0.12	0.18	-33%	There is a decrease in profitability due to decreases revenue and net margin, along with reduction in the debt and its repayments.
(d)	Return on Equity Ratio	Profit after tax x 100 / Average Shareholder's Equity	-55,999	242,444	-43,870	291,921	-0.23	-0.15	54%	There is a decrease in profitability due to decreases revenue and net margin and resulted in net loss in current year
(e)	Inventory Turnover Ratio	Cost of Goods Sold OR Sales / Average Inventory	NA	NA	NA	NA	NA	NA	NA	NA
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	33,522	4,156	24,485	6,265	8.07	3.91	106%	There is a decrease in net revenue ( Credit Sale ) but average trade receivables are in higher than last year, resulted in net increases in ratio.
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	NA	NA	NA	NA	NA	NA	NA	NA
(h)	Net Capital Turnover Ratio	Net Sales / Working Capital	33,522	-200,627	24,485	-191,420	-0.17	-0.13	31%	There is a decrease in net working Capital due to additional Loans from Inter Corporate loans as net result in decreases net Working.
(i)	Net Profit Ratio	Net Profit / Net Sales	-55,999	33,522	-43,870	24,485	-1.67	-1.79	-7%	
(j)	Return on Capital Employed	EBIT / Capital Employed(vi)	16,144	1,071,079	15,222	1,038,575	0.02	0.01	3%	
(k)	Return on Investment	PBT+Finance Cost / Total Assets	16,144	1,091,822	15,222	1,070,031	0.01	0.01	4%	

**Footnote:**

- (i) Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale
- (ii) Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability
- (iii) Debt= long term borrowing and current maturities of long-term borrowings and Current Borrowing
- (iv) Earning for Debt Service =Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
- (v) Debt Service = Interest Loans + Principal Repayments
- (vi) Capital Employed= Share Capital + Reserve and Surplus + Borrowing ( Current + Non current)

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 36:

#### Contingent Liabilities and Commitments

(₹ in '000)

	Particulars	As on March 31, 2023	As on March 31, 2022
<b>A.</b>	<b>Contingent Liabilities</b>		
<b>a.</b>	<b>Claims against the Company/ disputed liabilities not acknowledged as debts</b>		
i.	Income-tax matters under appeal (AY 10-11)	20	20
ii.	Income-tax matters under appeal (AY 16-17) (refer footnote 3)	590	590
iii.	Income-tax matters under appeal (AY 17-18) (refer footnote 4)	11,676	11,676
iv.	Service Tax matters under appeal (refer footnote 2)	10,198	10,198
v.	FEMA matter (refer footnote 1)	16,186	16,186
	<b>Total</b>	<b>38,670</b>	<b>38,670</b>
<b>b.</b>	<b>Financial guarantee given (refer footnote 6)</b>	<b>13,000</b>	<b>13,000</b>
<b>c.</b>	<b>Guarantee given (refer footnote 1)</b>	<b>16,186</b>	<b>16,186</b>

#### Footnotes:

- (1) The Company received pay orders valuing to ₹ 5,072 (₹ in '000) from a customer in the financial year 1994-95 in respect of Money Changing business that were dishonored by a nationalized bank as per the instructions of Directorate of Revenue & Intelligence. The Company had challenged the proceeding before the Customs, Excise and Gold (Control), Appellate Tribunal, Mumbai (CEGAT) which gave the ruling in favour of the Company for which the company has furnished a bank guarantee of ₹2,686 (₹ in '000) (previous year ₹2,686 (₹ in '000)). The Customs Department filed a reference petition before the Hon'ble High Court of Judicature at Bombay and the same is pending for disposal.

During the financial year 2007-08, the Company received an order imposing a penalty of ₹13,500 (₹ in '000) from the Office of the Special Director of Enforcement holding Company guilty in respect of defiance with the instructions contained in the FLM Memorandum. The Company contends that it has complied with the relevant regulations of the Reserve Bank of India as contained in FLM – Memorandum of Instructions to Full-Fledged Money Changers. The Company filed an appeal before the Appellate Tribunal for Foreign Exchange (ATFE) contesting the order, which is pending.

- (2) The Service Tax Department had raised a demand of ₹10,198/- (₹ in '000), reflected above in contingent liability, by passing an Ex parte order dated 11th April 2008. The Company's appeal against this order was dismissed by Commissioner (Appeals). Against this order the Company has filed appeal before CESTAT Mumbai. The management, based on expert's advice, is confident that the demand is not sustainable and hence no provision for the same is made in the books of account.
- (3) The Company had received assessment order for financial year 2015-16 (Assessment year 2016-17) raising demand of ₹ 590 (₹ in '000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against house property income. The Company has deposited ₹ 118 (₹ in '000). against the said demand and had filed an appeal against the same. The Department has adjusted pending refund for previous years amounting to ₹ 426 (₹ in '000). of A.Y. 2018-19 and ₹ 72 (₹ in '000). of AY 2017-18 against the said demand.
- (4) The Company had received assessment order for financial year 2016-17 (Assessment year 2017-18) raising demand of ₹ 11,676 (₹ in '000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against house property income. The Company has deposited ₹ 1,215 (₹ in '000). against the said demand and had filed an appeal against the same.
- (5) Financial guarantee issued by the Company in respect of Bank Overdraft facility availed by Asit C Mehta Investment Intermediates Limited by way of mortgage of certain immovable property (office unit no.101-A & 103-A). Accordingly, the financial guarantee issued by the Company are initially measured at Fair value of ₹ 630 (₹ in '000)/ [As on 31.03.2022 ₹630 (₹ in '000)/-] and accounted as contribution and recognised as cost of Investment.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### B. Transactions With Related Parties

(₹ in '000)

Commitments	As on March 31, 2023	As on March 31, 2022
Towards unpaid portion of 50,00,000 Warrants subscribed of Edgytal Fintech Investment Services Pvt. Ltd. (Right to be exercised within 18 Months from the date of issue, i.e. 29.03.2022)	67,500	67,500

#### Note 37:

#### Disclosures of transactions with related parties required under Ind AS 24 on “Related Party Disclosures” :

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

#### A. List of Related Parties with whom transactions have taken place during the year

##### (I) Related parties where control exists:

Subsidiary	Principal place of business	Proportionate ownership interest	
		As on March 31, 2023	As on March 31, 2022
Asit C Mehta Investment Intermediates Limited (subsidiary) (ACMIL) (refer note 4.1)	India	93.09%	93.09%
Edgytal Fintech Investment Services Private Limited (formerly known as Edgytal Digital Marketing Private Limited) (subsidiary) (w.e.f. March 30,2022) (refer note 4.1)	India	77.89%	77.89%

##### (II) Related parties where significant influence exists.

Asit C Mehta Commodity Services Limited  
Cliqtraders Stockbrokers Private Limited  
Pantomath capital advisors private limited

##### (III) Key Management Personnel (KMP)

Mr. Asit C Mehta	:- Chairman and Director
Mrs. Deena A. Mehta	:- Non-Executive Director
Mr. Kirit Vora	:- Non-Executive Director
Mr. Radha Krishna Murthy	:- Independent Director
Mr. Pundarik Sanyal	:- Independent Director
Mr. Binoy Dharod	:- Chief Financial Officer (From 1st September, 2022)
Ms. Khushboo Hanswal	:- Company Secretary (Form 13th February, 2023)
Ms. Gauri Gokhale	:- Company Secretary (From 27th May, 2022 Upto 21st October, 2022)
Mr. Sumit Sharma	:- Company Secretary and Compliance officer (Upto 16th May, 2022)

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### B. Transactions With Related Parties

(₹ in '000)

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	<b>Rental Income</b>		
i.	Asit C. Mehta Investment Intermediates Limited	11,150	13,416
ii.	Edgytal Fintech Investment Services Private Limited	5,404	-
iii.	Asit C Mehta Commodity Services Limited	120	120
	<b>Interest Received on Loan</b>		
i.	Edgytal Fintech Investment Services Private Limited	2,708	2,421
	<b>Interest paid on Loan</b>		
i.	Mrs. Deena A. Mehta	3,242	1,922
ii.	Mr, Asit C. Mehta	3,131	3,937
iii.	Edgytal Fintech Investment Services Private Limited	-	120
iv.	Asit C Mehta Commodity Services Limited	-	13
v.	Cliqtraders Stockbrokers Private Limited	2,572	
vi.	Pantomath capital advisors private limited	7,685	-
	<b>Interest paid on Debentures</b>		
i.	Mrs. Deena A. Mehta	2,499	315
ii.	Mr, Asit C. Mehta	4,749	598
iii.	Asit C Mehta Commodity Services Limited	779	98
iv.	Mr. Chimanlal Mehta	0	0
v.	Mr. Jayesh Desai	0	0
	<b>Guarantee charges recovered (amortisation)</b>		
i.	Asit C. Mehta Investment Intermediates Limited	-	126

(₹ in '000)

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	<b>Lease Deposit refunded towards Rented Premises</b>		
i.	Asit C. Mehta Investment Intermediates Limited	-	26,252
ii.	Edgytal Fintech Investment Services Private Limited	296	-
iii.	Asit C Mehta Commodity Services Limited	1,500	-
	<b>Lease Deposit received towards Rented Premises</b>		
i.	Asit C. Mehta Investment Intermediates Limited	1,949	-
ii.	Pantomath capital advisors private limited	2,400	-
iii.	Edgytal Fintech Investment Services Private Limited	450	-
	<b>Reimbursement of Expenses (paid)</b>		
i.	Asit C. Mehta Investment Intermediates Limited (Miscellaneous Expenses)	-	2
ii.	Asit C. Mehta Investment Intermediates Limited (Office Expenses)	-	3
iii.	Asit C. Mehta Investment Intermediates Limited (Employee Benefit Expenses)	18	12

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

(₹ in '000)

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
iv.	Omniscience Capital Advisors Pvt Limited (Miscellaneous Expenses)	-	322
v.	Edgytal Fintech Investment Services Private Limited (ROC Fees)	-	1
	<b>Reimbursement of Expenses (recovery)</b>		
i.	Asit C. Mehta Investment Intermediates Limited (Electricity Expense)	469	469
	<b>Remuneration/Sitting Fees to KMP</b>		
i.	Mr. Asit C Mehta	40	60
ii.	Mrs. Deena A. Mehta	50	60
iii.	Mr. Kirit Vora	70	85
iv.	Mr. Ashok Gupta	-	1,314
v.	Mr. Sumit Sharma	27	91
vii	Mr. Binoy Dharod	497	-
	<b>Sale of Investment property (immovable)</b>		
i.	Mr. Asit C. Mehta	-	48,000
	<b>Investment in subsidiaries</b>		
i.	Asit C. Mehta Investment Intermediates Limited (See below)	-	200,656
ii.	Edgytal Fintech Investment Services Private Limited (Equity Shares)	-	45,000
iii.	Edgytal Fintech Investment Services Private Limited (Warrants)	-	7,500
	<b>Acquisition of further stake in Equity Shares of ACMIL through Allotment of Unsecured Redeemable NCD (refer note 4.1)</b>		
i.	Mr. Asit C Mehta	-	118,713
ii.	Mrs. Deena A. Mehta	-	62,476
iii.	Asit C Mehta Commodity Services Limited	-	19,465
iv.	Mr. Chimanlal Mehta	-	1
v.	Mr. Jayesh T Desai	-	1
vi.	Others (Non Related)	-	1
	<b>Loan Given</b>		
i	Edgytal Fintech Investment Services Private Limited	55,100	75,200
ii	Mr. Sumit Sharma	-	25
	<b>Loan Received back</b>		
i	Edgytal Fintech Investment Services Private Limited	20,000	45,000
ii	Mr. Sumit Sharma	25	-
	<b>Loan Taken</b>		
i	Mrs. Deena A. Mehta	78,320	29,975
ii.	Edgytal Fintech Investment Services Private Limited	-	5,700
iii.	Mr. Asit C Mehta	1,000	84,500
iv.	Asit C Mehta Commodity Services Limited	-	40,000
v.	Cliqtraders Stockbrokers Private Limited	234,000	-
vi.	Mr. Asit C Mehta (Reimbursement)	-	480

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

( ₹ in '000)

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	<b>Loan Refunded</b>		
i.	Mrs. Deena A. Mehta	13,700	35,150
ii.	Mr. Asit C Mehta	10,400	52,825
iii.	Asit C Mehta Commodity Services Limited	-	40,000
	<b>Purchase of Omniscience Preference Shares</b>		
i.	Asit C Mehta Investment Intermmediates Limited	5,750	-

### C. Outstanding Balances

( ₹ in '000)

	Particulars	As on March 31, 2023	As on March 31, 2022
	<b>Closing balance Receivable</b>		
i.	Asit C. Mehta Investment Intermmediates Limited	-	-
ii.	Edgytal Fintech Investment Services Private Limited	-	-
	i) Loan	59,600	30,200
	ii) Interest	4,508	2,179
iii.	Sumit Sharma	-	25
		-	-
	<b>Closing balance Payable</b>		
i.	Mrs. Deena A. Mehta (Including interest on Loan)	82,163	17,932
ii.	Edgytal Fintech Investment Services Private Limited - (including Interest)	-	5,808
iii.	Mr. Asit C Mehta (Including interest on Loan)	25,093	33,479
iv.	Asit C Mehta Commodity Services Limited (Interest Payable)	-	11
v.	Cliqtraders Stockbrokers Private Limited ( Including interest on Loan)	236,314	-
vi.	Pantomath capital advisors private limited (Interest Payable)	6,916	-
vii.	Mr. Asit C Mehta (Reimbursement)	-	480
		-	-
	<b>Property Deposit Payable</b>		
ii.	Asit C. Mehta Investment Intermmediates Limited	1,949	-
iii.	Asit C Mehta Commodity Services Limited	-	1,500
iii.	Edgytal Fintech Investment Services Private Limited - (including Interest)	155	-
iv	Pantomath capital advisors private limited	2,400	-
		-	-
	<b>Financial Guarantee Contracts Commission</b>		
i.	Asit C. Mehta Investment Intermmediates Limited	-	167

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Terms and conditions of transactions with related parties

The transactions of services/sales to and services/purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable and payable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

### Note 38:

#### Additional Regulatory Information:

Details of loans given, investment made and guarantee given covered u/s 186(4) of the Companies Act, 2013

#### Loans given by the Company

( ₹ in '000)

Sr. No.	Name of the Company	Rate of Interest	Due Date	Secured/unsecured	Purpose of Loan	As on March 31, 2023	As on March 31, 2022
1	Edgytal Fintech Investment Services Pvt. Ltd. (including interest receivable)	11%	Repayable on demand	Unsecured	Business Purpose	64,108	26,571

#### Security provided given by the Company in respect of loans

( ₹ in '000)

Sr. No.	Name of the Company	Nature	Purpose	31 March 2023	31 March 2022
1	Asit C Mehta Investment Intermediates Limited	Security provided by way of mortgage of certain immovable property	Working Capital Requirement	63,000	63,000

#### Investments made by the Company

For details refer note 4 to the Notes to Financial Statements

### Note 39:

#### Additional Regulatory Information:

#### UTILISATION OF BORROWED FUND AND SHARE PREMIUM DURING THE YEAR:

The Company in the ordinary course of business advanced, loaned and made investments on its own account, in equities, resulting into increasing its stake in one of its subsidiaries and a new subsidiary during the previous year. The Company has also provided Guarantees and Securities on behalf of its one of the subsidiaries to fulfil the conditions of sanction from the said subsidiary's Bankers. Except for the the same to the best of its knowledge & belief, no funds, of material in nature have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 40:

#### Earnings Per Share (EPS) :

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Net profit / (loss) after tax as per Statement of profit and loss available for equity shareholders ( ₹ in '000)	(55,999)	(43,870)
Number of Equity Shares at the beginning of the year	4,847,377	4,833,575
Add:- Treasury Shares disposed during the year	105,183	13,802
Number of Equity Shares at the end of the year	4,952,560	4,847,377
Weighted average number of equity shares used as denominator for calculating Basic and Diluted Earnings per shares	4,887,145	4,833,613
<b>Face Value per Equity Share</b>	10	10
<b>Basic and Diluted Earnings per Share</b>	(11.46)	(9.08)

### Note 41:

#### Lease :

Refer Note 2 (2.19) for accounting policy on Lease

#### Rental Income Related to operating leases:

( ₹ in '000)

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
i	Rental Income recognised in the Statement of Profit and Loss for the year	30,697	20,005
	<b>Total</b>	<b>30,697</b>	<b>20,005</b>

#### Maturity analysis on lease payments receivable.

( ₹ in '000)

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
i	Lease rental Income		
	Total of lease rent Income for a period :		
	Not later than one year	37,690	13,170
	Later than one year but not later than five years	52,590	40,730
	Later than five years	-	-
	<b>Total</b>	<b>90,280</b>	<b>53,900</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Note 42:

Additional Regulatory Information :

Receipt Of Fund From Any Persons And Entities And Use Thereof For Lending, Investments, Etc. During The Year :

Fund Movement of Borrowings and Loans & Advances - Rule 11(e) & 11(f) of the Companies Rules, 2014

Advances given		Further Advances Given		(₹ in '000)	
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
27.06.2022	Edgytal Fintech Investment Services Pvt. Ltd	2,000	30.06.2022	Asit C Mehta Investment Interrmediates Limited	2,000
21.02.2023	Edgytal Fintech Investment Services Pvt. Ltd	42,500	21.02.2023	Asit C Mehta Investment Interrmediates Limited	41,500
28.03.2023	Edgytal Fintech Investment Services Pvt. Ltd	2,300	28.03.2023	Asit C Mehta Investment Interrmediates Limited	2,000
31.03.2023	Edgytal Fintech Investment Services Pvt. Ltd	4,500	31.03.2023	Asit C Mehta Investment Interrmediates Limited	4,500
04.05.2022	Nucleus IT Enabled Services Limited	1,000	04.05.2022	Asit C Mehta Investment Interrmediates Limited	1,000
14.09.2022	Nucleus IT Enabled Services Limited	50,000	14.09.2022	Asit C Mehta Investment Interrmediates Limited	50,000
20.09.2022	Nucleus IT Enabled Services Limited	20,000	20.09.2022	Asit C Mehta Investment Interrmediates Limited	20,000
21.09.2022	Nucleus IT Enabled Services Limited	20,000	21.09.2022	Asit C Mehta Investment Interrmediates Limited	20,000
22.09.2022	Nucleus IT Enabled Services Limited	3,000	22.09.2022	Asit C Mehta Investment Interrmediates Limited	2,800
26.09.2022	Nucleus IT Enabled Services Limited	50,000	26.09.2022	Asit C Mehta Investment Interrmediates Limited	50,000
27.09.2022	Nucleus IT Enabled Services Limited	25,000	27.09.2022	Asit C Mehta Investment Interrmediates Limited	25,000
28.09.2022	Nucleus IT Enabled Services Limited	1,000	28.09.2022	Asit C Mehta Investment Interrmediates Limited	1,000
10.10.2022	Nucleus IT Enabled Services Limited	1,000	10.10.2022	Asit C Mehta Investment Interrmediates Limited	1,000
11.10.2022	Nucleus IT Enabled Services Limited	5,000	11.10.2022	Asit C Mehta Investment Interrmediates Limited	5,000
19.10.2022	Algoiq Software Solutions Private Limited	25,000	19.10.2022	Asit C Mehta Investment Interrmediates Limited	25,000
16.11.2022	Nucleus IT Enabled Services Limited	12,000	16.11.2022	Asit C Mehta Investment Interrmediates Limited	12,000
21.02.2023	Nucleus IT Enabled Services Limited	85,650	21.02.2023	Asit C Mehta Investment Interrmediates Limited	85,650

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Fund Movement of Borrowings and Loans & Advances - Rule 11 (e) (ii) & 11(f) of the Companies Rules, 2014

