September 26, 2025

The Manager,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai 400 001.

Re: Scrip Code of Debt: 955968, Security ID: FFSPLZC27, ISIN: INE712W08037
Scrip Code of Debt: 959019, Security ID: FFSPLZC29, ISIN: INE712W08029

Dear Sirs/Madam,

Ref: Disclosure under Regulations 50(2) and 53(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Notice of the 21st Annual General Meeting ('AGM') and Annual Report of the Company for FY 2024-25

We wish to inform you that the 21st AGM of Finquest Financial Solutions Private Limited ('the Company') will be held on Tuesday, September 30, 2025 at 5:00 P.M. (IST) at the Registered Office of the Company.

The Notice of the AGM as well as Annual Report for FY 2024-25 is enclosed and have also been made available on the website of the Company at www.finquestfinance.in

This is for your information and record please.

For FINQUEST FINANCIAL SOLUTIONS PRIVATE LIMITED

FINQUEST FINANCIAL SOLUTIONS PVT. LTD. MUMBAI

HARDIK B. PATEL
MD & CEO
DIN: 00590663

CC: Debenture Trustee
IDBI Trusteeship Services Limited

FINQUEST

YOUR FINANCIAL GOAL. OUR QUEST

21 ST ANNUAL REPORT 2024-2025

Your Financial Goal. Our Quest.

Shri. Late Bharat Jayantilal Patel

An investor with an inspirational ideology and an industrialist with equal vision and empathy, he had transformed the lives of many. An outstanding leader with an unmatched business acumen. His presence and guidance will always be remembered as we continue to take his legacy forward.

CONTENTS

Board of Directors

Mr. Hardik B Patel
(Managing Director, CEO)
DIN: 00590663

Mr. Ruchit B Patel
(Non-Executive Director)
DIN: 00603359

Mr. BSP Murthy
(Non-Executive Director)
DIN: 00011584

Mr. Dhiren S Shah
(Independent Director)
DIN: 001149436

Ms. Kalyani Sharma
(Independent Director)
DIN: 09756212

CORPORATE INFORMATION

Company Secretary
Ms. Chhaya Piyush Patel (for the period from February 07, 2024 to September 25, 2024)
Ms. Himali Trivedi (for the period from February 6, 2025 to June 27, 2025)

Legal Entity Identifier Number:
3358002WCD4I4QCKFT45

Registered Office
Finquest Financial Solutions Private Limited
CIN: U74140MH2004PTC146715
602, Boston House, 6th Floor,
Suren Road, Andheri (E),
Mumbai-400093
Tel: 022-4000 2600
Email: hpatel@finquestonline.com
Website: www.finquestfinance.in

Statutory Auditors
Batliboi & Purohit
204, National Insurance Building,
2nd Floor, D. N. Road,
Fort, Mumbai - 400001

Debenture Trustee
IDBI Trusteeship Services Limited
Ground Floor, Universal Insurance Building,
Sir Phiro Mumbai - 400001, Maharashtra.
Tel.: 022 4080 7000
Fax: 022 6631 1776
Website: www.idbitrustee.com

Credit Rating Agency
Brickwork Ratings India Private Limited
3rd Floor, Raj Alkaa Park,
Kalena Agrahara,
Bannerghatta Road,
Bengaluru - 560076

Registrars & Share Transfer Agents
MUFG Intime India Pvt. Ltd.
C 101, 247 Park,
Lal Bahadur Shastri Rd,
Surya Nagar, Gandhi Nagar,
Vikhroli West, Mumbai-400083
Website: https://in.mpms.mufg.com/
Tel.: 022 4918 6000

FINQUEST FINANCIAL SOLUTIONS PRIVATE LIMITED

CIN: U74140MH2004PTC146715
Registered Office: 602, Boston House, 6th Floor, Suren Road, Andheri (E), Mumbai – 400 093
E-mail: hpatel@finquestonline.com | **Telephone:** +91 (022) 40002600 | **Website:** www.finquestfinancial.in

NOTICE OF 21ST ANNUAL GENERAL MEETING ON SHORTER NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST (21ST) ANNUAL GENERAL MEETING OF THE MEMBERS OF FINQUEST FINANCIAL SOLUTIONS PRIVATE LIMITED (THE "COMPANY") WILL BE HELD ON TUESDAY, SEPTEMBER 30, 2025, AT 5.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 602, BOSTON HOUSE, 6TH FLOOR, SUREN ROAD, ANDHERI (E), MUMBAI-400093

ORDINARY BUSINESS:

ITEM NO. 1:

To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the Financial Year ended on March 31, 2025 and the reports of the Board of Directors and the Auditors thereon.

ITEM NO. 2:

To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the Financial Year ended on March 31, 2025 and the report of the Auditors thereon.

SPECIAL BUSINESS:

ITEM NO. 3:

Re-appointment Mr. Dhiren Shevantilal Shah (DIN: 01149436) as an Independent Director of the Company:

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

"RESOLVED THAT, pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the LODR Regulations") and any other regulatory regulation applicable to Company [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], Mr. Dhiren Shevantilal Shah (DIN: 01149436) who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from 23rd day of July, 2020 to 22nd day of July, 2025 (both day of inclusive) and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Companies Act and based on the recommendation of the Nomination & Remuneration Committee and approval of Board of Directors in their Meeting held on Thursday, 26th June, 2025 the consent of members be and is hereby accorded for re-appointed Mr Dhiren Shevantilal Shah (DIN: 01149436) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years effective from 23rd day of July, 2025 to 22nd day of July, 2030.

By Order of the Board
For **Finquest Financial Solutions Private Limited**

Sd/-
Hardik Bharat Patel
(Managing Director & CEO)
DIN:00590663

Place: Mumbai
Date: 26.06.2025

Registered Office:
602, Boston House, 6th Floor,
Suren Road, Andheri (E),
Mumbai - 400093
(CIN: U74140MH2004PTC146715)

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting (the AGM / Meeting) is entitled to appoint a proxy(s) to attend and vote instead of himself/herself and the proxy need not be a member of the company. The proxy form in order to be effective and valid should be duly stamped and signed and must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. Members/proxies should bring the duly filled Attendance Slip enclosed herewith, to attend the meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. The Statutory Registers including the Register of Directors and their shareholding, maintained u/s 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 and all other documents referred to in the Notice of the meeting and explanatory statement, will be available for inspection by the members of the Company at Registered Office of the Company during business hours {10:00 A.M. to 06:00 P.M.} (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. A Route Map along with Prominent Landmark for easy location to reach the venue of Annual General Meeting is annexed with the notice of Annual General Meeting.
7. Corporate members intending to send their authorised representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.

EXPLANATORY STATEMENT

[Pursuant to Sections 102 of the Companies Act, 2013]

The following Statement sets out all material facts relating to the special business mentioned under Item Nos. 3 of the accompanying Notice dated 26th June, 2025:

The members are requested to note that the current term of Mr. Dhiren Shevantilal Shah (DIN: 01149436), as an Independent Director was ended on 22nd July 2025.

In accordance with the provision of Section 149 of the Companies Act 2013 and based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on June 26, 2025, proposed the re-appointment of Mr. Dhiren as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from 23rd day of July, 2025 to 22nd day of July, 2030 (both days inclusive), for the approval of the Members by way of a Special Resolution.

The NRC taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mr. Dhiren Shah has rich experience of over three decades in the abovementioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mr. Dhiren Shah continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in her role as an Independent Director of the Company and her continued association would be of immense benefit to the Company.

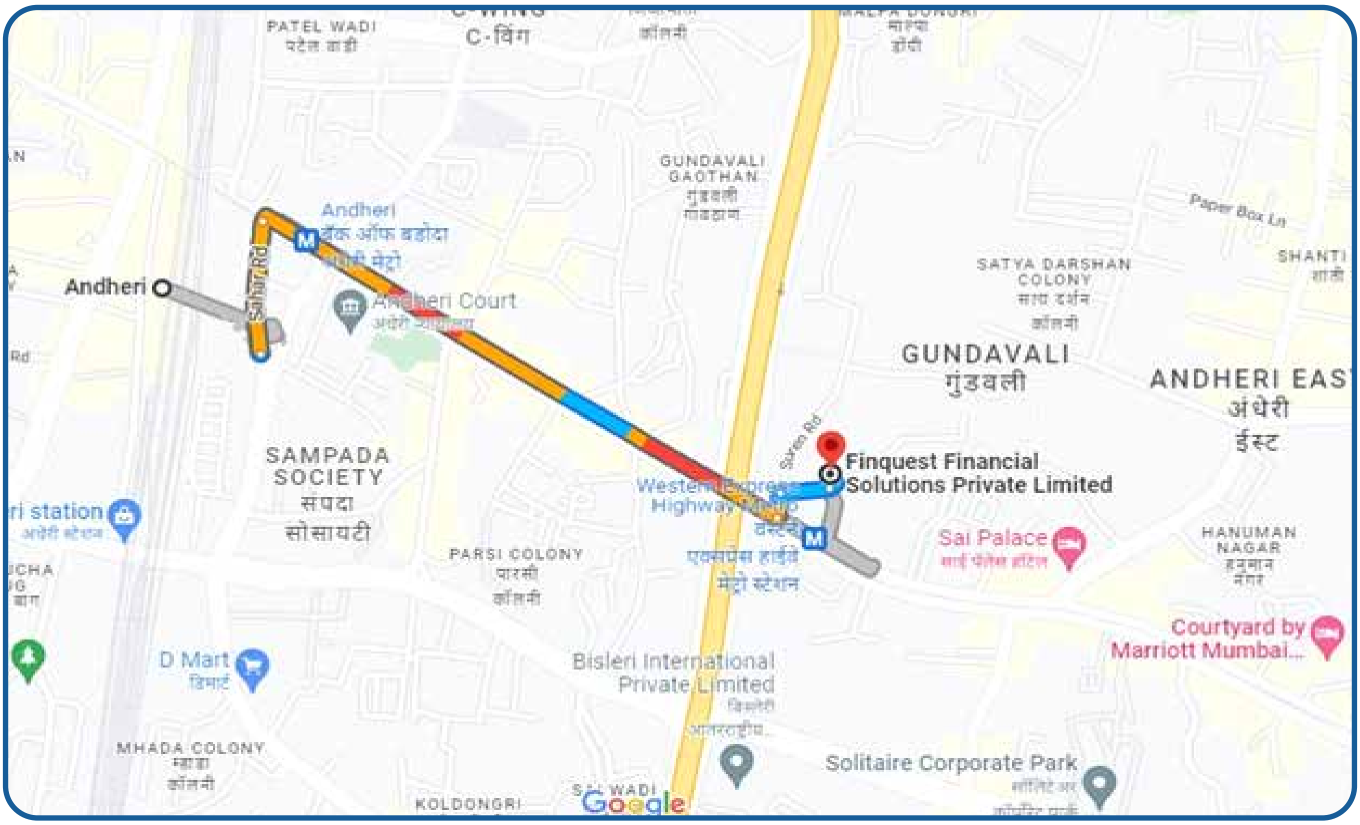
The Company has received a declaration from Mr. Dhiren Shah confirming that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the LODR Regulations") and any other regulatory regulation applicable to Company [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] Mr. Dhiren Shah has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. Mr. Dhiren Shah has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, as per applicable provision of SEBI Listing Regulations and other applicable provisions of the Act, the re-appointment of Mr. Dhiren as an Independent Director

The Board commends the Special Resolution set out in Item No. 3 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mr. Dhiren Shah and his relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice.