Receipt		Payment		( ₹ in '000)	
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
05.04.2022	Deena Mehta	5,000	06.04.2022	Nucleus IT Enabled Services Limited	5,000
27.04.2022	Nucleus IT Enabled Services Limited	600	27.04.2022	Deena Mehta	200
			28.04.2022	Deena Mehta	200
04.05.2022	Deena Mehta	1,500	04.05.2022	Nucleus IT Enabled Services Limited	1,000
			06.05.2022	Edgytal Fintech Investment Services Pvt Ltd	200
17.05.2022	Nucleus IT Enabled Services Limited	600	17.05.2022	Deena Mehta	600
25.05.2022	Nucleus IT Enabled Services Limited	100	25.05.2022	Deena Mehta	100
27.06.2022	Nucleus IT Enabled Services Limited	8,000	27.06.2022	Edgytal Fintech Investment Services Pvt Ltd	2,000
10.08.2022	Edgytal Fintech Investment Services Pvt Ltd	1,000	10.08.2022	Deena Mehta	1,000
29.08.2022	Edgytal Fintech Investment Services Pvt Ltd	1,000	29.08.2022	Deena Mehta	1,000
05.09.2022	Edgytal Fintech Investment Services Pvt Ltd	500	07.09.2022	Deena Mehta	500
14.09.2022	Pantomath Finance Private Limited	50,000	14.09.2022	Nucleus IT Enabled Services Limited	50,000
19.09.2022	Pantomath Finance Private Limited	20,000	20.09.2022	Nucleus IT Enabled Services Limited	20,000
20.09.2022	Pantomath Finance Private Limited	20,000	21.09.2022	Nucleus IT Enabled Services Limited	20,000
26.09.2022	Pantomath Finance Private Limited	50,000	26.09.2022	Nucleus IT Enabled Services Limited	50,000
27.09.2022	Algoiq Software Solutions Private Limited	25,000	27.09.2022	Nucleus IT Enabled Services Limited	25,000
28.09.2022	Deena Mehta	1,000	28.09.2022	Nucleus IT Enabled Services Limited	1,000
10.10.2022	Deena Mehta	5,000	11.10.2022	Nucleus IT Enabled Services Limited	5,000
18.10.2022	Nucleus IT Enabled Services Limited	8,000	18.10.2022	Deena Mehta	8,000
19.10.2022	Nucleus IT Enabled Services Limited	25,000	19.10.2022	Algoiq Software Solutions Private Limited	25,000
20.10.2022	Nucleus IT Enabled Services Limited	30,000	20.10.2022	Pantomath Finance Private Limited	30,000
14.11.2022	Nucleus IT Enabled Services Limited	2,500	14.11.2022	Deena Mehta	1,700
21.11.2022	Nucleus IT Enabled Services Limited	15,000	21.11.2022	Pantomath Finance Private Limited	15,000
21.11.2022	Nucleus IT Enabled Services Limited	5,000	21.11.2022	Pantomath Finance Private Limited	5,000
15.12.2022	Nucleus IT Enabled Services Limited	5,000	15.12.2022	Deena Mehta	5,000
20.02.2023	Cliqtrade Stock Brokers Private Limited	120,000	20.02.2023	Pantomath Finance Private Limited	120,000
21.02.2023	Cliqtrade Stock Brokers Private Limited	95,000	21.02.2023	Pantomath Finance Private Limited	20,000
			21.02.2023	Nucleus IT Enabled Services Limited	72,500
21.02.2023	Deena Mehta	55,500	21.02.2023	Edgytal Fintech Investment Services Pvt Ltd	57,500
15.03.2023	Edgytal Fintech Investment Services Pvt Ltd	1,000	15.03.2023	Deena Mehta	1,000
21.03.2023	Edgytal Fintech Investment Services Pvt Ltd	500	21.03.2023	Deena Mehta	500
22.03.2023	Edgytal Fintech Investment Services Pvt Ltd	300	22.03.2023	Deena Mehta	300
31.03.2023	Cliqtrade Stock Brokers Private Limited	4,000	31.03.2023	Edgytal Fintech Investment Services Pvt Ltd	4,000

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 43:

#### Employee Benefits :

The Company has classified various employee benefits as under:

#### A. Defined Contribution Plans

Provident Fund

The Provident Fund are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	( ₹ in '000)	
	For the period ended March 31, 2023	For the period ended March 31, 2022
Contribution to Provident Fund & Pension Fund	39	19
<b>Total</b>	<b>39</b>	<b>19</b>

#### B. Defined Benefit Plans

##### Gratuity

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	Valuation as at	
	March 31,2023	March 31,2022
Mortality	Indian Assured Lives Mortality (2012-14) Table	
Discount Rate (per annum)	7.50%	6.95%
Rate of increase in Compensation levels (per annum)	5.00%	5.00%
Attrition Rate	0.8% for all ages	0.8% for all ages
Retirement Age	58 years	58 years

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

#### Note on other risks:

**Investment risk** - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Interest Risk** –A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary risk** -The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

( ₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	Gratuity Unfunded	Gratuity Unfunded
<b>i. Changes in Present value of Obligation</b>		
Present value of defined benefit obligation at the beginning of the year	7	4
Interest Cost	1	0
Current Service cost	6	4
<b>Components of actuarial gain/losses on obligations:</b>	-	-
- Due to Change in financial assumptions	(0)	(1)
- Due to change in demographic assumption	-	-
- Due to experience adjustments	(10)	(1)
Benefits Paid	-	-
<b>Present value of defined benefit obligation at the end of the year (PVO)</b>	<b>4</b>	<b>7</b>
	-	-
<b>ii. Fair value of Plan Assets</b>	-	-
Fair value of plan assets at the beginning of the year	-	-
Interest Income	-	-
<b>Fair value of plan assets at the end of the year</b>	-	-
<b>iii. Amount to be recognised in the Balance Sheet</b>	-	-
Present Value of Benefit Obligation at the end of the year	4	7
Fair Value of Plan Assets at the end of the year	-	-
Funded Status Surplus/ (Deficit)	(4)	(7)
<b>Net (Liability)/Asset recognised in the Balance Sheet</b>	<b>4</b>	<b>7</b>
	-	-
<b>iv Expenses recognised in the Statement of Profit and Loss</b>	-	-
Current Service Cost	6	4
Interest cost on benefit obligation (net)	1	0
<b>Total Expenses recognised in the Statement of Profit and Loss</b>	<b>7</b>	<b>4</b>
	-	-
<b>v Remeasurement Effects Recognised in Other Comprehensive Income for the year</b>	-	-
<b>Components of actuarial gain/losses on obligations:</b>	-	-
- Due to Change in financial assumptions	(0)	(1)
- Due to change in demographic assumption	-	-
- Due to experience adjustments	(10)	(1)
<b>Amounts recognised in Other Comprehensive (Income) / Expense</b>	<b>(10)</b>	<b>(2)</b>
	-	-

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	Gratuity Unfunded	Gratuity Unfunded
<b>vi Movements in the Liability recognised in Balance Sheet</b>	-	-
Opening Net Liability	7	4
Adjustment to opening balance	-	-
Expenses as above	7	4
Contribution paid	-	-
Other Comprehensive Income (OCI)	(10)	(2)
<b>Closing Net Liability</b>	<b>4</b>	<b>7</b>
<b>vii The Maturity Profile of Defined Benefit Obligation</b>	-	-
Within the next 12 months (next annual reporting period)	0	0
2nd following year	0	0
3rd following year	0	0
4th following year	0	0
5th following year	0	0
Sum of Years 6 To 10	0	1
<b>viii Sensitivity Analysis</b>	-	-
Benefit Obligation on Current Assumptions	-	-
Delta Effect of +1% Change in Rate of Discounting	3	6
Delta Effect of -1% Change in Rate of Discounting	5	8
Delta Effect of +1% Change in Rate of Salary Increase	5	8
Delta Effect of -1% Change in Rate of Salary Increase	3	6
<b>ix The major categories of plan assets as a percentage of total</b>	-	-
Insurer managed funds	-	-

The Expected Contributions to the Plan for the next annual reporting period will be Nil, as The Gratuity Benefits Scheme is managed on unfunded basis so Expected Contribution is shown as Nil.

**Note on Sensitivity Analysis**

Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 44:

#### Financial Instruments :

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### Valuation

- The fair values of investment in quoted equity shares, if any, is based on the current bid price of respective investment as at the Balance Sheet date.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

#### Fair Value measurement hierarchy

- The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.
- The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

The carrying amounts and fair values of financial instruments by class are as follows:

( ₹ in '000)

Particulars	As on March 31, 2023				As at March 31, 2022			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>Measured at Amortised Cost</b>								
Investment in equity instruments	459,786	-	-	-	459,786	-	-	-
Loans	74,067	-	-	-	34,761	-	-	-
Trade Receivable	2,842	-	-	-	5,471	-	-	-
Cash and Bank Balance	1,999	-	-	-	5,409	-	-	-
Other Bank Balance	8,093	-	-	-	8,093	-	-	-
Others	2,800	-	-	-	2,618	-	-	-
	<b>549,587</b>	-	-	-	<b>516,137</b>	-	-	-
<b>Measured at FVTPL</b>								
Investment in Preference Shares (unquoted)	2,490	-	-	2,490	671	-	-	671

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(₹ in '000)

Particulars	As on March 31, 2023				As at March 31, 2022			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Measured at FVTOCI								
Investment in equity instruments and Investment In Mutual Fund	64,791	64,791	-	-	66,550	66,550	-	-
<b>Total Financial Assets</b>	<b>616,868</b>	<b>64,791</b>	<b>-</b>	<b>2,490</b>	<b>583,358</b>	<b>66,550</b>	<b>-</b>	<b>671</b>
<b>Financial Liabilities</b>								
<b>Measured at Amortised Cost</b>								
Borrowing	856,761	-	-	-	768,005	-	-	-
Trade Payables	5,854	-	-	-	8,508	-	-	-
Others (Including Lease Liabilities)	9,872	-	-	-	8,398	-	-	-
<b>Total Financial Liabilities</b>	<b>872,487</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>784,911</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Note 45:

#### Capital Management and Financial Risk Management Policy:

##### A. Capital Management

For the purpose of the Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company monitors capital using debt-equity ratio as its base, which is total debt divided by total equity.

#### Debt Equity Ratio - Total Debt divided by Total Equity

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Total Debt	856,761	768,005
Total Equity	214,318	270,570
Debt Equity Ratio	4.00	2.84

##### B. Financial Risk Management and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company manages the risk basis policies approved by the board of directors. The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Company has exposure to following risk arising from financial instruments:

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Risk management</b>
Credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets.	Credit limit and ageing analysis	Highly rated bank deposits and diversification of asset base.
Liquidity risk	Borrowings, trade payables and other financial liabilities.	Cash flow forecasts	Committed borrowing and other credit facilities and sale of loan assets (whenever required)
Market risk - interest rate	Change in interest rate of variable rates borrowings.	Sensitivity analysis	Review of cost of funds and pricing disbursement
Market risk - security price	Investments in equity securities, mutual funds.	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

In order to avoid excessive concentration of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

**i) Credit Risk**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments in units of mutual funds, other balances with banks, deposits and other receivables.

**a) Trade Receivable**

Customer credit risk managed by Company's established policy, procedure and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

**b) Financial instruments**

The Company limits its exposure to credit risk by investing mainly in units of debt funds issued by mutual funds and that too have higher credit rating. The company monitors changes in credit risk by tracking published external credit ranking.

**ii) 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, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Company has designed risk management framework to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

**Interest rate sensitivity**

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

Particulars	As at	Closing balance	Effect on profit before tax	
			1% Increase	1% Decrease
Borrowings (Impact on profit and loss)	31 March 2023	856,761	8,568	(8,568)
Borrowings (Impact on profit and loss)	31 March 2022	768,005	7,680	(7,680)

**(ii) Price risk**

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short term debt funds, government securities and fixed deposits. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

Particulars	As at	Closing balance	Effect on profit before tax	
			5% Increase	5% Decrease
Investment in mutual funds (Impact on profit and loss)	31 March 2023	5,296	265	(265)
Investment in mutual funds (Impact on profit and loss)	31 March 2022	5,000	250	(250)

**a) Equity Risk**

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than purposes. The Company does not actively trade these investments. Profit for the year ended March 31, 2023 and March 31, 2022 would have been unaffected as the equity investments are FVTOCI and none of the investments were disposed off during the year and resulting profit/(loss) on sale of investment is required to be recorded in Other Comprehensive Income.

**iii) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The table below provides details regarding the remaining contractual maturities of Company's financial liabilities.

Particulars	( ₹ in '000)			
	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
<b>As on March 31, 2023</b>				
Non-derivative financial liabilities				
Borrowings	587,109	138,282	131,370	856,761
Trade Payables	5,854	-	-	5,854
Other financial liabilities	9,872	-	-	9,872
<b>Total</b>	<b>602,835</b>	<b>138,282</b>	<b>131,370</b>	<b>872,487</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

( ₹ in '000)

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
As on March 31, 2022				
Non-derivative financial liabilities				
Borrowings	474,821	141,250	151,934	768,005
Trade Payables	8,508	-	-	8,508
Other financial liabilities	8,398	-	-	8,398
<b>Total</b>	<b>491,727</b>	<b>141,250</b>	<b>151,934</b>	<b>784,911</b>

### Note 46:

#### Information on Segment Reporting as per Ind AS 108 on “Operating Segments”:

Operating Segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the company to make decisions for performance assessment and resource allocation.

The Company has identified two reportable primary segments, Investment activities and Advisory and Consultancy services in term of Ind AS 108 on ' Operating Segment'.

#### I. Operating Segment

( ₹ in '000)

Particulars		For the period ended March 31, 2023	For the period ended March 31, 2022
<b>A.</b>	<b>Segment Revenue (Sales / Services to external customers):</b>		
a.	Investment Activities	30,697	20,831
b.	Advisory and Consultancy services	2,825	3,654
	<b>Total Revenue</b>	<b>33,522</b>	<b>24,485</b>
<b>B.</b>	<b>2. Segment results profit(+)/ loss (-) before tax and interest</b>		
	Profit/ (Loss) before Tax and Interest		
a.	Investment Activities	(4,465)	(3,297)
b.	Advisory and Consultancy services	1,132	1,577
	<b>Total</b>	<b>(3,333)</b>	<b>(1,720)</b>
	Add: Unallocable Income	19,478	17,559
	Less: Interest Expense	81,316	59,082
	<b>Profit/(Loss) before Tax</b>	<b>(65,171)</b>	<b>(43,243)</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Other Information :</b>		
<b>Segment Assets</b>		
a. Investment Activities	1,086,246	1,056,002
b. Advisory and Consultancy services	3,028	3,558
c. Others – Unallocated	2,548	10,471
<b>Total</b>	<b>1,091,822</b>	<b>1,070,031</b>
<b>Segment Liabilities</b>		
a. Investment Activities	876,958	797,082
b. Advisory and Consultancy services	-	-
c. Others – Unallocated	546	2,379
<b>Total</b>	<b>877,504</b>	<b>799,461</b>
<b>Capital Employed</b>		
a. Investment Activities	209,288	258,920
b. Advisory and Consultancy services	3,028	3,558
c. Others – Unallocated	2,002	8,092
<b>Total</b>	<b>214,318</b>	<b>270,570</b>

- i. Segmentwise and Customer wise Revenue comprising 10% or more of respective segment of Revenue:

(₹ in '000)

Particulars	As on March 31, 2023		As on March 31, 2022	
	Revenue	No. of Customers	Revenue	No. of Customers
Investment Activities	24,259	3	18,468	3
Advisory Services	2,500	1	3,150	2
<b>Total</b>	<b>26,759</b>	<b>4</b>	<b>21,618</b>	<b>5</b>

### Note 47: Title deeds of Immovable Properties not held in name of the Company

The title deeds of all the immovable properties in financial statements, are held in the name of the Company.

### Note 48: Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

### Note 49: Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

### Note 50: Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### **Note 51: Registration of charges or satisfaction with Registrar of Companies**

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

### **Note 52: Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

### **Note 53: Undisclosed income**

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (and previous year) in the tax assessments under the Income Tax Act, 1961.

### **Note 54: Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the Current year and Previous year.

### **Note 55: The Code on Social Security 2020**

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published. Based on a preliminary assessment, the entity believes the impact of the change will not be significant."

### **Note 56: Compliance with approved scheme of arrangement**

Pursuant to the Composite Scheme of Arrangement (the "Scheme") under the provisions of Section 230 to 232 of the Companies Act, 2013 in respect of merger of Nucleus IT Enabled Services Ltd. (Wholly owned subsidiary/ Transferor Company) with the Company, the Board of Directors of the Company at its meeting held on April 16, 2021, considered and approved the Scheme. The Scheme has also been approved by the Hon'ble National Company Law Tribunal ("NCLT") vide its order dated January 20, 2023, with the appointed date of March 31, 2021. All the assets, liabilities, reserves and surplus of the Transferor Company have been transferred to and vested in the Company with effect from appointed date at their carrying values. The Company had received requisite approvals from the Honourable NCLT having jurisdiction over the Company and the Transferor Company. The Company has given effect to the scheme in the standalone financial statements for the year ended March 31, 2023.

As per the requirements of Appendix C to Ind AS 103 "Business Combination", the financial information in the standalone financial statements in respect of prior periods have been restated as if the common control business combination had occurred from the beginning of the preceding period in the standalone financial statements. Accordingly, the comparatives for the year ended 31 March 2022 have been restated after recognising the effect of the merger as stated above.

**Note 57:** No Significant Subsequent events have been observed which may require an adjustments to the financial statements.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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**Note 58:** Previous year's figures have been regrouped and reclassified wherever necessary.

As per our report of even date attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration Number :105047W

**Swapnil Kale**

Partner

Membership Number: 117812

Mumbai  
May 29, 2023.

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

**Asit C Mehta**

Director

DIN: 00169048

Mumbai

May 29, 2023.

**Binoy Dharod**

Chief Financial Officer

Mumbai

May 29, 2023.

**Kirit H Vora**

Director

DIN: 00168907

Mumbai

May 29, 2023.

**Khushboo Hanswal**

Company Secretary

Mumbai

May 29, 2023.

# CONSOLIDATED FINANCIAL STATEMENTS

### INDEPENDENT AUDITOR'S REPORT

**To the Members of  
Asit C Mehta Financial Services Limited  
Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of Asit C Mehta Financial Services Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and 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 (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, 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 prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2023, of consolidated loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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, its associate and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

We draw attention to Note 59 in the standalone financial statements regarding the approval of Composite Scheme of Arrangement (the "Scheme") between the Company and its wholly owned subsidiary namely Nucleus IT Enabled Services Limited (the "transferor company"). Pursuant to the Scheme being approved by the Hon'ble National Company Law Tribunal vide its order dated January 20, 2023, all the assets, liabilities, reserves and surplus of the transferor company have been transferred to the Company from the appointed date of March 31, 2021, at carrying values as on that date. The Company has given effect to the scheme in the standalone financial statements for the year ended March 31, 2023.

However, as per the requirements of Appendix C to Ind AS 103 "Business Combination", the financial information in the standalone financial statements in respect of prior periods have been restated as if the common control business combination had occurred from the beginning of the preceding period in the standalone financial statements. Accordingly, the comparatives for the year ended March 31, 2022, have been restated after recognising the effect of the merger as stated above.

Our opinion is not modified in respect of this matter.

#### **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 March 31, 2023. 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.

We have determined that there are no key audit matters to communicate in our report.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the consolidated financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015. 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors / 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 included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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- 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 with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of ₹10,180.00 lakhs as at March 31, 2023, total revenues of ₹3,284.93 lakhs and net cash out flows amounting to ₹ 104.57 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

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

The consolidated financial statements of the Company for the year ended March 31, 2023, were audited by another auditor whose report dated May 27, 2022 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.
  - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 36 to the consolidated financial statements.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - 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 companies.
    - iv. (1) Under Rule 11(e)(i)

The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 42 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (2) Under Rule 11(e)(ii)

The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 42 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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(3) Under Rule 11(e)(iii)

Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

- v. The Company has neither declared nor paid any dividend during the year.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company and its subsidiary companies only w.e.f. April 1, 2023, reporting under this clause is not applicable.
2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.
3. According to the information and explanations given to us, the details of Qualifications/adverse remarks made by the respective auditors of the subsidiaries, associates in the Companies (Auditor's Report) Order 2020 (CARO) Reports issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
1	Asit C Mehta Investment Intermediates Limited	U65990MH1993PLC075388	Subsidiary	XX (a)
2	Edgytal Fintech Investment Services Private Limited	U74110MH2015PTC265441	Subsidiary	i (b)

Further, as per information and explanation given to us by the Holding Company, the following companies included in the consolidated financial statements for the year ended March 31, 2023 and covered under that Act, but for which the respective reports under Section 143(11) of the Act have not yet issued by the respective statutory auditors.

### **For M S K A & Associates Chartered Accountants**

ICAI Firm Registration Number: 105047W

Swapnil Kale

Partner

Membership Number: 117812

UDIN: 23117812BGXQWD3371

Mumbai

May 29, 2023

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASIT C MEHTA FINANCIAL SERVICES LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Asit C Mehta Financial Services Limited on the Consolidated Financial Statements for the year ended March 31, 2023]

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

#### Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls reference to consolidated financial statements of Asit C Mehta Financial Services Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal financial control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

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

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing 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 with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit

## **ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

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opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India.