ROUTE MAP INDICATING THE VENUE OF ANNUAL GENERAL MEETING OF THE COMPANY:



Disclosures as required under SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

1.	Name in Full	Mr. Dhiren Shevantilal Shah
2.	DIN	01149436
3.	Date of birth	29th April, 1956
4.	Age	68 years
5.	Qualification	M.COM, LLB., C.A. with 12th Rank , GRAD I.C.W.A.
6.	Expertise in specific functional areas	He has over 35 years of rich experience in the field of equity research and corporate finance.
7.	Terms and conditions of re-appointment	Re-appointment as an Independent Director for a period of 5 years commencing from July 23, 2025 to July 22, 2030 (both days inclusive) [Refer Item No. 3 of the Notice and Explanatory Statement]
8.	Directorships in other Companies	Moneybee Securties Private Limited Moneybee Investment Advisors Private Limited Moneybee Advisors Private Limited TEE Ventures (INDIA) Private Limited MRK Healthcare Private Limited Rigata Tools Private Limited Yessworks Spaces Private Limited Anchor Pens and Stationery Private Limited Moneybee Realty Private Limited
9	Affirmation that the Director being appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Not debarred from holding the office of Director by virtue of any order passed by SEBI or any other such authority.

FINQUEST
YOUR FINANCIAL GOAL. OUR QUEST

FINQUEST FINANCIAL SOLUTIONS PRIVATE LIMITED

Registered Office: 602, Boston House, 6th Floor, Suren Road, Andheri (E), Mumbai – 400 093
E-mail: hpatel@finquestonline.com | **Telephone:** +91 (022) 40002600
CIN: U74140MH2004PTC146715

Attendance Slip of 21st Annual General Meeting

To be handed over at the entrance of the meeting room/hall

Name of the Member

Name of the proxy (To be filled if the proxy attends instead of the member)

Registered Folio No.	
DP ID	
Client ID	

No. of shares held:

I/We hereby record my/our presence at the Twenty-first Annual General Meeting to be held at Finquest Financial Solutions Private Limited, 602, Boston House, 6th Floor, Suren Road, Andheri (E), Mumbai-400093 on **Tuesday, 30th September 2025 at 5.00 p.m.**

Mumbai ________________________ (Member's/Proxy's Signature)

(To be signed at the time of handing over the slip)

Member/Proxyholder are requested to bring their copies of the Annual Report at the Annual General Meeting.

DIRECTORS' REPORT

To
The Members,
Finquest Financial Solutions Private Limited

Your Directors have pleasure in presenting their Twenty-first (21st)) Annual Report on the business, operations and the state of affairs of your company together with Audited financial statements of the Company for the year ended 31st March 2025.

1. FINANCIAL PERFORMANCE:

The key highlights of the financial results of the Company are summarized below:

(Rs. In Lakhs)

Particulars	Consolidated	Standalone	
	2024-25	2024-25	2023-24
Total Revenue	56623.73	7908.94	15099.88
Total Expenses	57770.62	2282.59	175.91
Profit/(Loss) Before exceptional items and tax	**(1146.91)**	**5626.36**	**14923.97**
Less : Exceptional items	**(3702.36)**	**1865.84**	**-**
Profit/(Loss) Before tax	**(4849.27)**	**7492.22**	**14923.97**
Less: Tax Expenses			
1. Current Tax	2436.45	2436.45	1240.16
2. Earlier Year's Tax	293.94	293.94	-
3. Provision for Tax			-
4. Deferred Tax	(517.28)	(1158.78)	1956.21
5. Prior Period Adjustments			-
Net Profit/ (Loss) after Tax	**(8320.77)**	**5920.61**	**11727.60**
Transfer to special reserve under Section 45-IC of the Reserve Bank of India Act, 1934(20% of the net profit every year)		**1184.12**	**2345.52**

2. OVERVIEW OF THE COMPANY'S FINANCIAL PERFORMANCE:

Total Revenue:

Total revenue earned by the Company including other Income during the financial year ended March 31,2025 was Rs. 7908.94 lakhs as compared to Rs. 15099.88 lakhs during the previous financial year ended March 31, 2024.

Profit/ (Loss) before Tax:

Profit before tax posted by the Company for the financial year ended March 31, 2025 was Rs. 7492.22 lakhs as against profit before tax of Rs. 14923.97 lakhs recorded in the previous financial year ended March 31, 2024.

Profit/ (Loss) after Tax:

Profit after tax was Rs. 5920.61 lakhs for the financial year ended March 31, 2025, as against Loss of Rs. 11727.60 lakhs in the previous financial year ended March 31, 2024.

3. MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023

RBI vide its circular dated 19 October 2023, has introduced reserve bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 (the 'Master Directions') which now supersedes the existing NBFC-Systemically Important Non-Deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016.

As per the Master Directions, regulatory structure for NBFCs shall comprise of four layers based on their size, activity, and perceived riskiness. NBFCs in the lowest layer shall be known as NBFC - Base Layer (NBFC-BL). NBFCs in middle layer and upper layer shall be known as NBFC - Middle Layer (NBFC-ML) and NBFC - Upper Layer (NBFC-UL), respectively. RBI may, based on the size of an NBFC, classify some of them as NBFC Top Layer.

In accordance with the Master Directions, Non-Deposit taking NBFCs below the asset size of ₹ 1,000 crore are classified as a Base Layer of the regulatory structure. The asset size of your Company is 586.24 Crores, therefore it falls under the Base Layer.

4. PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any public deposits, and the Board has also passed the necessary resolution for non-acceptance of any public deposits during the financial year 2024-25.

5. TRANSFER TO SEPECIAL RESERVE:

In terms of Section 45-IC of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year. Accordingly, the Company has transferred a sum of Rs. 1184.12 Lakhs to its reserve fund.

DIRECTORS' REPORT

6. **CHANGE IN NATURE OF BUSINESS OF THE COMPANY:**

During the period under review, there was no change in the nature of business of the Company.

7. **DECLARATION OF DIVIDEND AND TRANSFER OF UNPAID / UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The Directors do not recommend any dividend for the Financial Year 2024-25. There are no unpaid/unclaimed Dividend out of Dividend declared and paid during the last seven years, the provisions of Section 125 of the Companies Act, 2013 with regard to transfer of Unclaimed Dividend to Investor Education and Protection Fund is not applicable to the Company.

8. **SHARE CAPITAL:**

During the financial year under review, there has been no change in the Authorized and the Paid-up share capital of the Company.

As on March 31, 2025, the Authorised Share Capital of the Company was Rs. 42,00,00,000/- (Rupees Forty-Two Crore only) divided into (i) 3,20,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 32,00,00,000 (Rupees Thirty-Two Crore Only) and (ii) 1,000 Preference Shares of Rs. 1,00,000/- aggregating to Rs. 10,00,00,000 (Rupees Ten Crore Only).

As on March 31, 2025, the Paid-up Equity Share Capital of the Company was Rs. 31,90,00,000 (Rupees Thirty-One Crore Ninety Lakhs Only) divided into 3,19,00,000 Equity Shares of Rs. 10/- each.)

Preference Shares

The Company does not have preference shares in its capital.

Issue of sweat equity shares

The Company did not issue any Sweat Equity Shares during the financial year under review.

Issue of employee stock options

The Company did not issue any Employee Stock Options during the financial year under review.

Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company did not perform such a transaction during the reporting period.

Bonds:

The Company did not issue any Bonds during the financial year under review.

9. **RESERVES AND SURPLUS:**

The Reserves and Surplus as at March 31, 2025 was Rs. 35,314.64 lakhs as against Rs. 29,392.45 lakhs as at March 31, 2024.

10. **SUBSIDIARY & ASSOCIATE COMPANY & JOINT VENTURE:**

The following companies are the subsidiaries of the Company.

Name of the Company	Percentage of Holding
Digjam Limited	**75%**
Reid & Taylor International Private Limited (Formerly known as Krihaan Texchem Private Limited)*	**NA**
Ballarpur Industries Limited	**51%**
Legguino India Private Limited	**100%**

*Reid & Taylor International Private Limited, ceased to be subsidiary w.e.f. March 27, 2025

The Company does not have any Joint Venture or Associate Company. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of financial statements of the Company's subsidiary in Form AOC-1 is annexed as Annexure I to this Report.

11. **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the year under review is annexed as **Annexure II** to this Report.

12. **LOAN BOOK:**

The loan book of the Company as on March 31, 2025, is Rs. 17,707.72 lakhs as against Rs. 11,732.78 lakhs as on March 31, 2024.

13. **DEBT-EQUITY RATIO:**

The Debt Equity Ratio of the Company as on March 31, 2025 was 0.49 times.

14. **EARNING PER SHARE (EPS):**

The Basic Earning per share was 18.56 for the financial year ended March 31, 2025 as against Rs. 36.76 in the previous financial year ended March 31, 2024.

15. **CAPITAL ADEQUACY:**

The Capital to Risk Assets Ratio (CRAR) of the Company is 63.66 % as on March 31, 2025, as against the prescribed RBI norms of 15%. Out of the above, Tier I capital adequacy ratio stood at 63.00 % and Tier II capital adequacy ratio stood at 0.66 %, as on March 31, 2025.

16. **NET OWNED FUNDS:**

The Net Owned Funds of the Company as on March 31, 2025 was Rs. 16,398 lakhs Rs. As against 9498.82 lakhs as on March 31, 2024.

17. **CREDIT RATING:**

During the year under review Brickwork Ratings India Private Limited has downgraded the long term rating on the Non Convertible Debentures of the Company to BWR B- /Stable/ Continues to be ISSUER NOT COOPERATING/Downgraded.

18. **BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

During the year under review, there has been no change in the Board of Directors of the Company.

The composition of the Board of Directors of the Company is in accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act").

DIRECTORS' REPORT

As on March 31, 2025, the Company had following 5 (five) directors on its Board, including 2 (two) Independent Directors.

Name of the Directors	Designation
Mr. Hardik Bharat Patel	Managing Director (MD) & Chief Executive Officer (CEO)
Mr. Parashiva Murthy B S	Non-Executive Director
Mr. Dhiren Shah Shevantilal	Independent Director
Ms. Kalyani Sharma	Independent Director
Mr. Ruchit Patel	Non-Executive Director

All the Directors of the Company have confirmed that they are not disqualified to act as Directors of the Company in terms of Section 164 of the Companies Act, 2013.

The details of the KMP in the Company as per Section 2(51) and Section 203 of the Act, as on March 31, 2025 are given below:

Name of the KMP	Designation
Mr. Hardik Bharat Patel	Managing Director & Chief Executive Officer (CEO)
Mrs. Chhaya Piyush Patel*	Company Secretary
Mrs. Himali Trivedi	Company Secretary

**During the year under review, Ms. Chhaya Piyush Patel was appointed as Company Secretary & Compliance Officer of the company w.e.f February 07, 2024 and resigned from the designation of Company Secretary & Compliance Officer of the Company w.e.f. September 25, 2024.*

***During the year under review Ms. Himali Trivedi was appointed as Company Secretary & Compliance Officer of the company w.e.f. February 06, 2025 and resigned from the designation of Company Secretary & Compliance Officer of the Company w.e.f. June 27, 2025*

19. DECLARATION BY THE DIRECTORS OF THE COMPANY:

INDEPENDENT DIRECTORS

The Company has received declaration/confirmation from the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and there has been no change in the circumstances affecting their status as independent director of the Company.