### **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

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

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

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

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

### **For M S K A & Associates**

#### **Chartered Accountants**

ICAI Firm Registration Number: 105047W

Swapnil Kale

Partner

Membership Number: 117812

UDIN: 23117812BGXQWD3371

# ASIT C. MEHTA FINANCIAL SERVICES LIMITED

## Consolidated Balance Sheet as at March 31, 2023

(₹ in '000)

Particulars	Note No.	As on March 31, 2023	As on March 31, 2022
<b>I. ASSETS</b>			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3A	58,105	60,975
(b) Capital Work-In-Progress	3B	111,988	100,000
(c) Investment Property and Right of Use Assets	3C	459,659	470,996
(d) Goodwill	3D	32,260	32,260
(e) Other Intangible Assets	3E	4,725	3,858
(f) Financial Assets			
(i) Investments	4	103,434	73,715
(ii) Trade Receivables	5	18,283	17,192
(iii) Other Financial Assets	6	14,803	17,264
(g) Non Current Tax Assets (net)	7	26,740	22,986
(h) Deferred Tax Assets (net)	8	14,520	-
(i) Other Non-Current Assets	9	350	5,848
<b>Total Non Current Assets</b>		<b>844,867</b>	<b>805,094</b>
(2) Current Assets			
(a) Financial Assets			
(i) Trade Receivables	10	63,338	54,476
(ii) Cash and Cash Equivalents	11	110,558	121,015
(iii) Bank Balance Other Than (ii) Above	12	253,806	141,121
(iv) Loans	13	13,531	224,191
(v) Other Financial Assets	14	299,221	350,661
(b) Other Current Assets	15	7,597	6,804
<b>Total Current Assets</b>		<b>748,051</b>	<b>898,268</b>
<b>Total Assets</b>		<b>1,592,918</b>	<b>1,703,362</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	16	49,526	48,474
(b) Other Equity	17	(83,862)	10,121
<b>Equity Attributable to Owners</b>		<b>(34,336)</b>	<b>58,595</b>
(c) Non Controlling Interest		22,593	41,951
<b>Total Equity</b>		<b>(11,743)</b>	<b>100,546</b>
<b>Liabilities</b>			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	582,978	538,995
(ii) Lease Liabilities	19	68	225
(iii) Other Financial Liabilities	20	4,371	-
(b) Provisions	21	4,264	2,386
(c) Deferred Tax Liabilities (net)	22	-	3,748
(d) Other Non-Current Liabilities	23	1,184	-
<b>Total Non- Current Liabilities</b>		<b>592,865</b>	<b>545,354</b>
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	579,621	527,168
(ia) Lease Liabilities	25	157	143
(ii) Trade Payables			
- dues to micro enterprises and small enterprises; and		-	-
- dues to creditors other than micro enterprises and small enterprises	26	389,812	487,563
(iii) Other Financial Liabilities	27	25,319	29,694
(b) Other Current Liabilities	28	14,711	12,049
(c) Provisions	29	2,176	845
<b>Total Current Liabilities</b>		<b>1,011,796</b>	<b>1,057,462</b>
<b>Total Liabilities</b>		<b>1,604,661</b>	<b>1,602,816</b>
<b>Total Equity and Liabilities</b>		<b>1,592,918</b>	<b>1,703,362</b>

See accompanying Notes to the Consolidated Financial Statements

1 to 62

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration Number :105047W

**Swapnil Kale**

Partner

Membership Number: 117812

Mumbai

May 29, 2023.

For and on behalf of the Board of Directors

**Asit C Mehta**

Director

DIN: 00169048

Mumbai

May 29, 2023.

**Binoy Dharod**

Chief Financial Officer

Mumbai

May 29, 2023.

**Kirit H Vora**

Director

DIN: 00168907

Mumbai

May 29, 2023.

**Khushboo Hanswal**

Company Secretary

Mumbai

May 29, 2023.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Consolidated Statement of Profit and Loss for the period ended March 31, 2023

(₹ in '000)

Particulars	Note No.	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>INCOME</b>			
Revenue From Operations	30	292,067	345,362
Other Income	31	46,257	70,046
<b>Total Income</b>		<b>338,324</b>	<b>415,408</b>
<b>EXPENSES</b>			
Employee Benefits Expense	32	114,445	79,297
Finance Costs	33	101,715	79,272
Net Loss on Fair Value Changes	34	5,760	-
Depreciation and Amortisation Expense	3A to 3E	15,571	16,749
Other Expenses	35	204,202	224,205
<b>Total Expenses</b>		<b>441,693</b>	<b>399,523</b>
<b>Profit / (Loss) Before Tax</b>		<b>(103,369)</b>	<b>15,885</b>
<b>Tax Expense:</b>			
- Current Tax		-	-
- Deferred Tax		(11,466)	7,186
- MAT Credit Entitlement Written off / Utilised		65	1,039
- Prior Year Tax Adjustment		1,157	(20)
<b>Total Tax Expense</b>		<b>(10,244)</b>	<b>8,205</b>
Profit from Discontinued Operations (refer note 49)		-	6,953
<b>Profit / (Loss) For The Year After Tax</b>		<b>(93,125)</b>	<b>14,633</b>
<b>Other Comprehensive Income</b>			
i) Items that will not be reclassified to profit or loss:			
a) Re-Measurement Gains/ (Losses) on Defined Benefit Plans		(1,762)	375
b) Effect of Measuring Equity Instruments on Fair Value		(25,252)	4,151
c) Income Tax on (a) and (b)		6,802	(1,140)
<b>Other Comprehensive Income For The Year (Net of tax)</b>		<b>(20,212)</b>	<b>3,386</b>
<b>Total Comprehensive Income For The Year (Net of tax)</b>		<b>(113,337)</b>	<b>18,019</b>
<b>Net Profit Attributable to:</b>			
a) Owners of the Company		(89,193)	10,824
b) Non Controlling Interest		(3,932)	3,809
<b>Other Comprehensive Income Attributable to:</b>			
a) Owners of the Company		(18,906)	3,223
b) Non Controlling Interest		(1,307)	163
<b>Total Comprehensive Income Attributable to:</b>			
a) Owners of the Company		(108,098)	14,047
b) Non Controlling Interest		(5,239)	3,972
<b>Earnings per Equity Share: (Share Nominal value of ₹ 10 per Share)</b>			
Basic	38	(19.06)	3.03
Diluted		(19.06)	3.03

See accompanying Notes to the Consolidated Financial Statements

1 to 62

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration Number :105047W

**Swapnil Kale**

Partner

Membership Number: 117812

Mumbai

May 29, 2023.

For and on behalf of the Board of Directors

**Asit C Mehta**

Director

DIN: 00169048

Mumbai

May 29, 2023.

**Binoy Dharod**

Chief Financial Officer

Mumbai

May 29, 2023.

**Kirit H Vora**

Director

DIN: 00168907

Mumbai

May 29, 2023.

**Khushboo Hanswal**

Company Secretary

Mumbai

May 29, 2023.

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**
**Consolidated Cash Flow Statement For The Year Ended March 31, 2023**

(₹ in '000)

Particulars		For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit / (Loss) Before Tax	(103,369)	15,885
	<b>Add / (Less):- Adjustments for :</b>		
	Depreciation and Amortisation	15,571	16,749
	Interest Income	(20,277)	(21,277)
	Dividend Income	(71)	(0)
	Profit / Loss on Sale on Investment & Treasury Shares	(10,303)	(1,068)
	Provision for Bad Debts	1,317	1,395
	Finance Costs	101,715	79,272
	Net Loss on Fair Value Changes	5,760	-
	Profit on Sale of Investment Property	-	(8,961)
	Profit from Discontinued Operation (Disclosed separately)	-	6,953
	Gain on Sale of Fixed Assets	(26)	-
	Fixed Assets Written Off	552	-
	<b>Operating Profit Before Changes in Working Capital</b>	<b>(9,131)</b>	<b>88,948</b>
	<b>Adjustment for Changes in Working Capital</b>		
	(Increase) / Decrease in Trade Receivables	(11,270)	11,422
	(Increase) / Decrease in Other Financial Assets	53,902	(30,268)
	(Increase) / Decrease in Other Current Assets	(1,054)	4,375
	Decrease in Online Business Assets	-	100,000
	(Increase) / Decrease in Financial Assets Loan	8,201	(149,598)
	(Decrease) in Trade Payables, Other Current Liabilities and Short-Term Provisions	(93,906)	(49,445)
	(Decrease) in Security Deposit	-	(3,000)
	(Decrease) in Other Financial Liability	(4)	(5,148)
	Increase / (Decrease) in Long Term Provision and Other Non-Current Liabilities	1,300	(448)
	<b>Cash Used in Operations</b>	<b>(51,962)</b>	<b>(33,162)</b>
	Less: Direct taxes refund/(paid) [net]	(4,912)	(241)
	<b>Net Cash Flow Used in Operating Activities</b>	<b>(56,874)</b>	<b>(33,403)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant and Equipment (Net)	(14,745)	(112,588)
	Acquisition of Right of Use Asset	-	(5)
	Sale of Investment Property	-	59,575
	Sale of Investment of Securities in ACMIL	-	14,301
	Inter Corporate Loan Given (net)	202,497	-
	Purchase / Acquisition of Investments	(85,193)	(258,210)
	Interest Received	19,956	21,277

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

( ₹ in '000)

Particulars		For the Year ended March 31, 2023	For the Year ended March 31, 2022
	Placement of Bank Fixed deposits (net)	(112,686)	45,889
	Dividend Received	71	0
	Sale of Investment (net)	25,979	2,067
	<b>Net Cash Flow from / (Used in) Investing Activities</b>	<b>35,879</b>	<b>(227,694)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
	Interest and Other Finance Cost paid	(101,715)	(79,272)
	Proceeds of Sale of Treasury Shares	15,816	138
	Inter Corporate Loans / Loan from Directors (net)	96,206	362,461
	Repayment on Term Loan	(4,269)	-
	Proceeds from Short Term Borrowing	4,500	-
	<b>Net Cash Flow from Financing Activities</b>	<b>10,538</b>	<b>283,327</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>(10,457)</b>	<b>22,230</b>
	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>121,015</b>	<b>98,785</b>
	<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>110,558</b>	<b>121,015</b>
	<b>COMPONENTS OF CASH AND CASH EQUIVALENTS :</b>		
	Cash on Hand	93	160
	Balances With Scheduled Banks in Current Accounts	110,465	120,855
	<b>TOTAL</b>	<b>110,558</b>	<b>121,015</b>

### Notes :

- Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
- Figures in brackets represent outflows / deductions.

As per our report of even date attached  
For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration Number :105047W

For and on behalf of the Board of Directors

**Swapnil Kale**  
Partner  
Membership Number: 117812

**Asit C Mehta**  
Director  
DIN: 00169048

**Kirit H Vora**  
Director  
DIN: 00168907

Mumbai  
May 29, 2023.

Mumbai  
May 29, 2023.

**Binoy Dharod**  
Chief Financial Officer

**Khushboo Hanswal**  
Company Secretary

Mumbai  
May 29, 2023.

Mumbai  
May 29, 2023.

Mumbai  
May 29, 2023.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Consolidated Statement of Changes in Equity for the year ended March 31, 2023

#### A. Equity Share Capital

(₹ in '000)

Particulars	No. of shares	Amount
<b>Balance as at April 01, 2021</b>	4,833,575	48,336
Add: Changes in Equity Share Capital during the year*	13,802	138
<b>Balance as at March 31, 2022</b>	<b>4,847,377</b>	<b>48,474</b>
Add: Changes in Equity Share Capital during the year*	105,183	1,052
<b>Balance as at March 31, 2023</b>	<b>4,952,560</b>	<b>49,526</b>

\* Disposal of 105183 (13802) Equity Shares (Treasury Shares) held by Nucleus Stock Trust.

#### B. Other equity

##### For the year ended 31 March 2023

(₹ in '000)

Particulars	Reserves and Surplus				Equity Instruments through OCI	Total Attributable to Owners of the Company	Attributable to Non controlling Interest	Total Other Equity
	Capital Reserve	Other Equity	Securities Premium	Retained Earnings				
<b>Balance as at April 1, 2022</b>	760	9,017	43,700	(89,478)	46,122	10,121	41,948	52,069
Addition during the year	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	(89,193)	-	(89,193)	(3,932)	(93,125)
Other Comprehensive Income for the year	-	-	-	-	(18,906)	(18,906)	(1,307)	(20,213)
Adjustment for the year	-	-	-	14,116	-	14,116	(14,116)	-
<b>Balances as at March 31, 2023</b>	<b>760</b>	<b>9,017</b>	<b>43,700</b>	<b>(164,555)</b>	<b>27,216</b>	<b>(83,862)</b>	<b>22,593</b>	<b>(61,269)</b>

##### For the year ended 31 March 2022

(₹ in '000)

Particulars	Reserves and Surplus				Equity Instruments through OCI	Total Attributable to Owners of the Company	Attributable to Non controlling Interest	Total Other Equity
	Capital Reserve	Other Equity	Securities Premium	Retained Earnings				
<b>Balance as at April 1, 2021</b>	760	9,017	41,693	104,685	42,899	199,054	37,977	237,031
Addition during the year	-	-	2,007	-	-	2,007	-	2,007
Profit for the period	-	-	-	10,824	-	10,824	3,808	14,632
Other Comprehensive Income for the year	-	-	-	-	3,223	3,223	163	3,386
Adjustment for the year	-	-	-	(204,987)	-	(204,987)	-	(204,987)
<b>Balances as at March 31, 2022</b>	<b>760</b>	<b>9,017</b>	<b>43,700</b>	<b>(89,478)</b>	<b>46,122</b>	<b>10,121</b>	<b>41,948</b>	<b>52,069</b>

See accompanying Notes to the Consolidated Financial Statements 1 to 62

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration Number :105047W

For and on behalf of the Board of Directors

**Swapnil Kale**

Partner

Membership Number: 117812

**Asit C Mehta**

Director

DIN: 00169048

Mumbai

May 29, 2023.

**Kirit H Vora**

Director

DIN: 00168907

Mumbai

May 29, 2023.

**Binoy Dharod**

Chief Financial Officer

Mumbai

May 29, 2023.

**Khushboo Hanswal**

Company Secretary

Mumbai

May 29, 2023.

Mumbai

May 29, 2023.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### Notes forming part of the Consolidated Financial Statements :

#### 1 Corporate Information

The Consolidated Financial Statements comprise the financial statements of Asit C Mehta Financial Services Limited ('the Holding Company'), Asit C Mehta Investment Intermmediates Limited ('ACMILL and 'the Subsidiary') and Edgytal Fintech Investments Services Pvt. Ltd. (formerly known as Edgytal Digital Marketing Pvt. Ltd.) ('Edgytal' and 'Subsidiary'), hereinafter together referred to as Group.

The Holding Company is a Public Limited Company Incorporated and domiciled in India and has its registered office in Nucleus House, Saki Vihar Road, Andheri (East) Mumbai - 400072. The shares of the Holding Company are listed on BSE Limited.

The Holding Company is engaged in the business of Renting of immovable properties. The Holding Company has classified the aforesaid business as an 'investment activities'. The Holding Company is also rendering 'Advisory and Consultancy Services'.

The Subsidiary (ACMILL) is a member of BSE Limited, The National Stock Exchange of India Limited ("NSE") and is engaged in shares and securities broking in cash, derivative including currency derivative segment, debt markets and mutual fund along with other fund mobilization. The Subsidiary is a Category- I Merchant Banker registered under the Securities & Exchange Board of India (Merchant Bankers) Regulations, 1992 and is also engaged in providing services of Investment Banking, Corporate Finance & Advisory. It has also started providing the services of Portfolio Management Services and The subsidiary has continue the membership of Pension Fund Regulatory and Development Authority ("PFRDA").

The Subsidiary is also a Depository Participant of Central Depository Services (India) Limited and providing services as Depository Participant.

The Subsidiary (Edgytal) The company is registered as a startup by th department for Promotion of Industry and Internal Trade for Promotion of Industry and Internal Trade, under the Ministry of Commerce & Industry and the company is developing software solutions for the Broking entities which is at advance stage. The Company is in gestation period and taking various operational, financial and administrative steps for business growth as per their business objectives.

#### 2 Significant Accounting Policies

##### 2.1 Basis of Preparation of Financial Statements

###### a. Statement of Compliance with Ind AS

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

###### b. Basis of Preparation of Consolidated Financial Statements

###### i Basis of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- The Financial Statement of the Holding Company and its subsidiaries have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions resulting in unrealised profits / losses as per Ind AS 110.
- The difference between the group costs of Investments in the subsidiaries, over its portion of equity at the time of acquisition of shares is recognised in the Consolidated Financial Statements as Goodwill. The Goodwill recognised in the Consolidated Financial Statements is tested for impairment, if any.
- Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the Non-controlling shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in equity, subsequent to the dates on investment. Net profit / loss for the year of the subsidiaries attributable to Non-controlling interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Holding Company.

### Notes forming part of the Consolidated Financial Statements

- Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's separate financial statements.

The subsidiary companies considered in the Consolidated Financial Statements are:

Name of the Company	Country of Incorporation	% of voting power held as at 31.3.2023	% of voting power held as at 31.3.2022
1. Asit C Mehta Investment Intermediates Ltd (ACMIL)	India	93.09	93.09
2. Edgytal Fintech Investment Services Pvt. Ltd. (formerly known as Edgytal Digital Marketing Pvt. Ltd.)	India	77.89	77.89

The Financial Statements of the Subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company i.e. 31.3.2023 (P.Y. 31.03.2022).

#### ii Basis of measurement

The Consolidated Financial Statements are prepared on going concern basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

- Certain financial assets and liabilities
- Defined Benefits Plans- Plan assets

#### iii Classification between Current and Non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

**Notes forming part of the Consolidated Financial Statements**

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**iv Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. "

**v Functional and presentation currency**

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the Group's functional currency and accordingly all amounts are in INR and all amounts are rounded off to the nearest thousand (INR '000) upto two decimals, except when otherwise indicated.

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

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. PPE are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.
- If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.
- Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment".
- The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Consolidated Statement of Profit and Loss.

<b>Asset Class</b>	<b>Useful Life</b>
Office Equipment	5 Years
Computers	3 Years
Furniture & Fixture	10 Years
Air Conditioner	5 Years
Solar System	15 Years
Projector	5 Years
Electrical Fittings	14 Years
Motor Vehicles	8 Years

**ACMIIL - the subsidiary of the Company:**

In respect of each item of the Fixed Assets, existing on the date of the applicability of the requirements of the Schedule II, i.e. on 01.04.2014, the Company has got evaluated technically by the Valuation Advisor, by examining physically each

**Notes forming part of the Consolidated Financial Statements**

such items of Fixed Assets, as to their possible total useful lives from the respective dates of purchases, acquisition, etc. and based thereon, the balance remaining useful lives. In respect of additions during the year, the Company has adopted the useful lives of respective item of fixed assets as specified in Part C of schedule II of the Companies Act 2013.

These useful lives, as determined by the Valuation Advisors, are different from the useful lives as specified in Part C of the Schedule II, and the details of which are as under:

<b>Assets</b>	<b>As per Valuer's report</b>	<b>As per Part C of Schedule II</b>
Furniture and Fixture	12 Years	10 years
Computer - End Users	8 years	3 Years
Computer - Server, HUB, Router	10 years	6 years
Office Equipment	11 years	5 years
Other Equipments	14 Years	5 years
Electrical Installation	14 Years	10 years
Vehicles	10 years	8 years

Justification for adopting longer useful lives

- i) Due to Regular Maintenance through Qualified Technicians onsite.
- ii) Maintenance Contract from Specialist or Original Manufacturer of the product, this ensures quality of services to get longer economic benefit from the product.
- iii) Turn around and quality of the Spares used which serve the purpose without need for changes to higher or newer technologies.

**2.3 Depreciation**

Depreciation on Property, Plant and Equipment is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013. The Group has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

**2.4 Investment Property**

Property that is held to earn rentals or for capital appreciation or both, is classified as an Investment Property. It is measured initially at its cost, including related transaction costs. Subsequently, it is carried at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses (Refer Note 3C). Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Consolidated Statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

Depreciation of Investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the management, corresponds to those prescribed by the schedule II - Part 'C'.

<b>Asset Class</b>	<b>Useful Life</b>
Investment Property	60 Years

**2.5 Intangible Assets and Amortisation**

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised as per Ind AS 38. Software is being amortised over a period of three years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

### Notes forming part of the Consolidated Financial Statements

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

#### 2.6 Non-current Assets held for sale

Assets held for sale are measured at the lower of carrying amount or fair value less cost to sell. The determination of fair value less cost to sell includes use of managements estimates and assumptions. The fair value of the assets held for sale has been estimated using valuation techniques (mainly Income and Market approach), which include unobservable inputs.

#### 2.7 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

#### 2.8 Consolidated Statement of Cash Flows

Cash flows are reported using the indirect method, whereby the Consolidated net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

#### 2.9 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences if any to the extent regarded as an adjustment to the borrowing costs.

#### 2.10 Segment Reporting

The Group identifies primary segments based on the dominant source, nature of risk and returns and Internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources in assessing the performance.

### Notes forming part of the Consolidated Financial Statements

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting Consolidated Financial Statements of the group as a whole. Common allocable cost are allocated to each segment on an appropriate basis.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to activities of the segment.

Revenue, expenses, assets and liabilities which relates to the Group as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue/expenses/assets/liabilities” respectively.

#### 2.11 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the Consolidated Financial Statements.

#### 2.12 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

##### Rental Income

Rental Income is accounted as and when accrues on straight line method and reported net of taxes.

##### Interest Income

Interest income from a financial asset is recognised on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

##### Dividends

Dividend income from investments is recognised when the Company’s right to receive dividend is established, which is generally when shareholders approve the dividend.

##### Advisory

Revenue from advisory, brokerage and consultancy services is recognised on rendering of services / work performed.