The Independent Directors has also confirmed that they complies with the Schedule IV of the Companies Act, 2013.

NON-EXECUTIVE DIRECTORS

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

DECLARATIONS OF FIT AND PROPER CRITERIA BY THE DIRECTORS

The Company has received declaration/confirmation from the Directors of the Company confirming that they meet the criteria of Fit and Proper person in accordance with the Policy of the 'Policy on Fit and Proper Criteria for Directors'

20. BOARD MEETINGS:

During the financial year 2024-25, the Board met 6 (Six) times on May 30, 2024, June 11, 2024, July 22, 2024, August 14, 2024, November 14, 2024, February 06, 2025, the gap between the two meetings was not more than one hundred and twenty (120) days.

The details of attendance of the directors at the board meetings held during the financial year 2024-25 and at the last annual general meeting are given below:

Name of the Directors	No. of meetings held #	No. of meetings attended	Whether attended the Annual General Meeting held on September 30, 2024
Mr. Hardik B. Patel	6	6	Yes
Mr. Parashiva Murthy B S	6	6	Yes
Mr. Dhiren S. Shah	6	6	Yes
Ms. Kalyani Sharma	6	6	Yes
Mr. Ruchit B. Patel*	6	6	Yes

21. BOARD COMMITTEES:

The Board Committees and other committees play an important role in the governance and focus on specific areas and make informed decisions within the scope defined in their respective charters and terms of reference, which are reviewed annually. The Board has constituted / re-constituted the following Committees to take informed decisions in the best interests of the Company:

The Board of Directors of the Company has constituted / re-constituted the following Committees:

1. Audit Committee:

In accordance with the provisions of Section 177 of the Companies Act, 2013 (the Act), and as per requirement of RBI Scale based direction, the Board of the Company has constituted an Audit Committee. The said Committee carries out such functions as are statutorily prescribed under the extant applicable laws and other incidental and ancillary matters related thereto. During the year under review, the Audit Committee met 5 (Five) times i.e. on May 30, 2024, June 11, 2024, August 14, 2024, November 14, 2024, February 06, 2025, The constitution and the number of meetings attended by the Members of the Audit Committee during the year under review is given below:

Name of the Members	Position	No. of meetings held	No. of meetings attended
Mr. Dhiren S. Shah	Chairman	5	5
Mr. Hardik B. Patel	Member	5	5
Ms. Kalyani Sharma	Member	5	5

DIRECTORS' REPORT

Whistle-blower Policy / Vigil Mechanism

The company promotes ethical behavior in all its business activities and has put in place a mechanism wherein the employees are free to report illegal or unethical behavior, actual or suspected fraud or violation of the company's codes of conduct or corporate governance policies, raise concerns against management and business practices, incorrect or misrepresentation of any financial statements and reports or any improper activity being negative in nature to the chairman of the audit committee of the company or chairman of the board. The whistle blower policy has been appropriately communicated within the company.

Under the whistle blower policy, the confidentiality of those reporting violation(s) is protected, and they are not subject to any discriminatory practices. No personnel have been denied access to the audit committee. The functioning of the vigil mechanism is reviewed by the audit committee from time to time.

2. Corporate Social Responsibility Committee:

In accordance with the provisions of Section 135 of the Companies Act, 2013 (the Act), the Board has constituted a Corporate Social Responsibility Committee. The said Committee carries out such functions as are statutorily prescribed under the extant applicable laws and other incidental an ancillary matter related thereto. During the year under review, the Corporate Social Responsibility Committee met twice on November 14, 2024 & on February 06, 2025 The constitution and the number of meetings attended by the Members of the CSR Committee during the year under review is given below.

Name of the Members	Position	No. of meeting held	No. of meeting attended
Mr. Dhiren S. Shah	Chairman	2	2
Mr. Hardik B. Patel	Member	2	2
Mr. Ruchit Patel	Member	2	2

3. Nomination and Remuneration Committee:

In accordance with the provisions of Section 178 of the Companies Act, 2013, (the Act), the Board of the Company has constituted a Nomination and Remuneration Committee (NRC). The NRC carries out such functions as are statutorily prescribed under the extant applicable laws and other incidental and ancillary matters related thereto. The Company has formulated a Remuneration Policy ("Policy") as per the provisions of Section 178 of the Companies Act, 2013. During the year under review, there were no changes or amendments to the remuneration policy of the Company.

During the year under review, the Nomination & Remuneration Committee met 2 (Two) times i.e. on May 30, 2024, February 6, 2025. The constitution and the number of meetings attended by the Members of the NRC during the year under review is given below:

Name of the Members	Position	No. of meetings held	No. of meetings attended
Mr. Dhiren S. Shah	Chairman	2	2
Mr. Ruchit Patel	Member	2	2
Ms. Kalyani Sharma	Member	2	2

4. Asset Liability Management Committee (ALCO):

The Board of Directors of the Company has constituted the ALCO Committee in accordance with the Guidelines on Liquidity Risk Management Framework issued by RBI.

During the year under review, the Asset Liability Management Committee (ALCO) met 12 (Twelve) times i.e. April 1, 2024, May 30, 2024, June 11, 2024, July 11, 2024 August 12, 2024, September 9, 2024, October 28, 2024, November 11, 2024, December 10, 2024, January 13, 2025, February 14, 2025 and March 14, 2025

The constitution and the number of meetings attended by the Members of the ALCO during the year under review is given below:

Name of the Members	Position	No. of meetings held	No. of meetings attended
Mr. Dhiren Shah*	Chairman	12	10
Mr. Hardik B. Patel*	Member	12	12
Ms. Sarika Tailor	Member	12	11
Mr. Ruchit Patel	Member	2	2

During the year following was the re-structure of committee approved by board members w.e.f.30th May, 2024

Mr. Dhiren Shah appointed as chairman of ALCO committee.

Mr. Ruchit Patel ceased to be member of ALCO committee.

Mr. Hardik Patel re-designated as member of ALCO Committee.

5. Risk Management Committee:

The Board of Directors of the Company has constituted the Risk Management Committee in accordance with point (b) of sub-clause (i) of clause A of Guidelines on Liquidity Risk Management Framework issued by RBI.

During the year under rzeview Risk Management Committee met 4 (Four) times i.e. May 30, 2024, August 14, 2024, November 14, 2024, and February 06, 2025,.

The constitution and the number of meetings attended by the Members of the RMC during the year under review is given below:

Name of the Members	Position	No. of meetings held	No. of meetings attended
Mr. BSP Murthy*	Chairman	3	3
Mr. Hardik B. Patel	Member	4	4
Mr. Ruchit Patel	Member	4	4
Mr. Dhiren Shah**	Chairman	1	1

DIRECTORS' REPORT

During the year following was the re-structure of committee approved by board members w.e.f.30th May, 2024.

Mr. Parashiva Murthy appointed as chairman of Risk Management committee.

Mr. Dhiren Shah ceased to be member of Risk Management committee.

Mr. Hardik Patel re-designated as member of Risk Management Committee.

6. **Credit Committee:**

The Board of Directors of the Company has constituted the Credit Committee, during the year under review Credit Committee met 13 times i.e., April 1, 2024, May 17, 2024, June 11, 2024, July 16, 2024, August 12, 2024, September 9, 2024, October 28, 2024, November 14, 2024, November 26, 2024, December 10, 2024, January 13, 2025 February 06, 2025 and March 14, 2025.

The constitution and the number of meetings attended by the Members of the Credit Committee during the year under review is given below:

Name of the Member	Position	No. of meetings held	No. of meetings attended
Mr. Hardik B. Patel	Chairman	13	13
Mr. Parashiva Murthy B S	Member	13	13
Mr. Jitendra Dhivare	Member	13	13
Ms. Moksha Gala*	Member	6	6
Ms. Sarika Tailor	Member	13	13
Mr. Ruchit Patel	Member	1	0

During the year following was the re-structure of committee approved by board members w.e.f.30th May, 2024

Mr. Hardik Patel designation changed from member to chairman of the credit committee

Mr. Parashiva Murthy BS designation changed from chairman to member

Mr. Ruchit Patel cessed to be member of committee.

Ms. Moksha Gala ceased to be member of committee w.e.f 25th September, 2024.

7. **Investment Committee:**

The Board of Directors of the Company has constituted the Investment Committee, during the year under review Investment Committee met 4 times i.e. May 30, 2024, August 14, 2024, November 14, 2024 and February 06, 2025.

The constitution and the number of meetings attended by the Members of the Investment Committee during the year under review is given below:

Name of the Member	Position	No. of meetings held	No. of meetings attended
Mr. Parashiva Murthy B S*	Chairman	4	4
Mr. Hardik B. Patel	Member	4	4
Mr. Ruchit Patel	Member	4	4

8. **Information Technology Strategy Committee (IT Strategy Committee):**

The Board of Directors of the Company has constituted the Information Technology Strategy Committee, during the year under review Information Technology Strategy Committee met 2 (two) times i.e. June 11, 2024 and January 13, 2025.

The constitution and the number of meetings attended by the Members of the IT Strategy Committee during the year under review is given below:

Name of the Member	Position	No. of meetings held	No. of meetings attended
Mr. Dhiren S. Shah	Chairman	2	2
Mr. Hardik B. Patel	Member	2	2
Mr. Prashant Bokil*	Member	2	2

9. **Information Technology Steering Committee (IT Steering Committee):**

The Board of Directors of the Company has constituted the Information Technology Steering Committee, during the year under review Information Technology Steering Committee met 1 (One) time i.e. June 11, 2024.

The constitution and the number of meetings attended by the Members of the IT Steering Committee during the year under review is given below:

Name of the Member	Position	No. of meetings held	No. of meetings attended
Mr. Hardik B. Patel	Chairman	1	1
Mr. Prashant Bokil*	Member	1	1

22. COMPLIANCE OF SECRETARIAL STANDARDS:

During the financial year under review, the Company has complied with the applicable SS- 1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

23. AUDITORS' REPORT

Statutory Auditors & their Report:

The shareholders of the company at their 18th annual general meeting held on Thursday, September 15, 2022, appointed M/s. Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W) ('BNP') as statutory auditors of the company for a period of 5 years i.e. upto conclusion of 23rd annual general meeting of the company. The said appointment of statutory auditors has been made in accordance with the provisions of Section 139 of the Companies Act, 2013 and the applicable RBI Guidelines i.e. manner of rotation of auditors by the companies on expiry of their term.

DIRECTORS' REPORT

BNP have furnished a declaration confirming their independence as well as their arm's length relationship with the Company and that they have not taken up any prohibited non-audit assignments for the Company.

The Board has duly reviewed the Statutory Auditor's Report and the observations and comments, appearing in the report, are self-explanatory except disclaimer of opinion on consolidated financial statement as stated below and do not call for any further explanation / clarification by the Board as provided under section 134(3)(f) of the Act. The Statutory Auditors' Report on the financial statements of the Company for the Financial Year ended March 31, 2024, forms part of this Annual Report and does not contain any qualification, reservation or adverse remark except as stated below.

Comments on the Auditors' Report:

Sr. No	Disclaimer of Opinion	Management Comment on Disclaimer Opinion
1	During the financial year 2024–25, a subsidiary, BILT, has not prepared its consolidated financial statements. However, its standalone financial statements for the year ended March 31, 2025 are available and have been considered for the purpose of consolidation. Further, the financial statements of BILT's other subsidiaries and step-down subsidiaries — Ballarpur International Holdings B.V., Ballarpur Speciality Paper Holdings B.V. & BILT Paper B.V. are not available for the year ended March 31, 2025. As a result, the balance sheet items of these entities have been carried forward from the balances reported as at March 31, 2024. Additionally, the financial statements of the associate entity Ballarpur Paper Holdings B.V. are also not available for the year ended March 31, 2025. Consequently, the Group's share of profit or loss from this associate has not been included in the Consolidated Statement of Profit and Loss for the current financial year. Due to the non-availability of complete and updated financial information as stated above, we are unable to obtain sufficient appropriate audit evidence regarding the financial position and performance of the Group as at and for the year ended March 31, 2025.Hence due to above reason the figures for the year ended 31st March 2025 are not comparable with figures of year ended 31st March 2024 Accordingly, we are unable to express an opinion on the accompanying Consolidated Financial Statements.	During the financial year ended March 31, 2024, Finquest Financial Solutions Private Limited ("the Company") successfully implemented the approved resolution plan and acquired a 51% stake in Ballarpur Industries Limited (BILT) through the Corporate Insolvency Resolution Process (CIRP), thereby making BILT a subsidiary of the Company. BILT has adopted its standalone financial statements for the year ended March 31, 2025, which have been considered in the consolidated financial statements of the Company. However, despite multiple efforts, the financial statements of BILT's subsidiaries, step-down subsidiaries, and associate—including certain overseas subsidiaries located in the Netherlands, Singapore, UAE, and Malaysia—could not be obtained due to non-availability of requisite data. As a result, to comply with statutory requirements, the Company has consolidated BILT's standalone financial statements for the year ended March 31, 2025, and carried forward the balances of its subsidiaries and step-down subsidiaries as at March 31, 2024 in the preparation of the consolidated financial statements of the Group.
2	The National Stock Exchange of India Limited (NSE) and BSE Ltd have imposed penalties on one of the subsidiaries, BILT, for delays in compliance with various provisions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations ("Listing Regulations"). As per the Listing Regulations, a penalty of ₹5,000 per day per stock exchange is applicable for non-adoption of financial results. BILT has filed an Interlocutory Application (IA) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, seeking an extension/exemption from statutory filings, including quarterly and annual financial statements for the period ended March 31, 2025. The IA is currently pending adjudication, and BILT is hopeful of obtaining relief from the Hon'ble NCLT. In view of the pending legal proceedings and the uncertainty surrounding the outcome, no provision has been made in the books of accounts towards the said penalties, as the final amount is presently not ascertainable. Given the ongoing non-compliance and the matter being sub judice, we were unable to obtain sufficient appropriate audit evidence to determine the potential financial impact of the penalties, if any, on the consolidated financial statements for the year ended March 31, 2025. Accordingly, we are unable to determine whether any adjustments might be necessary in respect of this matter.	The delay in the submission of financial statements was not due to any intentional non-compliance by the subsidiary, Ballarpur Industries Limited (BILT). The unavailability of certain critical documents posed a significant challenge, and despite sincere efforts to expedite the process, the finalization of the financials was delayed. BILT has filed an Interlocutory Application (IA) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, seeking an extension/exemption for certain statutory filings, including the financial statements for FY 2024–25. This application is currently pending, and BILT remains optimistic about obtaining the requested relief. Following a favorable outcome from the NCLT, BILT intends to approach the National Stock Exchange (NSE) to seek a waiver of the penalty imposed for the delayed filing. Given the exceptional circumstances, including the non-availability of key information from the erstwhile promoters and the Resolution Professional, the imposition of such a substantial penalty appears disproportionate. The delay was procedural and unintentional, and BILT firmly believes it acted in good faith and exercised due diligence throughout the process. Accordingly, no provision for the penalty has been made in BILT's books, as the company is hopeful that NSE will consider the waiver request favorably

DIRECTORS' REPORT

Sr. No	Disclaimer of Opinion	Management Comment on Disclaimer Opinion
3	One of the foreign step-down subsidiaries, Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") in financial year 2019-20 as BGT does not carry on any operations and there is no intention to carry on the business in future and also the license of BGT was expired. Since, the financial Statement of BGT for year ended March 31, 2025 are not available with the Management therefore the balance sheet as at March 31, 2019 have been considered for preparation of consolidated financial Statement for the year ended March 31, 2025. As a result, the consequential impact, if any, on the consolidated financial Statement is not ascertainable.	One of the step-down foreign subsidiary, Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") in financial year 2019-20 as BGT does not carry on any operations and there is no intention to carry on the business in future and also the license of BGT was expired. Also, in order to comply with statutory requirements, the Subsidiary (i.e BILT) has carried forward the balances of this step-down subsidiaries as at March 31, 2024 in the preparation of the consolidated financial statements of the Group for the year ended 31st March 2025.
4	The consolidated financial statement for year ended March 31, 2025 of 2 step down subsidiaries Mirabelle Trading Pte. Ltd and Avantha Agritech Limited, are not available and therefore, the balance sheet as at 31st March 2020 have been considered in the preparation of the consolidated financial Statement for the year ended March 31, 2025. As a result, the consequential impact, if any, on the consolidated financial statement is not ascertainable.	Pursuant to commencement of CIRP of one of the Subsidiary BILT, the board of directors of BILT stands suspended and the management of the subsidiary vested with the RP. The RP is expected to make every endeavor to protect and preserve the value of the property of the company and manage the operations of the company as a going concern. The CIRP process of BILT has been concluded, and Ballarpur Industries Limited ("BILT/Company") has been acquired by Finquest Financial Solutions Private Limited on an "as-is where-is" basis, pursuant to a resolution plan approved by the Hon'ble NCLT vide order dated 31st March 2023. The Closing Date in terms of the Resolution Plan occurred on 12th June 2023 and a new Board of Directors have been appointed vide resolution dated 12th June 2023. Further it may be noted that the BILT (Subsidiary) have adopted the aforesaid financial results in good faith with the sole objective of fulfilling statutory compliances without incurring any responsibility or liability for the same or any part thereof. The Current Directors / Key Managerial Personnel of BILT have, in this regard, relied solely and exclusively on the books, papers, records and other information, documents, clarifications, representations, communications, notices &/or certifications (collectively, "Books & Records") handed over and furnished to them by or on behalf of the RP and/or the respective subsidiaries/associates.
5	The Consolidated Financial Statements for the year ended March 31, 2025 include the financial information of the step-down subsidiary Ballarpur International Holdings B.V., for which the financial statements for the year ended March 31, 2024 were neither audited nor certified by its management. Furthermore, the financial information of two other step-down subsidiaries, namely Ballarpur Speciality Paper Holdings B.V. and Bilt Paper B.V., and one associate, Ballarpur Paper Holdings B.V., have also been consolidated based on unaudited but management-certified financial statements as at and for the year ended March 31,2024. Since the financial statements of these entities were unaudited and, in one case, not even certified by management, and as no updated financial statements were available for the year ended March 31, 2025, the balances as at March 31, 2024 have been carried forward in the Consolidated Financial Statements as at March 31, 2025. In the absence of audit and adequate certification of the financial information of these subsidiaries and associate entities, we were unable to obtain sufficient appropriate audit evidence to assess the accuracy, completeness, and potential impact, if any, of the financial information included in the Consolidated Financial Statements.	The Management of BILT have made efforts to get audited financial information from all its subsidiaries and associates but there is lack of required financial data and information from the management of such subsidiaries and associates which is creating obstacles in finalizing the consolidated financial statements. Hence, the Management of subsidiary is of the view that the best approach would be to finalise the consolidated financial statements of subsidiary based on available information.

Internal Auditors:

Pursuant to Reserve Bank of India's Scale-Based Regulation (SBR) framework for NBFCs, and with a view to strengthening the Company's internal governance, risk management, and compliance functions, Company were appointed Mr. Harshwardhan Chandak as the Internal Audit Head to conduct the internal audit of the Company for the financial year 2024-25 to conduct the internal audit of the functions and activities of the company for the financial year ending on March 31, 2025

Internal Financial Control Systems and its adequacy

The Company has adequate internal control systems commensurate with the nature of business, size and complexity of its operations.

The Audit Committee monitors this system and ensures adequacy of the same. The Statutory Auditors and the Internal Auditors of the Company also provide their opinion on the internal financial control framework of the Company. The internal financial control system of the Company is supplemented with internal audits, regular reviews by the management and checks by external auditors. It provides reasonable assurance in respect of providing financial and operational information, complying with applicable statues, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with the Company's policies.

During the year, no material or serious observations have been highlighted for inefficiency or inadequacy of such controls.

24. FRAUDS REPORTED BY THE AUDITORS U/S 143 OF THE COMPANIES ACT, 2013:

The Statutory Auditors have not reported any incident of fraud to the Board during the financial year 2024-25.

25. RISK MANAGEMENT:

Being Base layer, NBFC, risk management forms a vital element of the business of the Company. The Company has a well-defined risk management framework, approved by the Board of Directors. It provides the mechanism for identifying, assessing, and mitigating various risks associated with the business of the Company.

The Company has adopted its own Risk Management Policy that represent the basic standards of risk assessment to be followed by the Company. The Board is responsible for managing risk at an overall level to do this. The Board has delegated authority for overall risk management to the Risk Management Committee (RMC) to ensure focused oversight and committed board level capacity for this task. The Risk Management Committee is chaired by an Independent Director of the Company.

The Board has also constituted the Asset Liability Management Committee (ALCO) to assess the risk arising out of liquidity gap and interest rate sensitivity.

Business risk evaluation and management is an ongoing process within the company. The assessment is periodically examined by the committee of the board. The company, while giving loan to its customers, follows the criteria and procedure laid down in policy and the credibility of the clients.

26. NON-CONVERTIBLE DEBENTURES (NCDs):

During the period under review the Company has not issues Non-Convertible Debetures. The Debentures outstanding as on March 31 2025 are Rs. 183.02 Crore.

27. DEBENTURE REDEMPTION RESERVE (DRR):

In accordance with the provision of Section 71 of the Companies Act, 2013 and rules made thereunder, creation of Debenture Redemption Reserve (DRR) is exempted for a Non-Banking Finance Company. Accordingly, the Company has not created DRR for non-convertible debentures issued by it.

28. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

29. COST RECORDS:

The Company being a ND-SI NBFC, the provisions of sub-section (1) of section 148 of the Act are not applicable to the Company.

30. EXTRACT OF ANNUAL RETURN:

The Company is having website https://finquestfinance.in/ and the Annual return of the Company for the financial year 2024-25 will be available on the said website.