### Notes forming part of the Consolidated Financial Statements

#### Revenue from Depository operations

Revenue from Depository operations is considered to accrue as one time Transaction charges based on the financial year; Income from shares & securities brokerage activities is considered as accrued on the trade date of the transaction.

#### Income from Broking Services

Income from shares & securities brokerage activities is considered as accrued on the trade date of the transaction. Income from Brokerage, Demat charges, Fund Mobilization & Corporate Advisory services are exclusive of Goods and Services tax.

#### Income from Information Technology Enabled Services (ITES) and Software services

Income from services rendered of ITES is recognized on services rendered. Software services fees are accounted on its completion and acceptance by the customers.

#### Other Non-operating Income

All other income is recognised on an accrual basis, when there is no uncertainty in the ultimate collection / realisation.

### 2.13 Employee Benefits

#### (i) Short term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the consolidated statement of profit and loss of the year in which the related service is rendered.

#### (ii) Long-term employee benefits:

##### Defined Contribution Plan:

##### Provident Fund:

The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions if any, are made to the Central Provident Fund under the State Pension Scheme. Provident Fund is classified as Defined Contributions Plans as the Group has no further obligation beyond making the contribution. Provident funds contribution if any, is charged to the Consolidated statement of profit and loss as incurred.

##### Defined Benefit Plan:

##### a. Gratuity:

The Group has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation.

### Notes forming part of the Consolidated Financial Statements

#### b. Compensated absences:

The Group provides for encashment of leave or leave with pay subject to certain rules. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Consolidated Statement of Profit and loss in the year in which they arise.

#### 2.14 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

##### Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated as per the applicable provisions and tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

##### Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

#### 2.15 Financial Instruments

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

Financial assets and Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

##### Initial Recognition:

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 or 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

### Notes forming part of the Consolidated Financial Statements

liabilities at fair value through profit or loss are recognised in the Consolidated Statement of Profit and Loss.

#### **Classification and Subsequent Measurement: Financial Assets**

The Group classifies financial assets as subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income ("FVTOCI") or Fair Value Through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

#### **Amortised Cost:**

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Fair Value through Other Comprehensive Income (FVTOCI):**

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

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

#### **Fair Value through Profit or Loss (FVTPL):**

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### **Impairment of financial assets:**

The Group recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at original effective rate of interest.

#### **Derecognition of financial assets:**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset.

### Notes forming part of the Consolidated Financial Statements

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

#### **Classification and Subsequent Measurement: Financial liabilities:**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

#### **Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Consolidated Statement of Profit and Loss.

#### **Other Financial Liabilities:**

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

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

#### **Derecognition of financial liabilities:**

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

#### **Offsetting:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

#### **Financial liabilities and equity instruments:**

- **Classification as debt or equity:**

Debt and 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.

### Notes forming part of the Consolidated Financial Statements

#### 2.16 Significant accounting judgement, estimates and assumptions

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

#### 2.17 Leases

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019).

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

##### As a Lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other Operating Revenue under Revenue from Operations in the Statement of Profit and Loss.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116.

##### Operating Leases

Leases are classified as operating leases whenever the terms of the lease do not transfer substantially all the risks and rewards incidental to ownership.

Lease rentals on assets under operating lease are recognized or charged to the Consolidated Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental income is recognised on a straight line basis over the term of the relevant lease.

Where the rental are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

### Notes forming part of the Consolidated Financial Statements

#### 2.18 Ind AS 115: Revenue from Contracts with Customers

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expect to receive in exchange for those products or services.

#### Ind AS 12 - Income Taxes

- Appendix C, Uncertainty over Income Tax Treatment: This amendment is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix:
  - (1) the entity needs to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which better predicts of the resolution of the uncertainty;
  - (2) the entity is to assume that the taxation authority will have right to examine and have full knowledge of all related information when making those examinations; and
  - (3) entity has to consider whether it is probable that the taxation authority will accept the tax treatment and accordingly, determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The Group does not expect any significant impact of the amendment on its financial statements.

- Consequences of Dividend

The amendments are in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this amendment.”

#### 2.19 Right-of-Use Asset (“ROU”)

At the date of commencement of the lease, the Company recognise a right-of-use-asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term lease and lease of low-value assets.

The Right-of-use assets are initially recognised at cost, which comprise 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 cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter the lease term and useful life of the underlying asset and the average lease terms.

The Right-of-use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The Right-of-use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

#### 2.20 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares, if any, outstanding during the year, except where the results would be anti-dilutive.

### Notes forming part of the Consolidated Financial Statements

#### 2.21 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the Consolidated Financial Statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

#### Key estimates, assumptions and judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits.

#### Depreciation and Amortisation

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets. Refer Note. 3

#### Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note. 32

#### Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### Impairment of Non-Financial Assets

The Group has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

### Notes forming part of the Consolidated Financial Statements

#### Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. Refer Note. 5 and 10

#### Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note. 45

#### Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances. Refer Note. 21 and 29

#### 2.22 Business combination under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

#### 2.23 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.

Notes to the Consolidated Financial Statements

Note 3A:

Property, Plant and Equipment:

( ₹ in '000)

Particulars	Computers	Electric Fittings	Furnitures and fixtures	Motor Vehicles	Office and Other Equipments	Solar System	Air Conditioners	Office Building	Projector	Total
<b>(I) Gross Carrying Value</b>										
Balance as at April 1, 2021	15,038	875	12,556	2,424	12,609	2,183	51	49,234	7	94,977
Additions during the year	1,237	-	-	2,525	366	-	-	211	-	4,339
Deductions/Adjustments during the year	-	-	-	-	(61)	-	-	-	-	(61)
<b>Balance as at March 31, 2022</b>	<b>16,275</b>	<b>875</b>	<b>12,556</b>	<b>4,949</b>	<b>12,914</b>	<b>2,183</b>	<b>51</b>	<b>49,445</b>	<b>7</b>	<b>99,255</b>
Additions during the year	1,019	-	-	-	32	-	133	-	-	1,184
Deductions/Adjustments during the year	(1,136)	(11)	(129)	(990)	(81)	-	-	-	-	(2,347)
<b>Balance as at March 31, 2023</b>	<b>16,158</b>	<b>864</b>	<b>12,427</b>	<b>3,959</b>	<b>12,865</b>	<b>2,183</b>	<b>184</b>	<b>49,445</b>	<b>7</b>	<b>98,092</b>
<b>(II) Accumulated Depreciation</b>										
Balance as at April 1, 2021	12,065	814	9,951	987	9,217	538	14	10	-	33,596
Depreciation expense for the year	1,648	5	226	307	937	138	7	1,416	-	4,684
Deductions/Adjustments during the year	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>13,713</b>	<b>819</b>	<b>10,177</b>	<b>1,294</b>	<b>10,154</b>	<b>676</b>	<b>21</b>	<b>1,426</b>	<b>-</b>	<b>38,280</b>
Depreciation expense for the year	608	3	150	537	576	138	25	1,416	-	3,453
Deductions/Adjustments during the year	(728)	-	-	(942)	(76)	-	-	-	-	(1,746)
<b>Balance as at March 31, 2023</b>	<b>13,593</b>	<b>822</b>	<b>10,327</b>	<b>889</b>	<b>10,654</b>	<b>814</b>	<b>46</b>	<b>2,842</b>	<b>-</b>	<b>39,987</b>
<b>Net Carrying Value (I-II)</b>										
Balance as at March 31, 2022	2,562	56	2,379	3,655	2,760	1,507	30	48,019	7	60,975
Balance as at March 31, 2023	2,565	42	2,100	3,070	2,211	1,369	138	46,603	7	58,105

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 3B Capital work in progress

(₹ in '000)

Particulars	As at 1 April 2022	Expenditure during the year	Capitalized during the year	Impairment	Written off	Closing as at 31 March 2023
Amount	100,000	11,988	11,988	-	-	111,988

(₹ in '000)

Particulars	As at 1 April 2021	Expenditure during the year	Capitalized during the year	Impairment	Written off	Closing as at 31 March 2022
Amount	-	100,000	100,000	-	-	100,000

Capital work in progress as at 31 March 2023 comprises expenditure for the new applications under progress. Total amount of CWIP is ₹ 1,11,987.62 (31 March 2022: ₹ 1,00,000.00) (₹ in '000). Refer Note 3E(a) for the ageing of Capital WIP.

#### (a) Ageing schedule

##### 31-Mar-23

(₹ in '000)

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	11,988	100,000	-	-	111,988
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>11,988</b>	<b>100,000</b>	-	-	<b>111,988</b>

##### 31-Mar-22

(₹ in '000)

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	100,000	-	-	-	100,000
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>100,000</b>	-	-	-	<b>100,000</b>

Total amount ₹ 1,13,768 (in'000) [previous year ₹ 1,00,000 (in '000)]

- (b) There are no Capital work in progress as at March 2023 & 2022, where completion is overdue or cost of which has exceeded in comparison to its original plan.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 3C (i) Investment Property:

		( ₹ in '000)
Particulars	Amount	
<b>(I) Gross Carrying Value</b>		
<b>Balance as at April 1, 2021</b>	581,265	
Additions during the year	-	
Deductions/Adjustments during the year	(45,464)	
Other Adjustments during the year	-	
<b>Balance as at March 31, 2022</b>	<b>535,801</b>	
Additions during the year	-	
Deductions/Adjustments during the year	-	
Other Adjustments during the year	-	
<b>Balance as at March 31, 2023</b>	<b>535,801</b>	
<b>(II) Accumulated Depreciation</b>		
<b>Balance as at April 1, 2021</b>	59,655	
Depreciation expense for the year	11,949	
Deductions/Adjustments during the year	(6,425)	
<b>Balance as at March 31, 2022</b>	<b>65,179</b>	
Depreciation expense for the year	11,212	
Deductions/Adjustments during the year	-	
<b>Balance as at March 31, 2023</b>	<b>76,391</b>	
<b>Net Carrying Value (I-II)</b>		
<b>Balance as at March 31, 2022 (A)</b>	<b>470,622</b>	
<b>Balance as at March 31, 2023 (B)</b>	<b>459,410</b>	

#### (ii) Right of use Assets:

		( ₹ in '000)
Particulars	Office Premises	
<b>(I) Gross Carrying Value</b>		
<b>Balance as at April 1, 2021</b>	-	
Additions during the year	499	
Deductions/Adjustments during the year	-	
Other Adjustments during the year	-	
<b>Balance as at March 31, 2022</b>	<b>499</b>	
Additions during the year	-	
Deductions/Adjustments during the year	-	
Other Adjustments during the year	-	
<b>Balance as at March 31, 2023</b>	<b>499</b>	
<b>(II) Accumulated Depreciation</b>		
<b>Balance as at April 1, 2021</b>	-	
Depreciation expense for the year	125	
Deductions/Adjustments during the year	-	
<b>Balance as at March 31, 2022</b>	<b>125</b>	
Depreciation expense for the year	125	
Deductions/Adjustments during the year	-	
<b>Balance as at March 31, 2023</b>	<b>250</b>	
<b>Net Carrying Value (I-II)</b>		
<b>Balance as at March 31, 2022 (C)</b>	<b>374</b>	
<b>Balance as at March 31, 2023 (D)</b>	<b>249</b>	
<b>Balance as at March 31, 2022 (A+C)</b>	<b>470,996</b>	
<b>Balance as at March 31, 2023 (B+D)</b>	<b>459,659</b>	

**Notes forming part of the Consolidated Financial Statements**

**Notes :**

The Holding Company has, inter alia, leased some of its immovable property to two of its subsidiaries, that is leased to entities within the Group and therefore, in terms of the relevant provisions of Ind AS 40 on “Investment Property” such leased immovable property to the extent so leased, would not be regarded as Investment Property from the perspective of the Group, being in nature of “owner occupied property” as so defined in the said Ind AS and accordingly, such immovable property needs to be presented as Property, Plant & Equipment (“PPE”) in consolidated financial statements (“CFS”) of the Group. However, it is not practicable or possible to ascertain or find out the cost or deemed cost of such immovable leased property for presenting as PPE in CFS. In view of this, in CFS, the Group has not separately presented the amount pertaining to such leased immovable property as PPE and has continued to disclose under Investment Property only.

The Company has mortgage above Investment property as security against the borrowings.

**Disclosure pursuant to Ind AS 40 “Investment Property”**

**a. Amount recognised in the Statement of Profit and Loss from investment property:**

( ₹ in '000)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rental income derived from investment property	14,143	7,802
Direct operating expenses arising from investment property that generated rental income	(37,217)	(30,980)
Loss from investment properties before depreciation	(23,074)	(23,178)
Depreciation	(11,212)	(11,949)
<b>Profit from investment property</b>	<b>(34,286)</b>	<b>(35,127)</b>

**b. Fair Value of Investment Property**

( ₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair Value of Investment Property	938,704	1,006,505
<b>Total</b>	<b>938,704</b>	<b>1,006,505</b>

Valuation is based on the report as of March 31, 2023 of an accredited independent valuer. Fair value is based on market value approach wherever available.

**c. Contractual Obligations**

There is no contractual obligation to purchase, construct or develop investment property.

**d. Leasing arrangements**

Certain identifiable portions of investment properties are leased out to tenants under cancellable operating lease.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 3D Goodwill

		( ₹ in '000)
Particulars	Amount	
<b>(I) Gross Carrying Value</b>		
<b>Balance as at April 01, 2021</b>	<b>40,012</b>	
Additions during the year	-	
Deductions/Adjustments during the year	-	
Other Adjustments during the year	(7,752)	
<b>Balance as at March 31, 2022</b>	<b>32,260</b>	
Additions during the year (refer note 18)	-	
Deductions/Adjustments during the year	-	
Other Adjustments during the year	-	
<b>Balance as at March 31, 2023</b>	<b>32,260</b>	
<b>(II) Impairment</b>		
<b>Balance as at April 01, 2021</b>	-	
Depreciation expense for the year	-	
Deductions/Adjustments during the year	-	
<b>Balance as at March 31, 2022</b>	-	
Depreciation expense for the year	-	
Deductions/Adjustments during the year	-	
<b>Balance as at March 31, 2023</b>	-	
<b>Net Carrying Value (I-II)</b>		
<b>Balance as at March 31, 2022</b>	<b>32,260</b>	
<b>Balance as at March 31, 2023</b>	<b>32,260</b>	

#### 3E Other Intangible Assets:

		( ₹ in '000)
Particulars	Amount	
<b>(I) Gross Carrying Value</b>		
<b>Balance as at April 01, 2021</b>	<b>6,359</b>	
Additions during the year	429	
Deductions/Adjustments during the year	-	
Other Adjustments during the year	-	
<b>Balance as at March 31, 2022</b>	<b>6,788</b>	
Additions during the year (refer note 18)	1,648	
Deductions/Adjustments during the year	-	
Other Adjustments during the year	-	
<b>Balance as at March 31, 2023</b>	<b>8,436</b>	
<b>(II) Accumulated Depreciation</b>		
<b>Balance as at April 01, 2021</b>	2,098	
Depreciation expense for the year	832	
Deductions/Adjustments during the year	-	
<b>Balance as at March 31, 2022</b>	<b>2,930</b>	
Depreciation expense for the year	780	
Deductions/Adjustments during the year	-	
<b>Balance as at March 31, 2023</b>	<b>3,710</b>	
<b>Net Carrying Value (I-II)</b>		
<b>Balance as at March 31, 2022</b>	<b>3,858</b>	
<b>Balance as at March 31, 2023</b>	<b>4,726</b>	

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 4 Investments : Non-current

(₹ in '000)

Particulars	Paid up Value / Face Value	As on March 31, 2023		As on March 31, 2022	
		No. of shares	(₹ in '000)	No. of shares	(₹ in '000)
<b><u>Investment in equity instruments (fully paid-up)</u></b>					
<b>Equity investments at fair value through other comprehensive income (FVOCI)</b>					
<b>(i) Investment in</b>					
<b>Quoted equity shares</b>					
Omnitex Industries (India) Limited	₹10 each	7,000	316	7,000	225
IRIS Business Services Limited	₹10 each	41,699	2,942	44,956	4,534
Accuracy shipping Limited	₹10 each	1,973,830	26,153	-	-
Ambition Mica Limited	₹10 each	74,500	387	-	-
Bindal Exports Limited	₹10 each	16,000	358	-	-
Innovator Façade Systems Limited	₹10 each	8,000	656	-	-
Lexus Granito (INDIA) Limited	₹10 each	36,000	2,291	-	-
Patdiam Jewellers Limited	₹10 each	10,500	2,426	-	-
SS Infrastructure Development Consultants Ltd	₹10 each	69,000	528	-	-
Hcl Technologies Limited	₹2 each	12	13	-	-
Kotak Mahindra Amc	₹5 each	150	62	-	-
Quantum - Gold		9	0	-	-
Coffee Day Enterprises Ltd	₹10 each	-	-	13	1
Yes Bank Limited	₹2 each	-	-	9,075	112
<b>Unquoted equity shares</b>					
Pentation Analytics Private Limited**	₹10 each	182,500	59,495	182,500	61,550
Vippy Industries Limited	₹1 each	2,750	18	2,750	18
Asit C. Mehta Commodity Services Ltd.	₹10 each	4	-	4	-
Chargein Kiosk Pvt Ltd.	₹10 each	270	3	270	3
<b><u>Investment in Preference Shares (fully paid-up)</u></b>					
<b>Investments measured at Fair Value Through Profit and Loss (FVTPL)</b>					
<b>In Redeemable Preference Shares</b>					
<b>Unquoted</b>					
Omniscience Capital Advisors Private Limited*	₹10 each	825,000	2,490	825,000	2,273
<b><u>Investment In Mutual Fund</u></b>					
<b>Investments measured at Fair Value Through Other Comprehensive Income (FVTOCI)</b>					
14720.014 Units (As at 31.03.2021 - NIL) of Aditya Birla Sun Life Liquid Fund Growth	₹10 each	14,720.01	5,296	14,720.01	5,000
<b>Total</b>			<b>103,434</b>		<b>73,715</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

Particulars	Number of units	
	As on March 31, 2023	As on March 31, 2022
<b>Aggregate book value of:</b>		
Quoted investments	41,428	9,871
Unquoted investments	62,006	63,844
<b>Aggregate market value of:</b>		
Quoted investments	41,428	9,871

- a. \* 0.1% Redeemable Cumulative Preference Shares of Omniscience Capital Advisors Private Limited redeemable at any time within a period of 20 years from the date of allotment.

### 5 Trade Receivable - Non Current

Particulars	( ₹ in '000)	
	As on March 31, 2023	As on March 31, 2022
Unsecured, considered good		
a) Long Term Trade Receivable		
Trade Receivable	12,780	13,277
Less : Provision for Doubtful debts *	(2,711)	(3,295)
	<b>10,069</b>	<b>9,982</b>
Unsecured, considered doubtful		
Trade Receivable	1,900	1,900
Less : Provision for Doubtful debts *	(1,900)	(1,900)
	-	-
Amounts Due from Business Associates		
Secured against Base capital Deposits	243	162
Others - Unsecured, considered good	2,925	3,416
	<b>3,168</b>	<b>3,578</b>
Amounts Due from Constituents		
Secured against Shares	1,436	570
Others - Unsecured, considered good	3,610	3,062
	<b>5,046</b>	<b>3,632</b>
<b>Total</b>	<b>18,283</b>	<b>17,192</b>

\* As per the terms and conditions of the Agreements executed by ACMIIL, one of the Subsidiaries with Business Associates, the said subsidiary has an absolute right to recover all the dues from them. However, as a good business practice, the said subsidiary has adopted cordial and amicable means for recoveries of dues in most practical and fair manner and therefore, it is confident that the amounts classified as Unsecured, would be recovered in due course. The said subsidiary has also filed the cases against the Clients whose dues are adjusted in Business Associate commission Ledgers. The said subsidiary has also initiated legal steps towards recovery of dues from Arbitrators. The said subsidiary has got the arbitration award in one matter and as per para 5.5.11 of IND AS 109, it has valid and sufficient proof for not making the 100% provision as per ECL system. The said subsidiary has made provision based on the historical data on outstanding for more than 1 Years as per IND AS requirement.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### Trade Receivable ageing schedule as on March 31, 2023

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,813	4,654	2,253	28	3,423	12,171
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	27	163	309	2,175	6,149	8,823
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	1,900	1,900
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)					(4,611)	(4,611)
<b>Total</b>	<b>1,840</b>	<b>4,817</b>	<b>2,562</b>	<b>2,203</b>	<b>6,861</b>	<b>18,283</b>

#### Trade Receivable ageing schedule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	514	1,433	3,459	1,805	7,210
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	406	6,809	4,163	11,377
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	1,900	1,900
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)					(3,295)	(3,295)
<b>Total</b>	<b>-</b>	<b>514</b>	<b>1,839</b>	<b>10,268</b>	<b>4,572</b>	<b>17,192</b>

# The due date of payment has taken as the date of transition as due date of payment has not specified.

#### 6 Financial Asset - Others: Non Current

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Unsecured, considered good</b>		
Fixed Deposits with Banks having Maturity of more than twelve months	2,129	6,625
<b>Security Deposits:</b>		
Membership and Other Deposits with Stock Exchanges and Securities Clearing Corporations	10,590	9,618
Other Deposits	2,084	1,021
<b>Total</b>	<b>14,803</b>	<b>17,264</b>

#### 7 Income Tax Assets (net) : Non Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Unsecured, considered good</b>		
Income Tax	26,740	22,921
MAT Credit Entitlement Written off / Utilised	-	65
<b>Total</b>	<b>26,740</b>	<b>22,986</b>

#### 8 Deferred Tax Assets (Net): Non Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Deferred Tax Assets (Net)	14,520	-
<b>Total</b>	<b>14,520</b>	<b>-</b>

#### 9 Other Non-Current Assets:

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Unsecured, considered good</b>		
Prepaid Component of Preference Shares	-	5,305
Prepaid Expenses	350	543
<b>Total</b>	<b>350</b>	<b>5,848</b>

#### 10 Trade Receivables: Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Unsecured, considered good	63,338	54,476
Unsecured, Considered doubtful	-	-
Less: provision for doubtful debts	-	-
<b>Total</b>	<b>63,338</b>	<b>54,476</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### Trade Receivable aging schedule as on March 31, 2023

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	62,876	462	-	-	-	63,338
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>62,876</b>	<b>462</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63,338</b>

#### Trade Receivable ageing schedule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	53,275	1,120	24	-	57	54,476
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>53,275</b>	<b>1,120</b>	<b>24</b>	<b>-</b>	<b>57</b>	<b>54,476</b>

# The due date of payment has taken as the date of Transition as due date of payment has not specified.

#### 11 Cash and Cash Equivalents

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Cash on hand	93	160
<u>Balances with Banks</u>		
In Current Accounts	110,465	120,855
<b>Total</b>	<b>110,558</b>	<b>121,015</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 12 Bank Balances other than Cash and Cash Equivalents

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Fixed Deposit With Banks having Maturity of not more than 12 months	245,713	133,028
Fixed Deposits pledged with Bank against Bank guarantee [Having maturity of not more than 12 months]	8,093	8,093
<b>Total</b>	<b>253,806</b>	<b>141,121</b>

- Fixed Deposits with Bank of India Stock Exchange Branch include ₹ Nil (in'000) (Previous Year ₹ 8,750 (in'000)) pledged against gurantee given by the Bank in favour of Exchange and Clearing Corporation
- Fixed Deposits with State Bank of India includes ₹ 82,673 (in'000) (Previous year ₹ 75,000 (in'000)) kept as lien with Bank against Overdraft
- The aforesaid entities in respect of whom Fixed Deposits have been pledged with Bank of India have duly complied with their Interest obligation.

#### 13 Loans : Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Unsecured, considered good</b>		
Inter corporate loan and Loans to related party (Refer the note no.13.1)	13,459	215,918
Inter corporate Deposit	-	7,694
Loans to staff	72	579
<b>Total</b>	<b>13,531</b>	<b>224,191</b>

#### 13.1 Additional Regulatory Information :

Disclosure with respect to Loans or Advances granted to Promoters, Directors, KMP and the Related Parties for March 31, 2023

(₹ in '000)

Type of Borrower	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
			As on March 31, 2023	
Promoters			-	-
Directors			-	-
KMPs			-	-
Related Parties			-	-
<b>TOTAL</b>			-	-

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

Disclosure with respect to Loans or Advances granted to Promoters, Directors, KMP and the Related Parties for March 31, 2022

(₹ in '000)

Type of Borrower	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
As on March 31, 2022				
<b>Promoters</b>			-	-
Directors			-	-
<b>KMPs</b>				
Sumit Sharma	Yes	Yes	25	0
<b>Related Parties</b>				
Asit C Mehta Commodity Services Limited	Yes	No	28,122	13
<b>TOTAL</b>			<b>28,147</b>	<b>13</b>

#### 14 Other Financial Assets : Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Deposits: -</b>		
Deposit for premises	216	-
Deposit with Clearing house	-	20,000
Deposit with Stock Exchange	-	2,406
Deposit with Orbis	277,130	259,778
<b>Unsecured, considered good unless otherwise stated</b>		
Interest receivable	33	4,126
Receivable on TDS accounts from NBFC	946	1,080
Balances with Stock Exchanges (Net)	19,367	61,288
Other Advances	1,529	1,176
<b>Amounts Due from Business Associates</b>		
Secured against Base capital Deposits, considered good	-	204
Unsecured, considered good	-	603
<b>Total</b>	<b>299,221</b>	<b>350,661</b>

Amounts due from Business Associates, Constituents and Advances are subject to confirmation.

The amounts due from Constituents represent amounts receivable on account of Securities broking transactions. These accounts comprise the running transactions by the constituents.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 15 Other Current assets

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Unsecured, considered good</b>		
<u>Balances with Government Authorities</u>		
Excise Duty / Service Tax / GST	2,104	1,725
<u>Others</u>		
Prepaid Expenses	3,518	3,920
Prepaid Component of Preference Shares (refer note 4.a)	-	292
Deposit for Service Tax Appeal	340	340
Others	1,635	527
<b>Total</b>	<b>7,597</b>	<b>6,804</b>

#### 16 Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised :</b>				
Equity shares of par value ₹10/-	15,000,000	150,000	15,000,000	150,000
	<b>15,000,000</b>	<b>150,000</b>	<b>15,000,000</b>	<b>150,000</b>
<b>Issued, Subscribed and Paid up :</b>				
Equity shares of par value ₹ 10/- fully paid up	4,952,560	49,526	4,952,560	49,526
Less : Treasury Shares (Nucleus Stock Trust)*	-	-	(105,183)	(1,052)
<b>Total</b>	<b>4,952,560</b>	<b>49,526</b>	<b>4,847,377</b>	<b>48,474</b>

#### Terms/Rights attached to Equity Shares

- The Holding Company has only one class of shares referred to as equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share.
- Dividend, if any, is declared and paid in Indian Rupees. Final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in case of Interim Dividend. However, no dividend is declared on equity shares for the year ended March 31, 2023 and March 31, 2022.
- In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the holding company after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by shareholders.

#### a. Reconciliation of the number of shares outstanding

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity Shares Outstanding at the beginning of the year	4,847,377	48,474	4,833,575	48,336
Changes during the year*	105,183	1,052	13,802	138
<b>Equity Shares outstanding at the end of the year</b>	<b>4,952,560</b>	<b>49,526</b>	<b>4,847,377</b>	<b>48,474</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### \* Treasury Shares

Treasury shares are held by Nucleus Stock Trust which represents NIL (PY: 1,05,183) Equity Shares of ₹10/- each fully paid-up of the Company issued, pursuant to a Scheme of Arrangement approved by the Hon'ble High Court of Bombay vide its Order dated February 10, 2006, to the Nucleus Stock Trust, created wholly for the benefit of the Company and is being managed by trustees appointed by it.

#### b. Shares held by promoters at March 31, 2023

Promoter Name	No. of Shares	% of total shares	% Change during the year
1) Asit C Mehta	1,443,693	29.2	37.0
2) Deena A Mehta	466,783	9.4	64.5
3) Asit C Mehta HUF	77,000	1.6	-
4) Jayesh T Desai HUF	7,120	0.1	-
5) Gopa Jayesh Desai	1,900	0.0	-
6) Rupa Atul Shah	1,500	0.0	-
7) Cliqtrade Stock Brokers Private Limited	1,841,683	37.2	100.0
<b>Total</b>	<b>3,839,679</b>	<b>77.5</b>	

#### Shares held by promoters at March 31, 2022

Promoter Name	No. of Shares	% of total shares	% Change during the year
1) Asit C Mehta	2,291,638	46.3	-
2) Deena A Mehta	1,314,728	26.5	46.0
3) Asit C Mehta HUF	77,000	1.6	-
4) Jayesh T Desai HUF	7,120	0.1	-
5) Gopa Jayesh Desai	1,900	0.0	-
6) Rupa Atul Shah	1,500	0.0	-
<b>Total</b>	<b>3,693,886</b>	<b>74.6</b>	

#### c. Shareholders having more than 5% holding

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% Holding	No. of shares	% Holding
Mr. Asit C. Mehta	1,443,693	29.2%	2,291,638	46.3%
Mrs. Deena A. Mehta	466,783	9.4%	1,314,728	26.6%
Cliqtrade Stock Brokers Private Limited	1,841,683	37.2%		

#### d. Information for the period of five years immediately preceding the date of Balance Sheet

(i) Number and class of shares allotted as fully paid up pursuant to contract without payment received in cash	Nil	Nil
(ii) Aggregate number and class of shares allotted by way of Bonus shares	Nil	Nil
(iii) Aggregate number and class of shares bought back	Nil	Nil

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 17 Other Equity

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Capital Reserve</b>		
Balance at the beginning and at the end of the year	760	760
	<b>760</b>	<b>760</b>
<b>Securities Premium</b>		
Balance at the beginning and end of the year	43,700	41,693
Add: - Additions during the year	-	2,007
	<b>43,700</b>	<b>43,700</b>
<b>Other Equity</b>		
Balance as at the beginning of the year*	9,017	9,017
Add: Additional Equity shares issued by Subsidiary company*	-	-
Add: Debenture Converted into Equity Share by Subsidiary Company*	-	-
<b>Balance at the end of the year</b>	<b>9,017</b>	<b>9,017</b>
<b>Retained Earnings</b>		
Balance as at the beginning of the year**	(89,478)	104,685
Add : Net Profit after Tax transferred from the Statement of Profit and Loss	(89,193)	10,824
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	-	-
Add: Adjustment to opening balance	14,116	(204,987)
<b>Balance at the end of the year</b>	<b>(164,555)</b>	<b>(89,478)</b>
<b>Equity Instruments through Other Comprehensive Income</b>		
Balance as at the beginning of the year	46,122	42,899
Add: Movement during the year	(18,906)	3,223
Less: Transferred to Retained Earning	-	-
<b>Balance at the end of the year</b>	<b>27,216</b>	<b>46,122</b>
<b>Total</b>	<b>(83,862)</b>	<b>10,121</b>

\* Asit C Mehta Investment Intermediates Limited

\*\*Since the One of the subsidiaries in the Group has elected to continue with carrying value of Investment property, the balance in Revaluation reserve as on date of transition, i.e. April 1, 2016 is transferred to Retained earnings.

#### **Description of the nature and purpose of Other Equity**

**Capital Reserve:** Capital reserves created by the Holding Company due to forfeiture of Equity Shares of the Holding Company on occasion of Amalgamation.

**Securities Premium:** Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

**Retained Earnings:** Retained Earnings are the profits that the Group has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS.

**Equity Instruments through Other Comprehensive Income:** This represents cumulative gains/(losses) arising on the measurement of equity instruments at Fair Value through Other Comprehensive Income.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 18 Borrowings : Non-current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Secured loans</b>		
<b>A. Term Loans</b>		
a. Car Loan from Bank [refer note (i) below]	-	182
b. Car Loan from Bank (refer note (ii) below)	825	1,061
<b>B. From NBFCs</b>		
c. Term Loan from NBFC (refer note (iii) below)	176,903	183,733
d. Term Loan from NBFC (refer note (iv) below)	13,428	15,107
e. Term Loan from NBFC (refer note (v) below)	83,910	86,844
<b>Unsecured</b>		
4% Redeemable non convertible Debentures 2,00,65,610 (As on 31st March 2022: 2,00,65,610) Debentures of ₹ 10 each. (refer note (vi) below)	200,656	200,656
<b>Loan from Directors</b> (Including Interest Accrued ₹ 5,736.12 ; Previous Year ₹ 3,632.56)	107,256	51,412
<b>Total</b>	<b>582,978</b>	<b>538,995</b>

#### Nature of Security and Term of Repayment of Long-term Borrowing :

(₹ in '000)

	Name of Security	As on March 31, 2023	As on March 31, 2022
i.	[Secured by hypothecation of motor cars Interest rate at 8.86% p.a. (previous year 8.86%p.a.) Terms of Repayment : 60 Equivalent installment of ₹37245/- P.M.]	-	182
ii.	[Secured by hypothecation of motor cars Interest rate at 7.40% p.a. (previous year 7.40%.)] Terms of Repayment : 60 Equivalent installment of ₹25,611/- P.M.]	825	1,061
iii.	Secured by Equitable Mortgage of the properties located at Nucleus House A wing : unit 102 of 1st Floor, unit 201, 202 & 203 of 2nd Floor and unit 801 of 8th floor and B wing : unit 101, 102 of 1st floor and Unit 301 of 3rd Floor. (Repayable in 113 Installments) Rate of Interest : Interest rate are ranging from 10.20% to 12.75%	186,158	183,733
iv.	Secured by Equitable Mortgage of the properties located at Nucleus House B wing : unit 401 of 4th floor, unit 501 of 5th floor and Unit 601 of 6th floor. (Repayable in 49 Installments) Rate of Interest : Interest rate are ranging from 10.20% to 14%	13,478	15,107
v.	Secured by Equitable Mortgage of the properties located at Nucleus House A wing : unit 3rd to 7th Floor. (Repayable in 144 Installments) Rate of Interest : Interest rate are ranging from 12.15% to 12.75%	86,910	86,844
	<b>Total</b>	<b>287,371</b>	<b>286,927</b>
	Less: Current Maturities of Long-term borrowings (refer note 24)	17,114	9,521
	<b>Total</b>	<b>270,257</b>	<b>277,406</b>
vi.	<b>In respect of unsecured loan - 4% Unsecured Redeemable Non-Convertible Debentures</b> 2,00,65,610 Debentures being 4% Unsecured Redeemable Non-Convertible Debentures of ₹ 10/- each, redeemable in 3 Installments i.e after 36 Months-33.33%, after 48 Months - 33.33% and after 60 Months - 33.34% and on redemption premium is payable at 10% issue price. The Company has right of prepayment.	200,656	200,656
	<b>Total</b>	<b>200,656</b>	<b>200,656</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

The Company has obtained term loan from Non-Banking Financial Corporation (NBFC's) during the financial year 2021-22 and 2022-23. As per the Loan Agreement/ term sheet, the said Loans was taken for the Purpose of repayment of debt, The company has used such borrowings for the purposes as stated in the loan agreement.

#### 19 Lease Liability: Non-Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Lease Liability (refer note 41)	68	225
<b>Total</b>	<b>68</b>	<b>225</b>

#### 20 Other Financial Liabilities: Non-Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Security Deposit	4,371	-
<b>Total</b>	<b>4,371</b>	<b>-</b>

#### 21 Provisions : Non-current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Provision for employee benefits</b>		
Gratuity	1,758	7
Leave Encashment	2,506	2,379
<b>Total</b>	<b>4,264</b>	<b>2,386</b>

#### 22 Deferred tax liabilities (net): Non Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Deferred tax liabilities (net)	-	3,748
<b>Total</b>	<b>-</b>	<b>3,748</b>

#### 23 Other non-current liabilities

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Deferred Portion of Security Deposit	1,184	-
<b>Total</b>	<b>1,184</b>	<b>-</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 24 Borrowings : Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Repayable on demand</b>		
<b>From Banks- Secured</b>		
<b>Overdraft from Bank of India</b>	-	12,947
Bank of India [(overdraft facility) secured by (i) Mortgage of office unit no.101 A wing and Unit No.103 A wing situated at Nucleus House, Saki Vihar Road, Andheri (East), Mumbai-400072. in the Name of Asit C. Mehta Financial Services Limited - The Holding Company, and (ii) personal guarantee of the Managing Director, one of the whole time directors, its Holding company and one of the Group company]		
Rate of Interest by Bank Of India on Overdraft facility against Mortgage of Fixed Assets is MCLR Rate + 3.70% p.a. i.e Rate of Interest : Interest rate are ranging from 11.35% to 12.30%		
<b>Overdraft from State Bank of India</b>	299,681	282,236
State Bank of India[(Overdraft facility) secured by 25% Cash Margin in the form of Fixed deposit to be kept Bank lien, hypothecation on Receivable and WDV of Movable fixed Assets of the Company, Existing & future and further collaterals by (i) registered mortgage of residential premises owned by Managing director and one of the whole time directors; (ii) registered mortgage of office premises at 2/B, 2nd Floor , Nucleus House, Saki Vihar Road, Andheri East, Mumbai -72 owned by the company; and (iii) personal guarantee of the Managing Director and one of the whole time directors. [During the previous year (Overdraft facility) secured by hypothecation of all Receivable and first charge on present and future fixed assets, like computers & peripherals, furniture, electrical fittings, interior works, etc and further collaterals by (i) registered mortgage of residential and office premises owned by Managing director and one of the whole time directors; (ii) registered mortgage of office premises owned by one of the whole time directors; and (iii) personal guarantee of the Managing Director and one of the whole time directors (iv) Corporate Guarantee from Holding Company]		
ii) Rate of Interest by State Bank of India on Overdraft facility against Hypothecation of Fixed Assets is EBLR rate + 1% p.a. ( Previous Year, EBLR rate + 2% p.a.) i.e Rate of Interest : Interest rate are ranging from 8.65% to 9.9%		
<b>From Others- unsecured</b>		
<b>Inter Corporate Deposit</b>	261,232	221,000
(Repayable on Demand and Rate of Interest ranging from 11% to 12%		
<b>Others</b>		
Current Maturities of Long Term borrowings (refer note 18)	17,114	9,521
Loan from Mrs. Deena A. Mehta	1,594	1,464
Loan from Mr. Asit C. Mehta	-	
<b>Total</b>	<b>579,621</b>	<b>527,168</b>

- i) The Group has satisfied all the covenants prescribed in terms of borrowings.
- ii) In respect of working capital loans, quarterly returns or statements of Total Assets filed by the Group with banks, quarterly account finalization takes place subsequently. If there is any variation in the valuation, a revised statement are submitted to the bank.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 25 Lease Liability: Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Lease Liability	157	143
<b>Total</b>	<b>157</b>	<b>143</b>

#### 26 Trade Payables: Current

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
(a) dues to micro enterprises and small enterprises; and	-	-
(b) dues to creditors other than micro enterprises and small enterprises	389,812	487,563
<b>Total</b>	<b>389,812</b>	<b>487,563</b>

#### Trade payables ageing schedule as on March 31, 2023

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year *	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others (see note below)	379,395	160	10,257	-	389,812
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>379,395</b>	<b>160</b>	<b>10,257</b>	<b>-</b>	<b>389,812</b>

#### Trade payables ageing schedule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year *	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	474,119	13,444	-	-	487,563
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>474,119</b>	<b>13,444</b>	<b>-</b>	<b>-</b>	<b>487,563</b>

The Group Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

( ₹ in '000)

Amounts payable to Micro and Small Enterprises	As on March 31, 2023	As on March 31, 2022
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest Paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil

#### 27 Other Financial Liabilities: Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Security Deposits	1,650	6,809
Interest accrued but not due on long term borrowing	1,522	1,221
Base Capital deposits from Business Associates	19,736	21,304
Interest payable on borrowings	-	360
Other	2,411	-
<b>Total</b>	<b>25,319</b>	<b>29,694</b>

#### BASE CAPITAL DEPOSITS FROM BUSINESS ASSOCIATES

- The Company, in the course of its business and as per the terms and conditions with Business Associates , has received security deposits in the form of cheques.
- As per the terms and conditions, the Company has an absolute right to appropriate and realize the security deposits against the unpaid dues from clients introduced by Business Associates and the balance, if any, is refunded in the form of cheques.
- The aggregate amount of security deposits (including sticky balance) received from Business Associates and outstanding as at the year end is ₹.19,736 ( ₹ in '000) (Previous year ₹.21,305.07 ( ₹ in '000) )

#### 28 Other Current Liabilities : Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Income Received in advance	457	433
<b>Others</b>		
Statutory dues	12,253	10,599
Liability towards CSR (Refer Note 48)	135	-
Other Liabilities	1,094	32
Deferred Portion of Security Deposit	434	-
Employee Benefits	338	985
<b>Total</b>	<b>14,711</b>	<b>12,049</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 29 Provisions : Current

( ₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
<b>Provision for employee benefits :</b>		
Gratuity - (Refer Note 43)	1,811	762
Leave Encashment	365	83
<b>Total</b>	<b>2,176</b>	<b>845</b>

#### 30 Revenue from Operations

( ₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
A) Stock Broking and Allied Services	275,099	321,019
B) Advisory Income		
- Domestic	2,825	15,654
C) Rental Income	14,143	7,802
D) Income from ITeS Services		
- Domestic	-	323
E) Debt Recovery services	-	332
F) Talk Delta Algo (AMC Fees etc.)	-	163
G) Professional Fees Received	-	69
<b>Total</b>	<b>292,067</b>	<b>345,362</b>

#### 31 Other Income

( ₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>Interest Income</b>		
Interest on Inter Corporate Deposit	9,369	12,522
Interest on Security Deposit with clearing Corporation	9,907	10,804
Interest on Bank Deposits	10,549	7,856
Interest on Income Tax Refund	325	679
Interest on Preference Shares	-	186
Interest on Electricity Security Deposit	34	34
Deferred Income on Security Deposit	321	-
Dividend	71	0
Insurance refund / Claim	-	66
Profit on Sale on Share	-	23,908
<b>Other Operating Income</b>		
Profit on Sale of Investment property	-	8,961
Profit on Sale of Investments	-	1,068
Profit on Sale of Treasury Shares	14,764	2,287