31. PARTICULARS OF LOANS, INVESTMENTS OR GUARANTEE:

The company has developed and implemented a risk management policy to meet the risks associated with the business of the company. Business risk evaluation and management is an ongoing process within the company. The assessment is periodically examined by the risk management committee of the board. The company, while giving loan to its customers, follows the criteria and procedure laid down in policy and the credibility of the clients. Particulars of loans, guarantees or investments under Section 186 of the Act are not furnished since the provisions of the said Section are not applicable to the Company, being an NBFC registered with the RBI.

32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

The Board of Directors of the Company have formulated a policy on dealing with Related Party Transactions, pursuant to the applicable provisions of the Act and the RBI Master Directions.

During the financial year 2024-25, the related party transactions that were entered in to by the Company were in the ordinary course of business and on arm's length basis. All related party

DIRECTORS' REPORT

transactions are placed before the Audit Committee for its review and approved on a quarterly basis. An omnibus approval of the Audit Committee is obtained for the Related Party Transactions which are repetitive in nature.

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for the financial year 2024-25 and hence does not form part of this report.

33. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR):

The Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee in accordance with the provisions of the Companies Act, 2013.

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the activities undertaken and expenditure incurred thereon by the Company on CSR activities during the year are set out in Annexure III of this report in the format prescribed in the Companies (CSR Policy) Rules, 2014.

34. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

35. DIRECTORS RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors state that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year under review;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis; and

(e) 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.

(f) 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.

36. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & RESEARCH & DEVELOPMENT:

The Company being an NBFC as the Company is engaged in the financial services activities, its operations are not energy intensive nor does it require adoption of specific technology and hence information in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not applicable to the Company.

37. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review Foreign Exchange Earnings and Outgo are as under:

Foreign exchange earned	NIL
Foreign exchange expenditure	NIL

38. COMPANY'S POLICY RELATING TO DIRECTOR'S APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

During the year under review the provision of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the said Rules"), is not applicable to the Company.

39. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

A detailed policy is in place in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "POSH"). Internal Complaints Committees ("ICC") at group level has been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of Internal Complaints Committee under POSH. The following are the members of Internal Complaints Committee under POSH:

Name of the Member	Committee Member
Ms. Sarika Tailor	Presiding Officer
Ms. Vanita Narvekar	Member
Mr. Prasad Chavan	Member
Mr. Deepak Chavda	Member

All employees (permanent, contractual, temporary, trainees) are covered under this policy. The provisions related to prevention of sexual harassment are also imbibed in the Code of Conduct as applicable to the employees. During the period under review no cases/complaints in the nature of sexual harassment were reported.

40. ACKNOWLEDGEMENTS:

The directors place on records their sincere appreciation for the assistance and guidance provided by the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Registrar of Companies (ROC) and all other government and regulatory authorities for the support and co-operation extended by them from time to time.

The Directors place on record their gratitude for the guidance and support extended by BSE Limited, National Securities Depository Limited, and the Credit Rating Agencies from time to time.

The Directors also place on record their sincere appreciation for the continued support extended by the Bankers, Financial Institutions, Lenders, Clients, Registrar and Share Transfer Agent, NCD Holders and other stakeholders and the trust reposed by them in the Company.

For and behalf of the Board of Directors of
Finquest Financial Solutions Private Limited

Sd/-	Sd/-
Hardik Bharat Patel	**B S P Murthy**
(Managing Director & CEO)	Director
DIN:00590663	DIN: 00011584

Place: Mumbai
Date: 26.06.2025

Annexure-I

Form AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIALS STATEMENTS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

(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

(Information in respect of each subsidiary* to be presented with amounts in Rs. Lakhs)

Sl. No.	Particulars	Name of Subsidiaries			
1	Name of the subsidiary	Reid & Taylor International Private Limited	Digjam Limited	Amartaru Hospitality Pvt Ltd (formerly known as Leggiuno India Private Limited)	Ballarpur Industries Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-	-	-	-
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-	-	-	-
4	Share capital	5.70	2000.00	1.00	5500.00
5	Reserves & surplus	17911.44	(1460.40)	403.77	40660.00
6	Total assets	74145.86	8084.29	9215.93	125175.00
7	Total Liabilities	56228.72	7544.69	8811.15	79021.29
8	Investments	5.43		3444.12	-
9	Turnover	48127.33	1839.92	739.05	2063.13
10	Profit before taxation	612.09	197.91	437.27	(6675.69)
11	Provision for taxation	641.50			-
12	Profit after taxation	(29.41)	197.91	437.27	(6675.69)
13	Proposed Dividend				
4	% of shareholding of holding company	17.37%	75%	100%	51%

Reid & Taylor International Private Limited ceased to be subsidiary w.e.f. 27th March, 2025

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not applicable

For and behalf of the Board of Directors of
Finquest Financial Solutions Private Limited

Sd/-
Hardik Bharat Patel
(Managing Director & CEO)
DIN:00590663

Sd/-
B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 26.06.2025

Annexure-II

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economy and markets

In Financial Year 2024-25 (F Y 2025) the Indian economy showed remarkable resilience and growth, amidst a challenging global landscape. The year witnessed a real GDP growth estimated at 6.5% based on provisional figures released by Ministry of Statistics and Programme Implementation (MoSPI, driven by robust domestic demand and substantial improvements in industrial and service sectors. Key indicators such as the manufacturing PMI reached a 16-year high at 59.1, and the services PMI also reported strong readings, enhancing economic optimism.

Fiscal management remained a priority of the Government, with a concerted focus on capital expenditures. Real Gross Fixed Capital Formation (GFCF) observed a year-on-year growth of 6.031% for 9M FY2025, reflecting the Government's aggressive push towards bolstering infrastructure which is critical for long-term economic stability. The fiscal deficit was efficiently managed at around 4.8% of GDP, aligning with stated fiscal strategies and maintaining economic stability.

The RBI kept the repo rate steady at 6.5% throughout the year, a decision aimed at balancing inflation control with the need to support economic growth. Inflation remained at an average of 4.6% over the fiscal year, within the target range set by the RBI, demonstrating effective monetary policy management in a volatile global economic environment.

In FY 2024–25, Indian equities experienced a volatile journey—a strong first half followed by corrections—culminating in a March surge that enabled the Nifty 50 to finish with a 5.3% gain, while the Sensex climbed 5.1%, extending a two-year growth streak The Economic Times Fortune India. The Mid-cap and Small-cap segments outpaced benchmarks, adding 7.5% and 5.4%, respectively Business Standard The Economic Times NDTV Profit.

Key sectoral moves included Consumer Durables (+9.6%), Pharma (+10%), and Banking (+8.4%), while IT delivered a modest yet positive return (+5.3%) The Economic Times.

The corporate bond market delivered robust issuance volumes—a record ₹ 9.9 trillion—lifting total outstanding to ₹53.6 trillion Business Standard.

In the government bond space, yields fell sharply, with the 10-year yield easing to ~6.2%, spurred by sustained RBI liquidity measures (roughly $100 billion since late 2024) and interest rate reductions Reuters+1Indira Securities Pvt. Ltd.. Meanwhile, the RBI accumulated a record ₹14.88 trillion in government securities (12.8% of total issuances); however, market expectations suggest a gradual unwinding ahead

State of Company Affairs:

Overview:

The Company is registered with the Reserve Bank of India (RBI) as a non-deposit accepting NBFC. As per RBI's 'Scale Based Regulations' (SBR), the Company shall be classified as NBFC- Base Layer (NBFC-BL), operating primarily in the lending / investment by acquiring Non-Performing Assets (NPAs) [stressed Assets] of the Banks, Financial Institutions and other NBFCs.

To capitalize on FFSPLs strong financial position and take advantage of strong demand revival opportunity, the Company is planning to expand its business activities and strengthen its footprint.

Our overall loan book as on FY25 stood at Rs.177.08 Crore (Rs. 117.33 Crores as on FY24). The product mix for our business currently stands as follows:

Product	Portfolio Mix
Secured Business Loan	7.35 crores
Unsecured Business Loan	169.37 crores

Financial Performance- Key Highlights:

Loan Book:

The overall loan book increased by 5974.94 Lakhs.

Asset Quality:

The quality of our assets remained fairly robust in an extremely challenging economic environment. Our Gross NPA moved from 15.97 % as on FY 23-24 to 2.96% as on FY 24-25 whereas our net NPA is 0.00% as on FY24- 25. GNPA and NNPA is being derived on exposure at default (EAD) of loan book.

Revenue and Profitability:

The revenue decreased by 47.63 % from Rs. 15099.88 Lakhs in FY24 to Rs. 7908.49 lakhs in FY25. The PAT decreased from Rs. 11727.62 Lakhs to Rs 5922.20 Lakhs.

Liquidity and Gearing profile:

The Capital Adequacy Ratio (CAR) stood at 63.66 % as on FY25 vis-à-vis 33.36 % as on FY24.

Human Resources:

The Company has a small employee base with 14 employees. The Nomination and Remuneration Committee periodically reviews career growth plan of senior management personnel possessing ability to build teams and nurture leaderships for future growth plans of the Company.

SWOT Analysis:

Strengths:

The Promoters of the Company are committed to meet and honour the requirements of the funds of the Company for the business of the Company.

Weaknesses:

Increased completion in the business of the Company and the credit risk.

Opportunities:

The Company as a NBFC by becoming more collaborative as well as competitive, with newer players offering innovative financial products the Company will be required to prepare itself to face the dynamic environment, while keeping its focus on appropriate business models, sustainability, stability, and consumer centrality. More importantly, good governance remains fundamental to success and should not be compromised. Due care needs to be taken to protect the stakeholders

Annexure-II

from digital frauds, data breaches and cybercrimes. NBFC being a service sector enhanced customer protection and experience should be given the primacy it deserves.

Threats:

Credit risk of its customers, cybersecurity and cybertheft has become a threats to the business of the Company.

Roadmap for the current Financial Year:

Through continuous improving exercise the Company intends to achieve good results of the Company through acquisition of good / remunerative Non-Performing Assets (NPAs).

Key risks and controls:

The Company is engaged in the NBFC business and is exposed to the following key risks.

1. **Credit Risk:**

   This is the risk associated of recovery of capital from counterparty. The Company has a robust credit risk framework in place which includes sectoral guardrails, strong policy and compliance framework, comprehensive due-diligence and risk assessment process, prudent approval process, robust monitoring process and strong governance to mitigate the risk.

2. **Market Risk:**

   This is the risk associated with adverse market movements. The Company has robust monitoring process to track key market parameters to contain interest rate risk, concentration risk and risk associated with asset liability mismatch through internal risk models which is reviewed by the relevant committee from time to time to take appropriate actions.

3. **Operational Risk:**

   This is the risk associated with inadequate processes and internal controls. The Company has robust processes and strong compliance framework in place to mitigate the same. Our audit and compliance team periodically monitor the adequacy of processes, ensure adherence to the same and strengthen the internal controls.

4. **Liquidity Risk:**

   The Company has adopted a cautious approach towards liquidity management. We maintain adequate liquidity to meet any unforeseen event. In addition, we adhere to strict internal guidelines to appropriately manage Asset Liability Mismatch (ALM) and remain compliant with the regulatory requirements.

5. **Business/Strategic Risk:**

   These are risks that affect or are created by business strategy and strategic objectives. The Company's management of this risk is guided by diversification in its business through a balanced growth across various products and geographies in line with the board approved Risk framework.

6. **Compliance Risk:**

   This is the risk which could expose the Company to legal penalties and losses when it fails to act in accordance to the laws and regulations and best practices The Compliance Team works with Sales, Operations and Credit to ensure that compliance.

7. **Reputation Risk:**

   This risk arises from ineffective management of other risks resulting from poor governance and control failures. The company has a strict code of conduct for its employees, an approved corporate governance framework and a customer grievance mechanism in place.

   The company has also put up a Whistle Blower policy. It also a Risk Control Unit that both works on preventing and investigating frauds and periodic reports are tabled to the senior management and the board committees.

For and behalf of the Board of Directors of
Finquest Financial Solutions Private Limited

Sd/-	Sd/-
Hardik Bharat Patel	**B S P Murthy**
(Managing Director & CEO)	Director
DIN:00590663	DIN: 00011584

Place: Mumbai
Date: 26.06.2025

Annexure-III

The Annual Report on CSR Activities For The Year Ended 31st March 2025

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022]

1. Brief outline on CSR Policy of the Company:

The Company has adopted a Corporate Social Responsibility ("CSR") Policy in accordance with the applicable provisions of Companies Act, 2013 and allied rules and amendments in force (hereinafter referred as "the Act"). This Policy is a guideline for Company's CSR activities intended to make stronger communities and enrich the lives of underprivileged people on a variety of socially desirable activities with a view to enable high impact of and ensure measurable outcomes of the funds deployed towards such activities and also support environment sustainability.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Dhiren S. Shah	Chairman	2	2
2	Mr. Hardik B. Patel	Member	2	2
3	Mr. Ruchit Patel	Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

https://finquestfinance.in/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable as the Company does not have average CSR obligation of Rs. 10 crore or more, in the three immediately preceding financial years.

5. (a) The Average Net Profit of the Company as per sub-section (5) of section 135 of three preceding financial years (F.Y. 2023-24, 2023-22 and 2021-22) is Rs. 42,16,87,785.79

(b) Two percent of average net profit of the company as per sub-section (5) of section 135 is Rs. 84,33,755.22

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **Nil**

(d) Amount required to be set off for the financial year, if any. **Nil**

(e) Total CSR obligation for the financial year (5b+5c-5d) = Rs. **Nil (N.)**

6. (a) Amount spent on CSR Projects (other than Ongoing Project): Rs **NA**

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year (6a+6b+6c): Rs. 84,50,000/-

(e) Details of CSR amount spent or unspent for the financial year 2024-25:

Total Amount Spent for the Financial Year.	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
(in Rs.)	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 84,50,000/-	Nil	Nil	Nil	Nil	Nil

Annexure-III

Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5	6	7	8	9	10	11	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation Direct (Yes/No)	Mode of Implementation through Agency	
				State	District						Name	CSR Registration number.
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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

(f) Excess amount for set off, if any – **NA**

Particular	Amount (in Rs.)
Two percent of average net profit of the company as per subsection (5) of section 135	NA
Total amount spent for the financial year 2022-23	NA
Excess amount spent for the financial year [(ii)-(i)]	NA
Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. **Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Balance Amount in Unspent CSR Account under Section 135(6) (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount Spent in the Financial Year (in Rs.)	Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
				Amount (in Rs.).	Date of Transfer			
1.	2021-22	Nil	Nil	Nil		Nil	Nil	Nil
2.	2022-23	Nil	Nil	Nil		Nil	Nil	Nil
3.	2023-24	Nil	Nil	Nil		Nil	Nil	Nil
	Total	Nil	Nil	Nil		Nil	Nil	Nil

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

If Yes, enter the number of Capital assets created/acquired: Not Applicable

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NIL

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

Annexure-III

Details of CSR amount spent against other than ongoing projects for the financial year i.e 2024-25:

1	2	3	4	5		6	6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs.)	Amount allocated for the project	Mode of implementation	Mode of implementation Through implementing agency	
				State	District			Direct (Yes/No)	Name	CSR Registration Number
1	Aids Combat International	Extended support for Medical Treatment	Yes	Maharashtra	Mumbai	INR 3,00,000		No	Bharat Patel Foundation	CSR00089250
2	Pragati Mitra Mandal	Extended support for Promotion of education	Yes	Maharashtra	Mumbai	INR 80,000	INR 84,50,000/-	No	Bharat Patel Foundation	CSR00089250
3	Inner Wheel Club of Bombay West Charitable Trust	Extended support for Eradicating hunger and poverty	Yes	Maharashtra	Mumbai	INR 2,50,000		No	Bharat Patel Foundation	CSR00089250
					Grand Total :	Rs. 6,30,000**/-**		No	Maharashtra	Mumbai

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

Sd/-
Hardik Bharat Patel
(Managing Director & CEO)
DIN:00590663
Mumbai

Sd/-
Mr. Dhiren S. Shah
(Chairman CSR Committee)
DIN: 01149436
Mumbai

Independent Auditors' Report

To the Members of FINQUEST FINANCIAL SOLUTIONS PVT LTD.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Finquest Financial Solutions Pvt. Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the statement of Profit and Loss (Including other comprehensive income), Statement of Changes in Equity and statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of Material accounting policies and other explanatory information ("the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its Profit and 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 Auditors' 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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

We refer to note no. 7.2 to the standalone financial statements of the company, wherein it has stated that the company has acquired 51% stake in Ballarpur Industries Limited. The new management of the said Company is under the process of commencing commercial operations and has forecasted cash flows for the future. As the investments made by the Company are strategic and of long-term nature, the company has not tested for impairment of these investments amounting to Rs. 4157.20 lakhs.

Our Opinion is not modified in respect of the above 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 of the current period. 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.

No.	Key Audit Matter	Auditors' Response
1	**Computation of Expected Credit Loss on Loan Assets as at balance sheet date** Ind AS 109 requires the Company to provide for impairment of its financial assets designated at amortised cost and fair value through other comprehensive income (including loan receivables and investments) using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets. In the process, a significant degree of judgment has been applied by the Management for: • Staging of the financial assets (i.e., classification in 'significant increase in credit risk' ('SICR') and 'default' categories); • Determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for financial assets which are secured. • Identifying the loan wise details for risk categorization. • Security value to be considered while calculating the ECL for loans which are secured. Considering the materiality of the amounts and management estimate involved, this matter has been identified as a key audit matter for the current year audit.	**Our process includes:** • Read and assessed the company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the board of directors pursuant to Reserve Bank of India ("RBI") guidelines. • Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. • Assessed the criteria for staging of financial assets based on their past-due status to check compliance with requirement of Ind AS 109. • Assessed the additional considerations applied by the Management for staging of loans or default categories including forward looking information for calculation of ECL. • Tested the ECL model, including assumptions and underlying computation and tested the arithmetical accuracy of computation of ECL provision performed by the Company. • Assessed the assumption for non-provisioning applied by the Company for financial assets with no dues. • Tested assumptions used by the Management for determining fair value of investments and the cash flow projections of the investee with reference to past experience. • Assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109.

Independent Auditors' Report

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements, Consolidated Financial Statements and our auditors' report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Managements and Board of Director's Responsibility for the Standalone Financial Statements

The Company's Management and 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 including total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act and rules thereunder, as amended.

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

In preparing these Standalone Financial Statements, Management and 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Management and Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' 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 auditors' 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:

1. 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.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

4. 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 auditors' report to the related disclosures in the Standalone 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. 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.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

(i) planning the scope of our audit work and in evaluating the results of our work; and

Independent Auditors' Report

(ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial year ended March 31, 2025 are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

1. 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.

2. 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 and the company has maintained daily backup of such books in electronic mode, in a server physically located in India.

3. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (Including other comprehensive Income), Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

4. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

5. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

6. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report.

7. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, as this is private company so requirement of section 197(16) is not applicable.

8. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note on contingent liabilities 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.

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

   iv) a) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been advanced by the Company to 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.

   b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, 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.

   c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under 8(iv)(a) and (b) above, contain any material misstatement.

Independent Auditors' Report

v) The Company has not declared any dividend during the current financial year ended March 31, 2025.

vi) Based on our examination which included test checks the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Batliboi & Purohit**
Chartered Accountants
Firm Registration Number:101048W

Raman Hangekar
Partner
Membership No. 030615
Place: Mumbai
Date: May 29, 2025
UDIN: 25030615BMOCQF7418

Independent Auditors' Report

Annexure A - referred to in Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2025 we report that:

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date to the directors of Finquest Financial Solutions Private Limited.)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and the records examined by us in the normal course of audit, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) As explained to us, the fixed assets have been physically verified by management at reasonable intervals under a phased programme of verification. In accordance with this program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of company and nature of its assets.

c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in Investment properties are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued its Property, Plant and Equipment (including right-of use assets) or intangible assets or both during the year.

e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

(ii) a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.

b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits during the year, from bank on the basis of security of current assets. Accordingly, the provision of the said sub clause is not applicable.

(iii) a) The Company's principal business is to give loans and make investments. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it.

b) The Company, being a Non-Banking Financial Company ('NBFC'), is registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest.

c) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note no. 6 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note no. 6 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

e) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.

f) The Company has not granted any loans or advances in the nature of loans to Promoters or Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.

(iv) The Company has granted loans to party covered under Section 185 of the Act. The provision of section 185 and 186 of the Companies Act 2013 have been complied with.

(v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and Rules framed there under to extent notified.

Independent Auditors' Report

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for the business activities carried out by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.

(vii) a) the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employee state insurance, income tax, GST, duty of customs, cess and any other material statutory dues as applicable, with the appropriate authorities.

Further no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, Goods and Service tax, duty of customs, cess and any other material statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

b) The dues in respect of income-tax, duty of customs, Goods and Service tax, which have not been deposited with the appropriate authority on account of any disputes are as under:

Name of the Statute	Nature of the dues	Amount (Rs. In Lakhs)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6724.28	AY 2016-17, AY 2017-18, AY 2021-22 and AY 2022-23	CIT (Appeals)

(viii) We confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) a) The company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government as at the Balance sheet date.

b) The company is not declared as a wilful defaulter by any bank or financial institution or other lenders.

c) The term loans were applied for the purpose for which they were obtained.

d) The funds raised on short term basis have not been utilised for long term purposes.

e) No funds are taken from any entity to meet the obligations of the subsidiary companies. There are no associate companies in the Company.

f) The company has not raised any loans during the year on pledge of securities held in its subsidiaries.

(x) a) The Company did not raise any moneys by way of initial public offer or further public offer including debt instruments) during the year, hence clause 3(x)(a) of the order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the current financial year.

(xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of material fraud by the Company or on the Company by its officers or employees noticed or reported during the year nor we have been informed of any such case by the management.

b) As there are no frauds, hence sub para (b) of clause (xi) 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) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.

(xiii) 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 under Ind AS and Companies Act, 2013.

(xiv) a) In our opinion, the Company have an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit, issued to the Company during the year till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.

b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial activities without obtaining a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India.

d) As per information provided in course of our audit, the Group to which the Company belongs has no CICs as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.

(xvii) The Company has not incurred any cash loss during the current financial year as well as immediately preceding financial year.