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

( ₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Promotional Income / Professional Fees	-	1,450
Provision for Gratuity written back	-	140
Miscellaneous Income	917	85
<b>Total</b>	<b>46,257</b>	<b>70,046</b>

### 32 Employee Benefit Expenses

( ₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Salaries ,Wages and Bonus	97,584	69,143
Contribution to PF and Other funds	5,911	3,414
Staff Welfare	919	1,141
Leave Encashment	458	133
Directors' Remuneration	7,577	4,482
Gratuity	1,996	984
<b>Total</b>	<b>114,445</b>	<b>79,297</b>

### 33 Finance Cost

( ₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
a) Interest on Long Term Borrowings		
- Term Loans	42,058	38,975
- Debentures (to Related Parties) (Refer Note : 37)	8,026	1,012
- On Loans from Directors	6,378	5,859
b) Interest on Short Term Borrowings		
- Inter Corporate Deposits	14,802	9,438
- Intra day	-	-
- Cash Credit	28,464	19,721
- On Car Loan	132	71
c) Others	1,355	1,463
d) Interest on Preference Shares measured at amortised cost	-	288
e) Other Borrowing Cost		
- Loan Processing Fees	-	618
- Bank Guarantee Commission	197	590
- Guarantee Commission written off on closure ( Group Company - APMC)	-	594
- Bank Guarantee Commission	-	-
- Loan processing ,registration fee and stamp duty	148	635
- Bank Charges	155	8
<b>Total</b>	<b>101,715</b>	<b>79,272</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 34 Net loss on fair value changes

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>Net loss on financial instruments at fair value through profit or loss</b>		
- Investments		
Preference shares	5,760	-
<b>Total</b>	<b>5,760</b>	<b>-</b>

#### 35 Other Expenses

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Business Associates Expenses	102,475	136,952
Service Charges Demat	2,219	2,912
Commission paid on PMS Management Fees	6,793	6,850
Arbitrage Income Sharing expenses	4,047	9,120
Marketing Expenses	4,475	5,303
Electricity charges	2,046	2,001
Legal and Professional fees	8,452	8,390
Rates and Taxes	5,935	6,645
Membership and Subscription	4,201	3,845
Communication, Connectivity & Telephone Expenses (Net)	3,743	3,050
Conveyance and Travelling	2,313	987
Repairs and Maintenance – Building / Equipments	20,980	11,177
Repairs and Maintenance – Other	2,211	2,280
Office Maintenance	-	42
Insurance	120	151
Leave and License Fees for Premises	999	-
Printing and Stationery (Net)	66	15
Loss on sale of investment	4,461	-
Directors sitting fees	345	375
<b>Auditors' remuneration:-</b>		
Audit fees	2,445	2,060
Tax Audit	125	125
Other Services	367	397
Listing Fees Stock Exchange	467	325
Brokerage /Commission	1,130	70
Stamp Duty	12	856
Data Processing Chgs (Vendors)	-	156
Corporate and Social Responsibility (CSR) ( Refer Note 48)	135	-
Staff Recruitment Expenses	260	-
Transaction Clearing Charges	1,764	1,758
Bad Debts Written off - Provision	1,317	1,395
Baddebts Written Off	3,472	-
Misc Balances Written Off	-	228
Miscellaneous Expenses	16,827	16,740
<b>Total</b>	<b>204,202</b>	<b>224,205</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 36 Contingent Liabilities and Commitments

(₹ in '000)

	Particulars	As on March 31, 2023	As on March 31, 2022
<b>A.</b>	<b>Contingent Liabilities</b>		
a.	<b>Claims against the Company/ disputed liabilities not acknowledged as debts</b>		
i.	Income-tax matters under appeal (AY 16-17) (Refer Note 3)	590	590
ii.	Service Tax matters under appeal (Refer Note 2)	10,198	10,198
iii.	FEMA matter (Refer Note 1)	16,186	16,186
iv.	Income-tax matters under appeal (AY 17-18) (Refer Notes- 4)	11,676	11,676
v.	Disputed Claims against the Group Company not provided for	1,041	1,041
vi.	Disputed tax demanded under various assessment proceedings due to disallowance of various expenses, tax rebates, etc and contested by the Company at appellate authorities (Refer Notes -8)	19,758	19,758
vii.	Income-tax matters under appeal (AY 10-11)	20	20
viii.	Interest on Escrow Deposit (Refer Note 5)	8,506	8,506
ix.	SEBI Penalty (Refer Note 6 and 7)	2,850	1,350
		<b>70,825</b>	<b>69,325</b>
<b>B.</b>	<b>Guarantee given (Refer Note 1)</b>	<b>16,186</b>	<b>16,186</b>

#### Note:

- The Company received pay orders valuing to ₹. 5,072 (₹. in '000) from customers in the financial year 1994-95 in respect of Money Changing business. These payorders were dishonored by the issuing nationalized bank as per the instructions of Directorate of Revenue & Intelligence. The Company was made a party to proceedings under the Customs Act 1962 and the proceeds were sought to be forfeited by the DRI and Customs Department. The Collector of Customs levied a penalty on the Company and its Branch managers under the proceedings. The Company had challenged the award before the Customs, Excise and Gold (Control), Appellate Tribunal, Mumbai (CEGAT) . CEGAT struck down the order acquitting the company and ruled in favour of the Company ordering the Customs Department to release the consideration of the aforesaid sum. The Customs department preferred an appeal in High Court of Mumbai . Ho. Mumbai High Court ordered the Customs Department to release the sum as per the CEGAT order. The Customs Department appealed in the Supreme Court pleading that it will be filing a reference petition soon in Mumbai High Court. The Supreme Court ordered the Customs Department by way of an interim order to release the sum against a bank guarantee of equivalent sum .The company has furnished the required bank guarantee.. The Customs Department has since filed a reference petition before the Hon'ble High Court of Judicature at Bombay and the same is still pending for disposal.  
  
During 1994-95, proceedings were initiated against the Company by the Department of Revenue and Intelligence. under Foreign Exchange Regulations Act, 1973 for the same allegations . FERA was abolished in the year 2000., and sunset clause applied till 2007-2008. The proceedings were decided just before the sunset clause of FERA. In 2007-2008, the Company received an order from the office of the Special Directorate of Enforcement holding Company guilty in respect of defiance with the instructions contained in the FLM Memorandum and imposing a penalty of ₹.16,186 (₹ in '000). The Company contends that it had always complied with the relevant regulations of the Reserve Bank of India as contained in FLM – Memorandum of Instructions to Full-Fledged Money Changers. The Company has filed an appeal before the Appellate Tribunal for Foreign Exchange (ATFE) contesting the order, which is still pending.
- The Service Tax Department had raised a demand of ₹ 10,197.58 (₹ in '000), reflected above in contingent liability, by passing an Ex parte order dated 11th April 2008. The Company's appeal against this order was dismissed by Commissioner (Appeals). Against this order the Company has filed appeal before CESTAT Mumbai. The management, based on expert's advice, is confident that the demand is not sustainable and hence no provision for the same is made in the books of account.
- The Company had received assessment order for financial year 2015-16 (Assessment year 2016-17) raising demand of ₹ 589.87 (₹ in '000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against house property income. The Company has deposited ₹ 118.00 (₹ in '000) against the said demand and had

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

- filed an appeal against the same. The Department has adjusted pending refund for previous years Amounting to ₹. 425.54 (₹ in '000) of A.Y. 2018-19 and ₹ 72.28 (₹ in '000) of AY 2017-18 against the said demand.
- 4 The Company had received assessment order for financial year 2016-17 (Assessment year 2017-18) raising demand of ₹ 11,676.02 (₹ in '000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against house property income. The Company has deposited ₹ 1,215.00 (₹ in '000) against the said demand and had filed an appeal against the same.
  - 5 "The subsidiary company Asit C Mehta Investment Intermediates limited of group entered into agreement with Real Gold LLP (Purchaser) and Kohinoor Planet Construction Pvt Ltd.(seller) on 28.03.2018 becoming Escrow Agent for the deal. As per Agreement, Purchaser has kept deposit with Escrow Agent ( i.e. Company) of ₹ 46,500 (₹ in '000) as Escrow deposit. As per Agreement, it was decided to handover the Escrow Deposit to either Purchaser or seller based on outcome of deal as mentioned in Point no. 4.1 of the agreement. It was also decided as per Point no. 4.7 of the agreement that Escrow agent May keep the Escrow deposit in Fixed deposit form with Nationalized Bank. And interest if any will be passed on to either party on closure of the deal. It was discretionary for the subsidiary Company so subsidiary Company has kept the Money in bank only and not in Fixed Deposit form. During the Year the company has repaid ₹ 46,500 (₹ in '000) from escrow account However interest is not paid and hence shown as contingent liability of ₹ 8,506.44 (₹. in '000) (P.Y ₹ 8,506.44) (₹ in '000)"
  - 6 During the financial Year 20-21, SEBI had Imposed Penalty of ₹. 27 Lacs for Certain alleged Non Compliance observed during inspection for Period 01-07-2017 to 31-07-2018. However Company has Filed Appeal to the Securities Appellate Tribunal, Mumbai for Above mentioned Penalty and Appeal is rejected by Hon'ble Tribunal. The Company has filed appeal in Hon'ble supreme Court against the aforesaid order of the Hon'ble Tribunal. The Company has deposited ₹. 13 Lacs as deposit as per SAT order
  - 7 During the current financial Year SEBI had Imposed Penalty of ₹. 15 Lacs for Certain alleged Non Compliance observed during inspection for Period 01-07-2019 to 03-09-2020. However the Company has Filed an Appeal to the Securities Appellate Tribunal, Mumbai, against the above mentioned Penalty .
  - 8 The subsidiary Company Asit C Mehta Investment Intermediates Limited had received assessment order for financial year 2014-15 (Assessment year 2015-16) and financial year 2016-17(Assessment year 2017-18) raising demand of ₹ 17,186.01/- (in 000) and ₹ 7,509.51/- (in 000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against Business Associates Expenses . The Company has deposited ₹ 2,500/- (in 000) and ₹ 1,502/- (in 000) against the said demand and had filed an appeal against the same. The Department has adjusted pending Refund for Previous years Amounting to ₹ 932.40/- (in 000) of A.Y. 2019-20 against the said demand.
  - 9 In respect of items above, it is not possible for the company to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/authorities.
  - 10 The management, based on the expert's advice, is confident that the said tax demands are not sustainable and hence no provision for the same is made in the books of account.
  - 11 The company does not expect any reimbursement in respect of above contingent liabilities.

### B Commitments

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Commitments	Nil	Nil

### 37 Disclosures of transactions with related parties required under Ind AS 24 on "Related Party Disclosures"

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### A. List of Related Parties with whom transactions have taken place during the Year / Previous Year

##### (I) Key Management Personnel (KMP)

Mr. Asit C Mehta	:- Chairman and Director
Mrs. Deena A. Mehta	:- Non-Executive Director
Mr. Kirit Vora	:- Non-Executive Director
Mr. Binoy Dharod	:- Chief Financial Officer (From 1st September, 2022)
Ms. Khushboo Hanswal	:- Company Secretary (From 13th February, 2023)
Ms. Gauri Gokhale	:- Company Secretary (From 27th May, 2022 Upto 21st October, 2022)
Mr. Sumit Sharma	:- Company Secretary and Compliance officer (Upto 16th May, 2022)

##### (II) Relatives of Key Management Personnel (KMP)

Mr. Chimanlal Mehta	:- Father of Chairman
Mr. Jayesh Desai	:- Brother of Non Executive Director

##### (III) Relatives of Key Management Personnel (KMP)

Mr. Aditya A Mehta	: - Son of Chairman
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##### (Iv) Related parties where significant influence exists and Group Company:

Asit C Mehta Commodity Services Limited  
 Cliqtraders Stockbrokers Private Limited  
 Pantomath capital advisors private limited

#### B. Transactions With Related Parties

(₹ in '000)

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	<b>Rental Income</b>		
i.	Asit C Mehta Commodity Services Limited	120	120
	<b>Interest Received</b>		
i.	Asit C Mehta Commodity Services Limited	5,053	3,677
	<b>Rental Expenses</b>		
i.	Mr. Asit C Mehta	120	720
ii.	Mrs. Deena A. Mehta	120	840
	<b>Interest Paid on Loan</b>		
i.	Mr. Asit C Mehta	3,131	4,156
ii.	Mrs. Deena A. Mehta	3,386	2,089
iii.	Asit C Mehta Commodity Services Limited	-	343
iv.	Cliqtrade Stockbrokers Private Limited	2,572	-

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

(₹ in '000)

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	<b>Share Capital Money Paid</b>		
i.	Mr. Aakash A Mehta	-	1,620
ii.	Mr. Aditya A Mehta	-	1,395
iii.	Mr. Asit C Mehta	-	879
iv.	Mrs. Deena A. Mehta	-	388
v.	Mrs. Prachi Mehta	-	225
	<b>Share Capital Money Received (including Share Premium)</b>		
i.	Jayesh Desai	-	1,500
	<b>Professional Fees Received</b>		
i.	Mr. Aakash A Mehta	-	1,450
	<b>Arbitrage share / Brokerage paid -</b>		
i.	Asit C Mehta Commodity Services Limited	261	418
	<b>Reimbursement of Expenses</b>		
i.	Asit C Mehta Commodity Services Limited	-	86
ii.	Mr. Asit C Mehta	203	316
iii.	Mrs. Deena A. Mehta	506	823
iv.	Mr. Pankaj Parmar	-	25
	<b>Guarantee Commission written off on closure (Group Company)</b>		
i.	Asit C Mehta Commodity Services Limited	-	594
	<b>Interest paid on Debentures</b>		
i.	Mr. Asit C Mehta	2,499	315
ii.	Mrs. Deena A. Mehta	4,749	598
iii.	Asit C Mehta Commodity Services Limited	779	98
iv.	Mr. Chimanlal Mehta	0	0
v.	Mr. Jayesh Desai	0	0
	<b>Remuneration to KMP</b>		
i.	Mr. Asit C Mehta	2,160	2,160
ii.	Mr. Kirit Vora	2,322	2,160
iii.	Mr. Pankaj Parmar	4,864	2,882
iv.	Mr. Binoy Dharod	497	-
v.	Ms. Khushboo Hanswal	313	-
vi.	Mr. Ashok Gupta	-	1,314
vii.	Mr. Sumit Sharma	27	91

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

(₹ in '000)

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	<b>Sitting Fees to KMP</b>		
i.	Mr. Asit C Mehta	40	60
ii.	Mrs. Deena A. Mehta	50	60
iii.	Mr. Kirit Vora	70	85
	<b>Loan Received</b>		
i.	Mrs. Deena A. Mehta	81,320	49,925
ii.	Mr. Asit C. Mehta	1,000	125,980
iii.	Asit C Mehta Commodity Services Limited	-	40,000
iv.	Cliqtraders Stockbrokers Private Limited	234,000	-
	<b>Loan Repaid</b>		
i.	Mrs. Deena A. Mehta	16,700	54,450
ii.	Mr. Asit C. Mehta	10,400	93,825
iii.	Asit C Mehta Commodity Services Limited	-	40,000
	<b>Loan Given</b>		
i.	Asit C Mehta Commodity Services Limited	98,730	227,081
ii.	Mr. Sumit Sharma	-	25
	<b>Loan Repayment Received</b>		
i.	Asit C Mehta Commodity Services Limited	126,852	198,959
ii.	Mr. Sumit Sharma	25	-
	<b>Deposit Received back</b>		
i.	Deposit for Premises received back from Director - Mrs. Deena A. Mehta and Asit C. Mehta	-	43,000
	<b>Deposit Paid back</b>		
i.	Asit C Mehta Commodity Services Limited	1,500	-
	Acquisition of Further stake in Equity Shares of ACMIIL (for 2,00,656 ₹ In '000') through Allotment of Unsecured Redeemable NCD		
i.	Mr. Asit C. Mehta	-	118,713
ii.	Mrs. Deena A. Mehta	-	62,476
iii.	Asit C Mehta Commodity Services Limited	-	19,465
v.	Mr. Jayesh Desai	-	1
vi.	Others (Non Related)	-	1
	<b>Sale of Investment Property (immovable)</b>		
i.	Mr. Asit C. Mehta	-	48,000

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### C. Outstanding Balances

(₹ in '000)

	Particulars	As on March 31, 2023	As on March 31, 2022
	<b>Closing balance Receivable:</b>		
i.	Asit C Mehta Commodity Services Limited (incl Interest)	-	28
ii.	Mr. Aakash A Mehta	-	711
iii.	Sumit Sharma	-	25
	<b>Closing Balance Payable:</b>		
i.	Mrs. Deena A. Mehta	83,757	19,397
ii.	Mr. Aakash A Mehta	-	67
iii.	Mr. Asit C Mehta	25,093	33,479
iv.	Asit C Mehta Commodity Services Limited	-	76
v.	Mr. Asit C Mehta (Reimbursement)	-	480
vi.	Cliqtraders Stockbrokers Private Limited	236,314	-
	<b>Property Deposit Payable</b>		
i.	Asit C Mehta Commodity Services Limited	-	1,500

#### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

#### 38 Earnings Per Share (EPS)

Particulars	As on March 31, 2023	As on March 31, 2022
Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in '000)	(93,125)	14,633
Number of Equity Shares at the beginning of the year	4,847,377	4,833,575
Add:- Treasury Shares disposed during the year	105,183	13,802
<b>Number of Equity Shares at the end of the year</b>	<b>4,952,560</b>	<b>4,847,377</b>
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	4,887,145	4,833,613
<b>Face Value per Equity Share</b>	<b>10.00</b>	<b>10.00</b>
<b>Basic and Diluted Earnings per Share</b>	<b>(19.06)</b>	<b>3.03</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### 39 Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans, Security provided and Investments :

(₹ in '000)

Sr. No.	Name of the Company	Rate of Interest	Due Date	Secured/ unsecured	Purpose of Loan	As on March 31, 2023	As on March 31, 2022
1	<b>Inter Corporate deposits and Loans (Unsecured)</b>						
	Chargein Kiosk Private Limited	15%	Repayable on demand	Unsecured	Business Purpose	5,000	4,475
	Algo IQ Software Solution Private Limited	11%	Repayable on demand	Unsecured	Business Purpose	3,501	62,762
	Pentation Analytics Private Limited	11.5%	Repayable on demand	Unsecured	Business Purpose	4,816	2,620
	Ladder 2 Rise Private Limited	15%	Repayable on demand	Unsecured	Business Purpose	142	599
	Asit C. Mehta Commodity Services Limited	11%	Repayable on demand	Unsecured	Business Purpose	-	28,122
	Ashrit Holdings Limited	11%	Repayable on demand	Unsecured	Business Purpose	-	50,014
	Kipa Scientific Private Limited	11%	Repayable on demand	Unsecured	Business Purpose	-	50,014
	Phase Holdings Private Limited	11%	Repayable on demand	Unsecured	Business Purpose	-	25,007
2	<b>Investments</b>						
	For details refer note 4 to the Notes to Financial Statements						

#### 40 Additional Regulatory Information:

##### Utilisation of Borrowed Fund and Share Premium during the year:

The Holding Company in the ordinary course of business advanced, loaned and made investments on its own account, in equities, resulting into increasing its stake in one of its subsidiaries and a new subsidiary during the year. The Holding Company has also provided Guarantees and Securities on behalf of its one of the subsidiaries to fulfill the conditions of sanction from the said subsidiary's Bankers. Except for the the same to the best of its knowledge & belief, no funds, of material in nature have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

#### 41 Lease

##### Rental Income Related to operating leases:

(₹ in '000)

	Particulars	As on March 31, 2023	As on March 31, 2022
i	Rental Income recognised in Statement of Profit and Loss for the year	14,143	7,802
	<b>Total</b>	<b>14,143</b>	<b>7,802</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

The Holding Company has, inter alia, leased some of its immovable property to two of its subsidiaries, that is leased to entities within the Group and therefore, in terms of the relevant provisions of Ind AS 40 on "Investment Property" such leased immovable property to the extent so leased, would not be regarded as Investment Property from the perspective of the Group, being in nature of "owner occupied property" as so defined in the said Ind AS and accordingly, such immovable property needs to be presented as Property, Plant & Equipment ("PPE") in consolidated financial statements ("CFS") of the Group. However, it is not practicable or possible to ascertain or find out the cost or deemed cost of such immovable leased property for presenting as PPE in CFS. In view of this, in CFS, the Group has not separately presented the amount pertaining to such leased immovable property as PPE and has continued to disclose under Investment Property only.