Independent Auditors' Report

(xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

(xix) The financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, and on the basis of Board of Directors and management plans, nothing has come to our attention which causes us to believe that material uncertainty exists as on the date of the audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company did not have any ongoing project in terms of Section 135 of the Act during the year. Accordingly, provision of subsection (6) of section 135 of the said Act and paragraph 3(xx)(b) of the Order is not applicable.

For **Batliboi & Purohit**
Chartered Accountants
Firm Registration Number:101048W

Raman Hangekar
Partner
Membership No. 030615
Place: Mumbai
Date: May 29, 2025
UDIN: 25030615BMOCQF7418

Independent Auditors' Report

Annexure - B to the Independent Auditors' Report on the Standalone Financial Statements of Finquest Financial Solutions Pvt. Ltd. for the year ended March 31, 2025

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

(Referred to in paragraph 6 under 'Report on Other Legal and Regulatory Requirements section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of **Finquest Financial Solutions Pvt Ltd.** ("the Company") as of March 31, 2025 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Managements and Board of Directors Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 over financial reporting 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, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management and directors of the company; and

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For **Batliboi & Purohit**
Chartered Accountants
Firm Registration Number:101048W

Raman Hangekar
Partner
Membership No. 030615
Place: Mumbai
Date: May 29, 2025
UDIN: 25030615BMOCQF7418

Standalone Balance Sheet

as on 31st March 2025

(Amount in ₹ lakhs)

Particulars	Note No.	31st March, 2025 (Audited)	31st March, 2024 (Audited)
I ASSETS			
1 **Financial assets**			
(a) Cash and cash equivalents	3	10,057.89	11,144.51
(b) Bank Balance other than (a) above	4	4,311.25	3,702.83
(c) Receivables	5	-	-
(I) Trade Receivables		-	76.19
(II) Other Receivables		4.30	2.00
(d) Loans	6	17,010.94	9,721.14
(e) Investments	7	24,797.64	31,278.97
(f) Other financial assets	8	6.24	6.24
2 **Non-financial assets**		-	-
(a) Current tax assets (net)	9	145.81	424.73
(b) Investment property	10	422.25	454.61
(c) Property, plant and equipment	11	14.89	11.15
(d) Right to Use Assets	12	1.06	4.89
(e) Intangible assets	13	1.76	3.72
(f) Other non-financial assets	14	1,850.00	1,850.00
Total Assests		**58,624.03**	**58,680.98**
II Liabilities and Equity			
Liabilities		-	-
1 **Financial liabilities**		-	-
(a) Payables	15	-	-
(I) Trade Payables		**2.35**	**-**
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		2.35	-
(II) Other Payables		**234.22**	**300.36**
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		234.22	300.36
(b) Debt securities	16	18,302.49	23,252.88
(c) Borrowings (other than debt securities)	17	409.02	217.71
(d) Lease Liabilities	12	1.13	3.71
2 **Non-financial liabilities**		-	-
(a) Current tax liabilities (Net)	9	-	-
(b) Provisions	18	18.19	10.06
(c) Deferred tax liabilities (Net)	19	1,146.22	2,304.45
(d) Other non-financial liabilities	20	5.78	9.35
3 **Equity**			
(b) Equity share capital	21	3,190.00	3,190.00
(a) Other equity	22	35,314.64	29,392.47
Total Liabilities and Equity		**58,624.03**	**58,680.98**

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 29th May, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336
Place: Mumbai
Date: 29th May, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663
Place: Mumbai
Date: 29th May, 2025

B S P Murthy
Director
DIN: 00011584
Place: Mumbai
Date: 29th May, 2025

Standalone Profit or loss Statement

for the year ended 31st March 2025

(Amount in ₹ lakhs)

	Particulars	Note No.	31st March, 2025 (Audited)	31st March, 2024 (Audited)
	Revenue from operations			
(i)	Interest income	23	4,717.28	3,034.95
(ii)	Dividend Income	24	51.31	68.13
(iii)	Net gain on fair value changes	25	-	5,479.34
(iv)	Other operating income	26	3,033.90	6,516.13
(I)	**Total Revenue from operations**		**7,802.49**	**15,098.55**
(II)	Other income	27	106.45	1.33
(III)	**Total Income (I+II)**		**7,908.94**	**15,099.88**
	Expenses			
(i)	Finance cost	28	1,901.88	1,979.66
(ii)	Impairment on financial instruments	29	(1,314.86)	(5,636.37)
(iii)	Net Loss on Fair Value Changes	25	540.04	-
(iv)	Employee benefit expenses	30	166.07	116.53
(v)	Depreciation, amortisation and impairment	31	52.01	59.88
(vi)	Other expenses	32	937.44	3,656.21
(IV)	**Total expenses**		**2,282.58**	**175.91**
(V)	**Profit/(loss) before exceptional items and tax (III-IV)**		**5,626.36**	**14,923.97**
(VI)	Exceptional items		1,865.84	-
(VII)	**Profit before tax (V+VI)**		**7,492.22**	**14,923.97**
(VIII)	**Tax expense:**	34		
	1. Current tax		2,436.45	1,240.16
	2. Deferred tax		(1,158.78)	1,956.21
	3. Previous Year taxes		293.94	
	Total tax expense		**1,571.61**	**3,196.37**
(IX)	**Profit/(loss) for the period from continuing operations (VII-VIII)**		**5,920.61**	**11,727.60**
(X)	Profit/(loss) for the period from discontinued operations		-	-
(XI)	Tax expense of discontinued operations		-	-
(XII)	**Profit/(loss) for the period from discontinued operations (After tax) (X-XI)**		-	-
(XIII)	**Profit for the year (IX + XII)**		**5,920.61**	**11,727.60**
(XIV)	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss	35		
i.	Remeasurements gain/ (losses) of the defined benefit plans		2.12	(0.11)
ii.	Income tax relating to items that will not be reclassified to profit or loss		(0.53)	0.03
	Other Comprehensive Income		**1.59**	**(0.08)**
(XV)	**Total Comprehensive Income for the period (XIII+XIV)**		**5,922.20**	**11,727.52**

Standalone Profit or loss Statement

for the year ended 31st March 2025

(Amount in ₹ lakhs)

Particulars	Note No.	31st March, 2025 (Audited)	31st March, 2024 (Audited)
(XVI) Earnings for equity share	36		
Basic		18.56	36.76
Diluted		18.56	36.76
Material Accounting Policies	2	-	-
The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 29th May, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 29th May, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 29th May, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 29th May, 2025

FINQUEST
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Standalone Statement of Cash Flow

as on 31st March 2025

(Amount in ₹ lakhs)

	Particulars	31st March, 2025 (Audited)	31st March, 2024 (Audited)
A.	**Cash flow from operating activities**		
	Profit Before Tax	7,492.22	14,923.97
	Adjustments for :		
	Depreciation / amortisation	52.01	59.88
	Impairment of Financial Instruments	(1,314.86)	(5,636.37)
	Gain On derecognition of FL & Interest on Leased Asset	(101.80)	
	Net (gain)/loss on fair value change of Investments	540.04	(5,479.34)
	Gain on sale of Investment in Subsidiary	(1,865.84)	
	Other Comprehensive Gain/ (Loss)		(0.11)
	Interest on borrowings, NCDs and commercial papers	1,901.88	1,979.66
	Sundry Balance written back	221.00	3,111
	Operating profit before working capital changes	**6,924.64**	**8,958.46**
	Movement in working capital :		
	Increase / (decrease) in Trade Payables	2.35	(231.14)
	Increase / (decrease) in Other Payables	(287.14)	34.76
	Increase / (decrease) in Other Non-Financial Liabilities	-	5.45
	Increase / (decrease) in Provisions	(3.56)	2.48
	(Increase) / decrease in Loans	1,326.07	8,110.84
	(Increase) / decrease in Trade Receivables	(7,289.80)	(76.19)
	(Increase) / decrease in Other Receivables	76.19	(2.00)
	(Increase) / decrease in Other Financial Assets	(2.30)	1,025.84
	(Increase) / decrease in Other Non-Financial Assets	0.00	11.85
	Cash used in Operations	**746.45**	**17,840.36**
	Taxes paid (including tax deducted at source) (Net of refund received)	(2,451.46)	(1,087.24)
	Net Cash (used in) operating activities (A)	**(1,705.00)**	**16,753.12**
B.	**Cash flow from Investing Activities**		
	Net Purchase/sale of tangible assets	(9.69)	(21.41)
	Net Purchase/sale of Investment Property	(0.00)	
	Net Purchase/sale of intangible assets	0.00	1.97
	Net Increase/ Decrease in Right to Use Assets	(8.91)	5.06
	Net Purchase/Sales of Investment	5,641.29	(5,993.44)
	Net Proceeds from Sale of Investment in Subsidiary	2,165.84	
	Net cash (used in)/ generated from investing activities (B)	**7,788.53**	**(6,007.81)**
C.	**Cash flow from Financing Activities**		
	Borrowings during the year - Other than debt Securities	191.31	1,599.01
	Repayment of debt securities	(4,950.38)	5.82
	Interest Paid	(1,900.93)	(1,979.65)
	Increase/ decrease in lease liabilities	98.27	(2.69)
	Net cash flow from financing activity (C)	**(6,561.73)**	**(377.51)**
	Net Increases/(Decrease) in Cash and cash equivalents (A)+(B)+(C)	**(478.24)**	**10,367.81**
	Cash and cash equivalents at the beginning of the year	**14,847.33**	**4,479.53**
	Cash and cash equivalents, end of the year	**14,369.09**	**14,847.34**

Standalone Statement of Cash Flow

as on 31st March 2025

(Amount in ₹ lakhs)

	Particulars	31st March, 2025 (Audited)	31st March, 2024 (Audited)
	Notes to the statement of cash flow :		
1)	Cash and cash equivalents comprise of:		
	Cash on hand	0.06	0.01
	Balances with banks		
	In current accounts	9,855.63	11,144.50
	In Deposit with less than 3 months of maturity	202.20	-
	Restricted Cash	4,311.25	3,702.83
	TOTAL	**14,369.13**	**14,847.34**

Material Accounting Policies (Refer note no. 2)

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

Notes to the statement of cash flow (cont'd) :

2) Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the company's cash management

3) The above statement of cash flow has been prepared under the indirect method set out in IND AS 7 on Cash Flow Statements specified under Section 133 of the Companies Act, 2013.

4) Figures in bracket indicate cash outflow.