( ₹ in '000)

	Particulars	As on March 31, 2023	As on March 31, 2022
i	Lease rental Income		
	Total of lease rent Income for a period :		
	Not later than one year	17,523	5,064
	Later than one year but not later than five years	52,590	16,645
	Later than five years	-	-
<b>Total</b>		<b>70,113</b>	<b>21,709</b>

#### Note 42:

#### Additional Regulatory Information :

Receipt Of Fund From Any Persons And Entities And Use Thereof For Lending, Investments, Etc. During The Year :

Fund Movement of Borrowings and Loans & Advances - Rule 11(e) & 11(f) of the Companies Rules, 2014

( ₹ in '000)

Advances given			Further Advances Given		
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
27.06.2022	Edgytal Fintech Investment Services Pvt. Ltd	2,000	30.06.2022	Asit C Mehta Investment Intermediates Limited	2,000
21.02.2023	Edgytal Fintech Investment Services Pvt. Ltd	42,500	21.02.2023	Asit C Mehta Investment Intermediates Limited	41,500
28.03.2023	Edgytal Fintech Investment Services Pvt. Ltd	2,300	28.03.2023	Asit C Mehta Investment Intermediates Limited	2,000
31.03.2023	Edgytal Fintech Investment Services Pvt. Ltd	4,500	31.03.2023	Asit C Mehta Investment Intermediates Limited	4,500
04.05.2022	Nucleus IT Enabled Services Limited	1,000	04.05.2022	Asit C Mehta Investment Intermediates Limited	1,000
14.09.2022	Nucleus IT Enabled Services Limited	50,000	14.09.2022	Asit C Mehta Investment Intermediates Limited	50,000
20.09.2022	Nucleus IT Enabled Services Limited	20,000	20.09.2022	Asit C Mehta Investment Intermediates Limited	20,000
21.09.2022	Nucleus IT Enabled Services Limited	20,000	21.09.2022	Asit C Mehta Investment Intermediates Limited	20,000
22.09.2022	Nucleus IT Enabled Services Limited	3,000	22.09.2022	Asit C Mehta Investment Intermediates Limited	2,800
26.09.2022	Nucleus IT Enabled Services Limited	50,000	26.09.2022	Asit C Mehta Investment Intermediates Limited	50,000
27.09.2022	Nucleus IT Enabled Services Limited	25,000	27.09.2022	Asit C Mehta Investment Intermediates Limited	25,000
28.09.2022	Nucleus IT Enabled Services Limited	1,000	28.09.2022	Asit C Mehta Investment Intermediates Limited	1,000
10.10.2022	Nucleus IT Enabled Services Limited	1,000	10.10.2022	Asit C Mehta Investment Intermediates Limited	1,000
11.10.2022	Nucleus IT Enabled Services Limited	5,000	11.10.2022	Asit C Mehta Investment Intermediates Limited	5,000

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

( ₹ in '000)

Advances given			Further Advances Given		
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
19.10.2022	Algoiq Software Solutions Private Limited	25,000	19.10.2022	Asit C Mehta Investment Intermediates Limited	25,000
16.11.2022	Nucleus IT Enabled Services Limited	12,000	16.11.2022	Asit C Mehta Investment Intermediates Limited	12,000
21.02.2023	Nucleus IT Enabled Services Limited	85,650	21.02.2023	Asit C Mehta Investment Intermediates Limited	85,650

### Fund Movement of Borrowings and Loans & Advances - Rule 11 (e) (ii) & 11(f) of the Companies Rules, 2014

( ₹ in '000)

Receipt			Payment		
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
05.04.2022	Deena Mehta	5,000	06.04.2022	Nucleus IT Enabled Services Limited	5,000
27.04.2022	Nucleus IT Enabled Services Limited	600	27.04.2022	Deena Mehta	200
			28.04.2022	Deena Mehta	200
04.05.2022	Deena Mehta	1,500	04.05.2022	Nucleus IT Enabled Services Limited	1,000
			06.05.2022	Edgytal Fintech Investment Services Pvt Ltd	200
17.05.2022	Nucleus IT Enabled Services Limited	600	17.05.2022	Deena Mehta	600
25.05.2022	Nucleus IT Enabled Services Limited	100	25.05.2022	Deena Mehta	100
27.06.2022	Nucleus IT Enabled Services Limited	8,000	27.06.2022	Edgytal Fintech Investment Services Pvt Ltd	2,000
10.08.2022	Edgytal Fintech Investment Services Pvt Ltd	1,000	10.08.2022	Deena Mehta	1,000
29.08.2022	Edgytal Fintech Investment Services Pvt Ltd	1,000	29.08.2022	Deena Mehta	1,000
05.09.2022	Edgytal Fintech Investment Services Pvt Ltd	500	07.09.2022	Deena Mehta	500
14.09.2022	Pantomath Finance Private Limited	50,000	14.09.2022	Nucleus IT Enabled Services Limited	50,000
19.09.2022	Pantomath Finance Private Limited	20,000	20.09.2022	Nucleus IT Enabled Services Limited	20,000
20.09.2022	Pantomath Finance Private Limited	20,000	21.09.2022	Nucleus IT Enabled Services Limited	20,000
26.09.2022	Pantomath Finance Private Limited	50,000	26.09.2022	Nucleus IT Enabled Services Limited	50,000
27.09.2022	Algoiq Software Solutions Private Limited	25,000	27.09.2022	Nucleus IT Enabled Services Limited	25,000
28.09.2022	Deena Mehta	1,000	28.09.2022	Nucleus IT Enabled Services Limited	1,000
10.10.2022	Deena Mehta	5,000	11.10.2022	Nucleus IT Enabled Services Limited	5,000
18.10.2022	Nucleus IT Enabled Services Limited	8,000	18.10.2022	Deena Mehta	8,000
19.10.2022	Nucleus IT Enabled Services Limited	25,000	19.10.2022	Algoiq Software Solutions Private Limited	25,000
20.10.2022	Nucleus IT Enabled Services Limited	30,000	20.10.2022	Pantomath Finance Private Limited	30,000
14.11.2022	Nucleus IT Enabled Services Limited	2,500	14.11.2022	Deena Mehta	1,700
21.11.2022	Nucleus IT Enabled Services Limited	15,000	21.11.2022	Pantomath Finance Private Limited	15,000
21.11.2022	Nucleus IT Enabled Services Limited	5,000	21.11.2022	Pantomath Finance Private Limited	5,000

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

( ₹ in '000)

Receipt			Payment		
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
15.12.2022	Nucleus IT Enabled Services Limited	5,000	15.12.2022	Deena Mehta	5,000
20.02.2023	Cliqtrade Stock Brokers Private Limited	120,000	20.02.2023	Pantomath Finance Private Limited	120,000
21.02.2023	Cliqtrade Stock Brokers Private Limited	95,000	21.02.2023	Pantomath Finance Private Limited	20,000
			21.02.2023	Nucleus IT Enabled Services Limited	72,500
21.02.2023	Deena Mehta	55,500	21.02.2023	Edgytal Fintech Investment Services Pvt Ltd	57,500
15.03.2023	Edgytal Fintech Investment Services Pvt Ltd	1,000	15.03.2023	Deena Mehta	1,000
21.03.2023	Edgytal Fintech Investment Services Pvt Ltd	500	21.03.2023	Deena Mehta	500
22.03.2023	Edgytal Fintech Investment Services Pvt Ltd	300	22.03.2023	Deena Mehta	300
31.03.2023	Cliqtrade Stock Brokers Private Limited	4,000	31.03.2023	Edgytal Fintech Investment Services Pvt Ltd	4,000

### From the books of Asit C. Mehta Investments Intermediates Limited

( ₹ in '000)

Advances given			Further Advances Given		
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
01.07.2022	Edgytal Fintech Investment Services Pvt Ltd	2,000	01.07.2022	Asit C Mehta Financial Services Limited	1,500
14.07.2022	Edgytal Fintech Investment Services Pvt Ltd	3,000	14.07.2022	Asit C Mehta Financial Services Limited	2,300
		-	28.07.2022	Asit C Mehta Financial Services Limited	200
25.07.2022	Edgytal Fintech Investment Services Pvt Ltd	1,000	25.07.2022	Asit C Mehta Financial Services Limited	1,000
05.08.2022	Edgytal Fintech Investment Services Pvt Ltd	500	05.08.2022	Asit C Mehta Financial Services Limited	500
10.08.2022	Edgytal Fintech Investment Services Pvt Ltd	1,000	10.08.2022	Asit C Mehta Financial Services Limited	1,000
11.08.2022	Edgytal Fintech Investment Services Pvt Ltd	2,000	10.08.2022	Asit C Mehta Financial Services Limited	1,900
29.08.2022	Edgytal Fintech Investment Services Pvt Ltd	1,000	29.08.2022	Asit C Mehta Financial Services Limited	1,000
05.09.2022	Edgytal Fintech Investment Services Pvt Ltd	2,000	05.09.2022	Asit C Mehta Financial Services Limited	500
14.09.2022	Edgytal Fintech Investment Services Pvt Ltd	2,000	14.09.2022	Asit C Mehta Financial Services Limited	1,500
18.10.2022	Edgytal Fintech Investment Services Pvt Ltd	30,000	18.10.2022	Algo IQ Software Solution Private Limited	30,000
03.03.2023	Edgytal Fintech Investment Services Pvt Ltd	2,500	08.03.2023	Asit C Mehta Financial Services Limited	500
14.03.2023	Edgytal Fintech Investment Services Pvt Ltd	2,500	14.03.2023	Asit C Mehta Financial Services Limited	3,500
15.03.2023	Edgytal Fintech Investment Services Pvt Ltd	1,500	15.03.2023	Asit C Mehta Financial Services Limited	1,000
20.03.2023	Edgytal Fintech Investment Services Pvt Ltd	1,000	20.03.2023	Asit C Mehta Financial Services Limited	800
21.03.2023	Edgytal Fintech Investment Services Pvt Ltd	500	21.03.2023	Asit C Mehta Financial Services Limited	500
		-	22.03.2023	Asit C Mehta Financial Services Limited	300
06.04.2022	Nucleus IT Enabled Services Limited	92,000	06.04.2022	Asit C Mehta Financial Services Limited	42,000
		-	06.04.2022	Fortune Credit Capital Limited	50,000

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

( ₹ in '000)

Advances given			Further Advances Given		
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
07.04.2022	Nucleus IT Enabled Services Limited	50,000	07.04.2022	Asit C Mehta Financial Services Limited	50,000
11.04.2022	Nucleus IT Enabled Services Limited	20,000	11.04.2022	Midland Leisure and Entertainments Private Limited	20,000
11.04.2022	Nucleus IT Enabled Services Limited	200	11.04.2022	Asit C Mehta Financial Services Limited	100
13.04.2022	Nucleus IT Enabled Services Limited	2,300	13.04.2022	Asit C Mehta Financial Services Limited	2,300
20.04.2022	Nucleus IT Enabled Services Limited	500	20.04.2022	Asit C Mehta Financial Services Limited	500
25.04.2022	Nucleus IT Enabled Services Limited	1,500	25.04.2022	Asit C Mehta Financial Services Limited	1,300
27.04.2022	Nucleus IT Enabled Services Limited	1,500	27.04.2022	Asit C Mehta Financial Services Limited	600
		-	28.04.2022	Asit C Mehta Financial Services Limited	150
		-	29.04.2022	Asit C Mehta Financial Services Limited	700
27.04.2022	Nucleus IT Enabled Services Limited	500	13.05.2022	Asit C Mehta Financial Services Limited	1,200
29.04.2022	Nucleus IT Enabled Services Limited	700			
15.05.2022	Nucleus IT Enabled Services Limited	1,300	16.05.2022	Asit C Mehta Financial Services Limited	50
17.05.2022	Nucleus IT Enabled Services Limited	600	17.05.2022	Asit C Mehta Financial Services Limited	600
19.05.2022	Nucleus IT Enabled Services Limited	300	19.05.2022	Asit C Mehta Financial Services Limited	300
25.05.2022	Nucleus IT Enabled Services Limited	150	25.05.2022	Asit C Mehta Financial Services Limited	100
31.05.2022	Nucleus IT Enabled Services Limited	200	31.05.2022	Asit C Mehta Financial Services Limited	150
06.06.2022	Nucleus IT Enabled Services Limited	25,000	06.06.2022	Phase Holdings Private Limited	25,000
27.06.2022	Nucleus IT Enabled Services Limited	10,000	27.06.2022	Asit C Mehta Financial Services Limited	9,000
28.06.2022	Nucleus IT Enabled Services Limited	10,000	27.06.2022	Asit C Mehta Financial Services Limited	10,000
19.09.2022	Nucleus IT Enabled Services Limited	300	19.03.2022	Asit C Mehta Financial Services Limited	150
28.09.2022	Nucleus IT Enabled Services Limited	2,500	28.09.2022	Asit C Mehta Financial Services Limited	2,000
06.10.2022	Nucleus IT Enabled Services Limited	700	06.10.2022	Asit C Mehta Financial Services Limited	800
		-	12.10.2022	Asit C Mehta Financial Services Limited	50
18.10.2022	Nucleus IT Enabled Services Limited	1,000	18.10.2022	Asit C Mehta Financial Services Limited	900
		-	14.12.2022	Asit C Mehta Financial Services Limited	100
18.10.2022	Nucleus IT Enabled Services Limited	8,000	18.10.2022	Asit C Mehta Financial Services Limited	8,000
19.10.2022	Nucleus IT Enabled Services Limited	25,000	19.10.2022	Asit C Mehta Financial Services Limited	25,000
20.10.2022	Nucleus IT Enabled Services Limited	30,000	20.10.2022	Asit C Mehta Financial Services Limited	30,000
14.11.2022	Nucleus IT Enabled Services Limited	2,500	14.11.2022	Asit C Mehta Financial Services Limited	2,500
21.11.2022	Nucleus IT Enabled Services Limited	20,000	21.11.2022	Asit C Mehta Financial Services Limited	20,000
05.12.2022	Nucleus IT Enabled Services Limited	1,000	05.12.2022	Pentation Analytics Private Limited	1,000
14.12.2022	Nucleus IT Enabled Services Limited	2,100	14.12.2022	Asit C Mehta Financial Services Limited	2,100

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

(₹ in '000)

Advances given			Further Advances Given		
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
15.12.2022	Nucleus IT Enabled Services Limited	5,000	15.12.2022	Asit C Mehta Financial Services Limited	5,000
20.12.2022	Nucleus IT Enabled Services Limited	500	20.12.2022	Asit C Mehta Financial Services Limited	500
30.12.2022	Nucleus IT Enabled Services Limited	2,200	30.12.2022	Asit C Mehta Financial Services Limited	1,800
04.01.2023	Nucleus IT Enabled Services Limited	600	04.01.2023	Asit C Mehta Financial Services Limited	600
13.01.2023	Nucleus IT Enabled Services Limited	3,000	13.01.2023	Asit C Mehta Financial Services Limited	2,800
		-	20.01.2023	Pentation Analytics Private Limited	400
01.02.2023	Nucleus IT Enabled Services Limited	500	01.02.2023	Asit C Mehta Financial Services Limited	500
07.02.2023	Nucleus IT Enabled Services Limited	200	07.02.2023	Asit C Mehta Financial Services Limited	200
14.02.2023	Nucleus IT Enabled Services Limited	2,400	14.02.2023	Asit C Mehta Financial Services Limited	2,300
		-	16.02.2023	Asit C Mehta Financial Services Limited	100
17.02.2023	Nucleus IT Enabled Services Limited	700	17.02.2023	Asit C Mehta Financial Services Limited	700
07.04.2022	Asit C Mehta Commodity Services Limited	50,000	07.04.2022	Kipa Scientific Private Limited	50,000
29.09.2022	Midland Leisure and Entertainments Private Limited	35,000	30.09.2022	Asit C Mehta Commodity Services Limited	35,000
13.12.2022	Asit C Mehta Commodity Services Limited	35,700	13.12.2022	Midland Leisure and Entertainments Private Limited	35,000
27.09.2022	Algo IQ Software Solution Private Limited	25,000	27.09.2022	Asit C Mehta Financial Services Limited	25,000
28.09.2022	Algo IQ Software Solution Private Limited	30,000	28.09.2022	Edgytal Fintech Investment Services Private Limited	30,000
31.03.2023	Algo IQ Software Solution Private Limited	3,500	31.03.2023	Edgytal Fintech Investment Services Pvt Ltd	3,500

### From books of Edgytal Fintech Investment Services Private Limited

Advances given			Further Advances Given		
Date	Name of the Entity	Amount	Date	Name of the Entity	Amount
25.07.2022	Asit C Mehta Financial Services Limited	1,000	28.07.2022	Deena A Mehta	500
10.08.2022	Asit C Mehta Financial Services Limited	1,000	10.08.2022	Deena A Mehta	1,000
29.08.2022	Asit C Mehta Financial Services Limited	1,000	29.08.2022	Deena A Mehta	500
			29.08.2022	Asit C Mehta	500
05.09.2022	Asit C Mehta Financial Services Limited	500	07.09.2022	Asit C Mehta	500
21.03.2023	Asit C Mehta Financial Services Limited	500	21.03.2023	Asit C Mehta	500
22.03.2023	Asit C Mehta Financial Services Limited	300	22.03.2023	Asit C Mehta	300

**Notes forming part of the Consolidated Financial Statements**

**43 Employee Benefits :**

The Group has classified various employee benefits as under:

**A. Defined Contribution Plans**

**Provident Fund**

The Provident Fund are operated by the Regional Provident Fund Commissioner. Under the schemes, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Group has recognised the following amounts in the Statement of Profit and Loss:

( ₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Contribution to Provident Fund	5,933	3,068
Employer's contribution to ESIC	234	346
<b>TOTAL</b>	<b>6,167</b>	<b>3,414</b>

**B. Defined Benefit Plans**

**Gratuity**

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

( ₹ in '000)

Particulars	Valuation as on	
	March 31,2023	March 31,2022
Mortality	IALM (2012-14) Table	
Discount Rate (per annum)	7.50%	6.95%
Rate of increase in Compensation levels (per annum)	5.00%	5.00%
Attrition Rate	0.8% for all ages	0.8% for all ages
Retirement Age	58 years	58 years

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**Note on other risks:**

**Investment risk** - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Interest Risk** – A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary risk** -The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

( ₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
	Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded
<b>i. Changes in Present value of Obligation</b>				
Present value of defined benefit obligation at the beginning of the year *	17,125	16,954	7	4
Transfer in(out) obligation	(562)	-	-	-
Current Service Cost	1,771	1,862	776	4
Interest Cost	1,028	971	1	0
Components of actuarial gain/losses on obligations:				
Due to Change in financial assumptions	(421)	(808)	(0)	(1)
Due to change in demographic assumption	287	-	-	-
Due to experience adjustments	1,568	(881)	(10)	(1)
Benefits Paid	(864)	(973)	-	-
Present value of defined benefit obligation at the end of the year (PVO)	19,932	17,125	773	7
<b>ii. Fair value of Plan Assets</b>				
Fair value of plan assets at the beginning of the year	15,800	14,270	-	-
Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
Interest Income	1,017	853	-	-
Return on plan assets excluding amounts included in interest income	(338)	(349)	-	-
Employer's Contributions	1,520	2,000	-	-
Benefits Paid	(864)	(973)	-	-
<b>Fair value of plan assets at the end of the year</b>	<b>17,135</b>	<b>15,800</b>	-	-
<b>iii. Amount to be recognised in the Balance Sheet and Statement of Profit and Loss</b>				
Present value of defined benefit obligation at end of year	19,932	17,124	773	7
Fair Value of Plan Assets at end of the year	(17,135)	(15,800)	-	-
Net Assets/(Liability) recognised in the Balance Sheet	2,797	1,324	773	7

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**
**Notes forming part of the Consolidated Financial Statements**

( ₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
	Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded
<b>iv. Expenses recognised in the Statement of Profit and Loss</b>				
Current Service Cost	1,771	1,862	776	4
Interest cost on benefit obligation (net)	11	118	1	0
Total Expenses recognised in the Statement of Profit and Loss	1,782	1,980	776	4
<b>v. Remeasurement Effects Recognised in Other Comprehensive Income for the year</b>				
Components of actuarial gain/losses on obligations:				
- Due to Change in financial assumptions	(421)	(808)	(0)	(1)
- Due to change in demographic assumption	287	-	-	-
- Due to experience adjustments	1,568	(881)	(10)	(1)
Return on plan assets excluding amounts included in interest income	338	349	-	-
Amounts recognised in Other Comprehensive (Income) / Expense	<b>1,772</b>	<b>(1,339)</b>	<b>(10)</b>	<b>(2)</b>
<b>vi. Movements in the Liability recognised in Balance Sheet</b>				
Opening Net Liability	1,324	2,684	7	4
Adjustment to opening balance	(562)	-	-	-
Expenses as above	1,782	1,980	776	4
Contribution paid	(1,520)	(3,000)	-	-
Other Comprehensive Income (OCI)	1,772	(339)	(10)	(2)
Closing Net Liability	<b>2,797</b>	<b>1,324</b>	<b>773</b>	<b>7</b>
<b>vii. Cash flow Projection</b>				
Within the next 12 months (next annual reporting period)	5,531	4,103	67	0
2nd following year	1,568	391	131	0
3rd following year	1,200	594	101	0
4th following year	1,092	336	96	0
5th following year	3,556	258	89	0
Sum of Years 6 To 10	10,086	8,912	430	1

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

( ₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
	Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded
<b>viii. Sensitivity Analysis*</b>				
Projected Benefit Obligation on Current Assumptions				
Delta Effect of +1% Change in Rate of Discounting	18,953	15,816	752	6
Delta Effect of -1% Change in Rate of Discounting	21,018	18,647	796	8
Delta Effect of +1% Change in Rate of Salary Increase	20,852	18,343	794	8
Delta Effect of -1% Change in Rate of Salary Increase	19,105	15,937	753	6
<b>ix. The major categories of plan assets as a percentage of total</b>				
Insurer managed funds	-	-	-	-

#### Note on Sensitivity Analysis

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the inter relationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

**Notes to the Consolidated Financial Statements**  
**Note : 44 Ratios**

S No.	Ratio	Formula	31 March 2023		31 March 2022		Ratio as on 31 March 2023	Ratio as on 31 March 2022	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator				
(a)	Current Ratio	Current Assets(i) / Current Liabilities(ii)	748,051	1,011,796	898,268	1,057,462	0.74	0.85	-13%	
(a)	Debt-Equity Ratio	Total Debt(iii) / Shareholder's Equity	1,162,599	-11,743	1,066,163	100,546	(99.00)	10.60	-1034%	There is an decreases in profitability, due to decreases revenue and net margin, Resulted in net loss in current year and Higher Debt-Equity Ratio
(c)	Debt Service Coverage Ratio	Earning available for debt Service(iv) / Debt Service(v)	13,613	332,692	110,645	174,185	0.04	0.64	-94%	There is an decreases in profitability due to decreases revenue and net margin, along with reduction in the debt and its repayments.
(d)	Return on Equity Ratio	Profit after tax x 100 / Average Shareholder's Equity	-93,125	44,401	14,633	192,956	(2.10)	0.08	-2866%	There is an Decreases in profitability due to decreases revenue and net margin and due loss on sale of investments Resulted in net loss in current year.
(e)	Inventory Turnover Ratio	Cost of Goods Sold OR Sales / Average Inventory	Not Applicable							
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	292,067	76,644	345,362	78,077	3.81	4.42	-14%	There is an Decreases net revenue ( Credit Sale ) but higher average trade receivables with last year, resulted in net decreases in ratio.
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Not Applicable							
(h)	Net Capital Turnover Ratio	Net Sales / Working Capital	292,067	-263,745	345,362	-159,194	(1.11)	(2.17)	-49%	There is an Decreases net Working Capital due to repayment of client fund and Refunds of Inter Corporate loans given as net Result in Decreases net Working
(i)	Net Profit Ratio	Net Profit / Net Sales	-93,125	292,067	14,633	345,362	(0.32)	0.04	-853%	There is an decreases in profitability due to decreases revenue and net margin Resulted in net loss During the year and decrease in net profit ratio
(j)	Return on Capital Employed	EBIT / Capital Employed(vi)	-1,958	1,150,856	93,896	1,166,708	(0.00)	0.08	-102%	There is an decreases in profitability due to decreases revenue and net margin Resulted in net loss During the year and decrease in Return on Capital Employed
(k)	Return on Investment	PBT+Finance Cost / Total Assets	-1,654	1,592,918	95,157	1,703,362	(0.00)	0.06	-102%	There is an decreases in profitability due to decreases revenue and net margin Resulted in net loss During the year and decrease in Return on Investment

**Footnote:**

- (i) Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale
- (ii) Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability
- (iii) Debt= long term borrowing and current maturities of long-term borrowings and Current Borrowing
- (iv) Earning for Debt Service =Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
- (v) Debt Service = Interest Loans + Principal Repayments
- (vi) Capital Employed= Share Capital + Reserve and Surplus + Borrowing ( Current + Non current)

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### Note 45:

#### Financial Instruments :

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### Valuation

- The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the Consolidated financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

#### Fair Value measurement hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

The carrying amounts and fair values of financial instruments by class are as follows:

( ₹ in '000)

Particulars	As on March 31, 2023				As at March 31, 2022			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>Measured at Amortised Cost</b>								
Investment in Unquoted Preference shares		-	-	-	2,273	-	-	-
Loans	13,531	-	-	-	224,191	-	-	-
Trade Receivable	81,620	-	-	-	71,667	-	-	-
Cash and cash equivalents	110,558	-	-	-	121,015	-	-	-
Other Bank Balance	253,806	-	-	-	141,121	-	-	-
Others	314,024	-	-	-	367,926	-	-	-
	<b>773,539</b>	-	-	-	<b>928,193</b>	-	-	-

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

(₹ in '000)

Particulars	As on March 31, 2023				As at March 31, 2022			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Measured at FVTPL</b>								
Investment in Unquoted Preference shares	2,490	-	-	2,490	-	-	-	-
<b>Measured at FVTOCI</b>								
Investment in equity instruments	95,648	41,428	18	54,201	66,443	9,871	18	56,553
Investment In Mutual Fund	5,296	5,296	-	-	5,000	5,000	-	-
<b>Total Financial Assets</b>	<b>876,973</b>	<b>46,724</b>	<b>18</b>	<b>56,691</b>	<b>999,636</b>	<b>14,871</b>	<b>18</b>	<b>56,553</b>
<b>Financial Liabilities</b>								
<b>Measured at Amortised Cost</b>								
Borrowing	1,162,599	-	-	-	1,066,163	-	-	-
Trade Payables	389,812	-	-	-	487,563	-	-	-
Other financial liabilities	29,915	-	-	-	30,062	-	-	-
<b>Total Financial Liabilities</b>	<b>1,582,326</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,583,788</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Note 46:

#### Capital Management and Financial Risk Management Policy:

##### A. Capital Management

For the purpose of Group's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Group's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Group monitors capital using debt-equity ratio as its base, which is total debt divided by total equity.

##### 2. Debt Equity Ratio - Total Debt divided by Total Equity

(₹ in '000)

Particulars	As on March 31, 2023	As on March 31, 2022
Total Debt	1,162,599	1,066,163
Total Equity	(11,743)	100,546
Debt Equity Ratio	(99.00)	10.60

##### B. Financial Risk Management and Policies

The group financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The group principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the group operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company manages the risk basis policies approved by the board of directors.

**Notes forming part of the Consolidated Financial Statements**

The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

**Company has exposure to following risk arising from financial instruments:**

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Risk management</b>
Credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets.	Credit limit and ageing analysis	Highly rated bank deposits and diversification of asset base.
Liquidity risk	Borrowings, trade payables and other financial liabilities.	Cash flow forecasts	Committed borrowing and other credit facilities and sale of loan assets (whenever required)
Market risk - interest rate	Change in interest rate of variable rates borrowings.	Sensitivity analysis	Review of cost of funds and pricing disbursement
Market risk - security price	Investments in equity securities, mutual funds.	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

In order to avoid excessive concentration of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

**i) Credit Risk**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments in units of mutual funds, other balances with banks, deposits and other receivables.

**a) Trade Receivable**

Customer credit risk managed by Company's established policy, procedure and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

**b) Financial instruments**

The Company limits its exposure to credit risk by investing mainly in units of debt funds issued by mutual funds and that too have higher credit rating. The company monitors changes in credit risk by tracking published external credit ranking.

**ii) 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, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Company has designed risk management framework to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

**Notes forming part of the Consolidated Financial Statements**

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

**Interest rate sensitivity**

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

Particulars	As at	Closing balance	Effect on profit before tax	
			1% Increase	1% Decrease
Borrowings (Impact on profit and loss)	31 March 2023	1,162,599	11,626	(11,626)
Borrowings (Impact on profit and loss)	31 March 2022	1,066,163	10,662	(10,662)

**(ii) Price risk**

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short term debt funds, government securities and fixed deposits. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

Particulars	As at	Closing balance	Effect on profit before tax	
			5% Increase	5% Decrease
Investment (Impact on profit and loss)	31 March 2023	41,428	2,071.40	(2,071)
Investment (Impact on profit and loss)	31 March 2022	9,871	493.57	(494)

**a) Equity Risk**

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than purposes. The Company does not actively trade these investments. Profit for the year ended March 31, 2023 and March 31, 2022 would have been unaffected as the equity investments are FVTOCI and none of the investments were disposed off during the year and resulting profit/(loss) on sale of investment is required to be recorded in Other Comprehensive Income.

**iii) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The table below provides details regarding the remaining contractual maturities of Group's financial liabilities.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

(₹ in '000)

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
<b>As at March 31, 2023</b>				
Non-derivative financial liabilities				
Borrowings	579,621	139,107	443,871	1,162,599
Trade Payables	389,812	-	-	389,812
Other financial liabilities	29,915	-	-	29,915
	<b>999,348</b>	<b>139,107</b>	<b>443,871</b>	<b>1,582,326</b>
<b>As at March 31, 2022</b>				
Non-derivative financial liabilities				
Borrowings	527,168	1,243	537,752	1,066,163
Trade Payables	487,563	-	-	487,563
Other financial liabilities	30,062	-	-	30,062
	<b>1,044,793</b>	<b>1,243</b>	<b>537,752</b>	<b>1,583,788</b>

#### Note 47:

#### Information on Segment Reporting as per Ind AS 108 on “Operating Segments”:

Operating Segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the company to make decisions for performance assessment and resource allocation.

The Group has identified following four reportable primary segments, in terms of Ind AS 108 on ‘ Operating Segment’:

- Investment Activities
- Advisory and Consultancy services
- Information Technology Enabled Services ( IT)
- Stock Broking and allied Services

#### I. Operating Segment

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>A. Segment Revenue (Sales / Services to external customers):</b>		
a. Investment Activities	14,143	7,802
b. Advisory and Consultancy services	2,825	3,654
c. Information Technology Enabled Services ( IT)	-	818
d. Stock Broking and allied Services	275,099	333,088
<b>Total Revenue</b>	<b>292,067</b>	<b>345,362</b>
<b>B. Segment Results :</b>		
a. Investment Activities	(21,021)	(15,093)
b. Advisory and Consultancy services	1,133	1,577
c. Information Technology Enabled Services ( IT)	(13,391)	(1,975)
d. Stock Broking and allied Services	(14,632)	40,602
<b>Total</b>	<b>(47,911)</b>	<b>25,111</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Add: Unallocable Income	46,257	70,046
Less: Interest Expense	101,715	79,272
<b>Profit/(Loss) before Tax</b>	<b>(103,369)</b>	<b>15,885</b>

(₹ in '000)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>Other Information :</b>		
<b>Segment Assets</b>		
a. Investment Activities	593,848	531,781
b. Advisory and Consultancy services	3,028	3,558
c. Information Technology Enabled Services ( IT)	116,986	171,376
d. Stock Broking and allied Services	876,507	986,177
Others – Unallocated	2,549	10,470
<b>Total</b>	<b>1,592,918</b>	<b>1,703,362</b>
<b>Segment Liabilities</b>		
a. Investment Activities	874,854	681,157
b. Advisory and Consultancy services	-	-
c. Information Technology Enabled Services ( IT)	8,268	112,371
d. Stock Broking and allied Services	720,991	806,912
e. Others – Unallocated	548	2,376
<b>Total</b>	<b>1,604,661</b>	<b>1,602,816</b>
<b>Capital Employed</b>		
a. Investment Activities	(281,006)	(149,376)
b. Advisory and Consultancy services	3,028	3,558
c. Information Technology Enabled Services ( IT)	108,718	59,005
d. Stock Broking and allied Services	155,516	179,265
e. Others – Unallocated	2,001	8,094
<b>Total</b>	<b>(11,743)</b>	<b>100,546</b>

Segment wise and Customer wise Revenue comprising 10% or more of respective segment of Revenue:

(₹ in '000)

Particulars	As on March 31, 2023		As on March 31, 2022	
	Revenue	No. of Customers	Revenue	No. of Customers
Investment Activities	12,937	3	18,468	3
Advisory Services	2,500	1	3,150	2
<b>Total</b>	<b>15,437</b>	<b>4</b>	<b>21,618</b>	<b>5</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### Note : 48 Corporate Social Responsibility

(₹ in '000)

Particulars	As on March 31, 2023
(a) Amount required to be spent by the company during the year	135
(b) Actual Amount Spent by the Company during the year	Nil
(c) Shortfall at the end of the year	135
(d) Total of previous years shortfall	Nil
(e) Reason for shortfall	Current years unspent amount was due to inability to identify suitable projects.
(f) Details of related party transactions	Nil
(g) Provision made with respect to a liability incurred by entering into a contractual obligation.	Nil

The Company has made provision of ₹. 135 (₹. in '000) for Corporate Social Responsibility.

#### Note 49:

#### Disclosure pursuant to Indian Accounting Standard (Ind AS) 112 “ Disclosure of interest in other entities”

##### a. Change in the Group's ownership interest in a subsidiary (without ceasing control)

##### i) On account of Change in holding

During the previous year 2021-22, the group's continuing interest in Asit C. Mehta Investment Intermediates Ltd. has increased by 35.53% on account of acquisition of 59,01,650 Equity share of ₹ 10 each on premium of ₹ 24 from the Promoters Mr. Asit C. Mehta, Mrs. Deena A. Mehta and Asit C. Mehta Commodity Services Ltd. by Asit C Mehta Financial Services Ltd. on 14-02-2022.

During the previous year 2021-22, the group's interest has been increased in Edgytal Fintech Investment Services Private Limited by 77.89% on account of Issuing 30,00,000 Equity share of ₹ 10 each on premium of ₹ 5 and 50,00,000 Share Warrants at ₹ 1.50 per warrant to Asit C Mehta Financial Services Ltd. on 30-03-2022.

##### b. Disclosure of subsidiary having material non-controlling interest : - Asit C. Mehta Investment Intermediates Ltd

##### (i) Summarised Statement of Profit and Loss

(₹ in '000)

Particulars	ACMIIL	
	2022-23	2021-22
Revenue	316,415	396,707
Profit/(Loss) for the year	(25,544)	62,609
Other comprehensive income	(18,906)	2,357
<b>Total comprehensive income</b>	<b>(44,450)</b>	<b>64,966</b>
Total Comprehensive Income allocated to non-controlling interest	(3,071)	4,489
Dividend to non-controlling interest	-	-

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### (ii) Summarised Balance Sheet

(₹ in '000)

Particulars	ACMIIL	
	As on March 31, 2023	As on March 31, 2022
Current assets (a)	722,858	889,208
Current liabilities (b)	716,821	803,289
<b>Net current assets (c) = (a) - (b)</b>	<b>6,037</b>	<b>85,919</b>
Non-current assets (d)	176,220	140,241
Non-current liabilities (e)	4,170	3,623
<b>Net non-current assets (f) = (d) - (e)</b>	<b>172,050</b>	<b>136,618</b>
Net assets (g) = (c) +(f)	178,087	222,537
Accumulated non-controlling interest	12,306	15,377

#### (iii) Summarised Cash flows

(₹ in '000)

Particulars	ACMIIL	
	2022-23	2021-22
Cash flows from operating activities	(180,114)	96,018
Cash flows from investing activities	(15,171)	47,902
Cash flows from financing activities	188,126	(126,155)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(7,159)</b>	<b>17,765</b>

#### c. Disclosure of subsidiary having material non-controlling interest : - Edgytal Fintech Investment Services Private Limited

##### (i) Summarised Statement of Profit and Loss

(₹ in '000)

Particulars	EDGYTAL	
	2022-23	2021-22
Revenue	12,077	1,816
Profit/(Loss) for the year	(9,802)	(2,349)
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(9,802)</b>	<b>(2,349)</b>
Profit/(Loss) allocated to non-controlling interest	(2,167)	(510)
Dividend to non-controlling interest	-	-

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements

#### (ii) Summarised Balance Sheet

(₹ in '000)

Particulars	EDGYTAL	
	2022-23	2021-22
Current assets (a)	2,321	885
Current liabilities (b)	71,473	45,903
<b>Net current assets (c) = (a) - (b)</b>	<b>(69,152)</b>	<b>(45,018)</b>
Non-current assets (d)	116,600	101,366
Non-current liabilities (e)	903	-
<b>Net non-current assets (f) = (d) - (e)</b>	<b>115,697</b>	<b>101,366</b>
Net assets (g) = (c) + (f)	46,545	56,348
Accumulated non-controlling interest	10,291	12,459

#### (iii) Summarised Cash flows

(₹ in '000)

Particulars	EDGYTAL	
	2022-23	2021-22
Cash flows from operating activities	19,255	44,673
Cash flows from investing activities	(14,416)	(100,517)
Cash flows from financing activities	(4,728)	55,861
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>111</b>	<b>17</b>

- (iv) One of the Subsidiary ("ACMIIL") of the Group had sold the online business Assets as Slump sale to another Subsidiary ("EDGYTAL") at ₹1,00,000 (in '000) and booked the profit of ₹6,953 (in '000) during the previous year. The said Subsidiary had complied with relevant clauses mentioned in the agreement entered between them. The said Subsidiary ("ACMIIL") has disclosed the profit of ₹6,953 (in '000) as Profit from discontinued business unit on the face of profit & loss account. Due to carried forward unabsorbed depreciation and business loss from the previous years, The tax Liability is NIL.

#### Note 50:

#### Additional information pursuant to Schedule III to the Companies Act, 2013

Name of the Entity in the Group	Net assets i.e., total assets minus total liabilities		Share of Profit or (Loss)		Share in Other Comprehensive income		Share in Total Comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated Other comprehensive Income	Amount	As % of Consolidated Total comprehensive Income	Amount
<b>Parent Company</b>								
Asit C. Mehta Financials Services Limited	804	(275,977)	65	(57,780)	7	(1,306)	55	(59,086)
<b>Indian Subsidiaries</b>								
Edgytal Fintech Investment Services Private Limited	(317)	108,718	11	(9,802)	-	-	9	(9,802)
Asit C. Mehta Investment Intermediates Limited	(453)	155,516	29	(25,544)	100	(18,906)	41	(44,450)
<b>Total</b>	<b>34</b>	<b>(11,743)</b>	<b>105</b>	<b>(93,126)</b>	<b>107</b>	<b>(20,212)</b>	<b>105</b>	<b>(113,338)</b>
<b>Less: Non-controlling Interest in all subsidiaries</b>	<b>(66)</b>	<b>22,593</b>	<b>5</b>	<b>(3,932)</b>	<b>7</b>	<b>(1,307)</b>	<b>5</b>	<b>(5,239)</b>
<b>TOTAL</b>	<b>100</b>	<b>(34,336)</b>	<b>100</b>	<b>(89,194)</b>	<b>100</b>	<b>(18,906)</b>	<b>100</b>	<b>(108,099)</b>

### Notes forming part of the Consolidated Financial Statements

#### 51 Title deeds of Immovable Properties not held in name of the Company

The title deeds of all the immovable properties in financial statements, are held in the name of the company.

#### 52 Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

#### 53 Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

#### 54 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

#### 55 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

#### 56 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

#### 57 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year and previous year in the tax assessments under the Income Tax Act, 1961.

#### 58 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the current year and previous year.

#### 59 Compliance with approved scheme of arrangement

Pursuant to the Composite Scheme of Arrangement (the "Scheme") under the provisions of Section 230 to 232 of the Companies Act, 2013 in respect of merger of Nucleus IT Enabled Services Ltd. (Wholly owned subsidiary/ Transferor Company) with the Company, the Board of Directors of the Company at its meeting held on April 16, 2021, considered and approved the Scheme. The Scheme has also been approved by the Hon'ble National Company Law Tribunal ("NCLT") vide its order dated January 20, 2023, with the appointed date of March 31, 2021. All the assets, liabilities, reserves and surplus of the Transferor Company have been transferred to and vested in the Company with effect from appointed date at their carrying values. The Company had received requisite approvals from the Honourable NCLT having jurisdiction over the Company and the Transferor Company. The Company has given effect to the scheme in the standalone financial statements for the year ended March 31, 2023.

As per the requirements of Appendix C to Ind AS 103 "Business Combination", the financial information in the standalone financial statements in respect of prior periods have been restated as if the common control business combination had occurred from the beginning of the preceding period in the standalone financial statements. Accordingly, the comparatives for the year ended 31 March 2022 have been restated after recognising the effect of the merger as stated above.

#### 60 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### Notes forming part of the Consolidated Financial Statements

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.”

**61 No Significant Subsequent events have been observed which may require an adjustments to the financial statements.**

**62 Previous year's figures have been regrouped and reclassified wherever necessary.**

As per our report of even date attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration Number :105047W

For and on behalf of the Board of Directors

**Swapnil Kale**

Partner

Membership Number: 117812

**Asit C Mehta**

Director

DIN: 00169048

**Kirit H Vora**

Director

DIN: 00168907

Mumbai  
May 29, 2023.

Mumbai  
May 29, 2023.

**Binoy Dharod**

Chief Financial Officer

**Khushboo Hanswal**

Company Secretary

Mumbai  
May 29, 2023

Mumbai  
May 29, 2023

Mumbai  
May 29, 2023

**Notes**





## **Asit C. Mehta Financial Services Ltd.**

**CIN: L65900MH1984PLC091326**

Pantomath Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai : 400072.