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

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 29th May, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 29th May, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 29th May, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 29th May, 2025

Standalone Statement of Changes in Equity (SOCIE)

as on 31st March 2025

A. Equity Share Capital

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March, 2025	As at 31st March, 2024
(A)	Balance at the beginning of the current reporting period	3,190.00	3,190.00
(B)	Changes in Equity Share Capital due to prior period errors	-	-
(C)	**Restated balance at the beginning of the current reporting period (A+B)**	**3,190.00**	**3,190.00**
(D)	Changes in equity share capital during the current year	-	-
(E)	**Balance at the end of the current reporting period (C+D)**	**3,190.00**	**3,190.00**

B. Other Equity

(Amount in ₹ lakhs)

	Reserves and Surplus				
	Securities Premium (Note 2)	Statutory Reserve (Note 1) (Other Reserves)	Retained Earnings (Note 3)	Other Comprehensive Income (Note 4)	Total
Balance at the Beginning of the year 01 April 2023	**13,349.60**	**2,857.94**	**1,461.62**	**(4.22)**	**17,664.93**
Securities premium on equity shares issued during the year	-	-	-	-	-
Dividends	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-
Add : Securities premium on equity shares issued during the year	-	-	-	-	-
Transfer from Surplus in the Statement of Profit and Loss / Other comprehemsive income	-	-	11,727.60	(0.08)	11,727.52
Previous Year Adjustment (Ind AS)	-	-	-	-	-
Transfer to Statutory Reserve under Section 45-IC of RBI Act	-	2,345.52	(2,345.52)	-	-
Closing Balance at the end of financial year 31st March 2024	**13,349.60**	**5,203.46**	**10,843.70**	**(4.30)**	**29,392.45**
Balance at the Beginning of the year 01 April 2024	**13,349.60**	**5,203.46**	**10,843.70**	**(4.30)**	**29,392.45**
Securities premium on equity shares issued during the year	-	-	-	-	-
Dividends	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-
Add : Securities premium on equity shares issued during the year	-	-	-	-	-
Transfer from Surplus in the Statement of Profit and Loss / Other comprehemsive income	-	-	5,920.61	1.59	5,922.20
Previous Year Adjustment (Ind AS)	-	-	-	-	-
Transfer to Statutory Reserve under Section 45-IC of RBI Act	-	1,184.12	(1,184.12)	-	-
Closing Balance at the end of financial year-31st March 2025	**13,349.60**	**6,387.58**	**15,580.19**	**(2.72)**	**35,314.64**

Material Accounting Policies (Refer note no. 2)

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

Notes:

Nature and Purpose of Reserves

1. **Statutory Reserve**

   In terms of Section 45-IC of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year. The above requirement is to give intrinsic strength to the balance sheets of the companies. This reserve could be used for purposes as stipulated by the Reserve Bank of India from time to time.

2. **Securities Premium**

   Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013

Standalone Statement of Changes in Equity (SOCIE)

as on 31st March 2025

3. Retained Earnings

Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to investors.

4. Other Comprehensive Income (OCI)

Other Comprehensive Income refers to items of income and expenses that are not recognised as a part of the profit and loss account. However, the entity may transfer those amounts recognised in other comprehensive income within equity. The gain/loss on actuarial valuation of gratuity liability is considered in other comprehensive income.

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 29th May, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 29th May, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 29th May, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 29th May, 2025

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

1. CORPORATE INFORMATION

Finquest Financial Solutions Pvt. Ltd. ('the Company') incorporated under the provisions of Companies Act, 1956. Its debt securities are listed on BSE Limited. The Company's main business is financing by way of loans for retail and corporate borrowers in India.

The company is classified under Base Layer NBFC (erstwhile known as Non-Deposit taking Systematically-Important Non-Banking Financial Company ('NBFC')) holding a Certificate of Registration from the Reserve Bank of India ("RBI") under Reserve Bank of India Act, 1934. The registration details are as follows:

RBI	N-13.01935
Corporate Identification Number	U74140MH2004PTC146715

2. MATERIAL ACCOUNTING POLICIES

i. Statement of compliance

These standalone or separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act. The Company has consistently applied accounting policies to all the periods.

The Company is classified as Base layer NBFC as defined in annexure to scale based Regulation (SBR): A Revised Regulatory framework for NBFCs.

The financial statements of the Company for the year ended March 31, 2025 were approved for issue in accordance with the resolution of the Board of Directors on May 29, 2025.

ii. Basis of preparation of Financial Statements

The financial statements of the company have been prepared on the historical cost basis, as modified by the application of fair value measurements required or allowed by relevant Indian Accounting standards ("Ind AS") and other relevant provisions of the Companies Act 2013, guidelines issued by the RBI as applicable to a NBFCs and other accounting principles generally accepted in India. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable. The regulatory disclosures as required by Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, issued by the RBI are prepared as per the Ind AS financial statements, pursuant to Annex II of the Direction on Regulatory Guidance on Implementation of Indian Accounting Standards by NBFCs.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note v - Significant accounting judgements, estimates and assumptions.

iii. Presentation of financial statements

The Balance Sheet, Statement of Profit and Loss and Statement of changes in Equity are prepared and presented as per the requirements of Division III of Schedule III to the Companies Act, 2013 applicable to Non-Banking Financial Companies as notified by the MCA. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind-AS 7 Statement of Cash Flow. The company classifies its assets and liabilities as financial and non-financial and presents them in the order of liquidity. The financial statements are presented in Indian Rupees in lakhs (INR lakhs or Rs. in lakhs) which is also the functional currency of the Company and all values are rounded to two decimals as required by Schedule III, unless otherwise stated.

Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

a) The normal course of business

b) The event of default

c) The event of insolvency or bankruptcy of the Company and/or its counterparties

iv. Use of estimates and judgements

The preparation of financial statements requires the management of the Company to make judgements, assumptions and estimates that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities at the date of the

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financial statements and reported amounts of income and expenses for the reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the financial statements have been disclosed as applicable in the respective notes to accounts. Accounting estimates could change from period to period. Future results could differ from these estimates. 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 standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Information about judgements made in applying accounting policies that have a most significant effect on the amount recognised in the Standalone financial statements is included as follows:

a) Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b) Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using 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 and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

c) Fair value measurement

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, their fair value is measured using various valuation techniques. 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.

d) Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The impairment loss on loans and advances is disclosed in more detail in Note 29.

e) Contingent liabilities and provisions other than impairment on loan portfolio

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 at each Balance sheet date and revised to take account of changing facts and circumstances.

f) Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given/ taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

g) Estimating the incremental borrowing rate

The Company uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to for its incremental borrowings.

v. Measurement of fair values:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value for measurement and/or disclosure purposes for certain items in these financial statements is determined considering following methods:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Net defined benefit (asset)/liability	Fair value of planned assets less present value of defined benefit obligations
Property plant and equipment	Value in use under Ind AS 36

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date

b) Level 2: inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3: inputs are unobservable inputs for the valuation of assets or liabilities that the Company can access at measurement date.

vi. Financial Instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet on settlement date when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at Transaction price which equates to fair value.

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

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

a) if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);

b) in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

A) Financial assets Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

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1) Amortised cost;

2) Fair value through other comprehensive income (FVTOCI); or

3) Fair value through profit and loss (FVTPL).

The classification depends on the contractual terms of the cashflows of the financial assets and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.
- At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassesses its business models each reporting period to determine whether the business model/ (s) have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business model.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Based on the assessment of the business models, the Company has identified the three following choices of classification of financial assets:

a) Financial assets that are held within a business model whose objective is to collect the contractual cash flows ("Asset held to collect contractual cash-flows"), and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are measured at amortised cost;

b) Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ("Contractual cash flows of Asset collected through hold and sell model") and that have contractual cash flows that are SPPI, are measured at FVTOCI.

c) All other financial assets (e.g. managed on a fair value basis, or held for sale) and equity investments are measured at FVTPL.

B) Initial recognition and measurement

Financial asset is recognised on trade date initially at cost of acquisition net of transaction cost and income that is attributable to the acquisition of the financial asset. Cost equates the fair value on acquisition. Financial asset measured at amortised cost and Financial measured at fair value through other comprehensive income is presented at gross carrying value in the Financial statements. Unamortised transaction cost and incomes and impairment allowance on Financial asset is shown separately under the heading "Other non-financial asset", Other non-financial liability" and "Provisions" respectively.

C) Financial asset at amortised cost

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal).

Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form. The EIR amortisation is included in finance income in the profit and loss statement. The losses arising from impairment are recognised in the profit and loss statement.

D) Financial asset at fair value through Other Comprehensive Income (FVTOCI)

After initial measurement, basis assessment of the business model as "Contractual cash flows of Asset collected through hold and sell model and SPPI", such financial assets are classified to be measured at FVOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI.

The EIR amortisation is included in finance income in the profit and loss statement. The losses arising from impairment are recognised in the profit and loss statement. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealised gain/loss is recorded in other comprehensive income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual the gain/loss realised is recorded in the profit and loss statement and the unrealised/gain losses recorded in OCI are recycled to the statement of profit and loss.

E) Financial asset at fair value through profit and loss (FVTPL)

Financial asset, which does not meet the criteria for categorization at amortized cost or FVOCI, is classified as at FVTPL. In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVOCI criteria, as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

F) Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares:

Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares are classified as FVTPL and measured at fair value with all changes recognised in the statement of profit and loss. Upon initial recognition, the Company, on an instrument-by-instrument basis, may elect to classify equity instruments other than held for trading either as FVTOCI or FVTPL. Such selection is subsequently irrevocable. If FVTOCI is elected, all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the gains or losses from OCI to the statement of profit and loss, even upon sale of investment. However, the Company may transfer the cumulative gain or loss within other equity upon realisation. Investment in associates: The Company has elected to measure Investment in associates at cost.

G) Reclassifications within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

H) Impairment of Financial Asset Impairment approach

The Company is required to recognise expected credit losses (ECLs) based on forward-looking information for all financial assets at amortised cost, lease receivables, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. No impairment loss is applicable on equity investments.

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At the reporting date, an allowance (or provision for loan commitments and financial guarantees) is required for the 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognised for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Company applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

1. Stage 1: 12-months ECL

   For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 29 days are classified as stage 1. The Company has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets.

2. Stage 2: Lifetime ECL – not credit impaired

   For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD equal to 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Company has identified cases with DPD equal to or more than 30 days and less than or equal to 59 days and cases with DPD equal to or more than 60 days and less than or equal to 89 days as two separate buckets.

3. Stage 3: Lifetime ECL – credit impaired

   Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. ECL is recognised on EAD as at period end. If the terms of a financial asset are renegotiated or modified due to financial difficulties of the borrower, then such asset is moved to stage 3, lifetime ECL under stage 3 on the outstanding amount is applied.

The Company assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

1. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.

2. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress.

3. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met

   The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due. The company continues to incrementally provide for the asset post initial recognition in Stage 3, based on its estimate of the recovery.

   The measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives, and estimation of EAD and assessing significant increases in credit risk.

I) Impairment of Trade receivable and Operating lease receivable

Impairment allowance on trade receivables is made on the basis of life time credit loss method, in addition to specific provision considering the uncertainty of recoverability of certain receivables.

J) Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract. Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging

K) De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

1) the rights to receive cash flows from the asset have expired, or

2) the Company has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset 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.

L) Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

M) Presentation of ECL allowance for financial asset:

Type of Financial asset	Disclosure
Financial asset measured at amortised cost	shown separately under the head "provisions" and not as a deduction from the gross carrying amount of the assets
Financial assets measured at FVTOCI	
Loan commitments and financial guarantee contracts	shown separately under the head "provisions"

Where a financial instrument includes both a drawn and an undrawn component and the Company cannot identify the ECL on the loan commitment separately from those on the drawn component, the Company presents a combined loss allowance for both components under "provisions".

N) Financial liability, Equity and Compound Financial Instruments Financial liabilities and equity:

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

O) Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

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P) Classification

The Company classifies its financial liability as "Financial liability at amortised cost" except for financial liability at fair value through profit and loss (FVTPL).

Q) Initial recognition and measurement

Financial liability is recognised initially at cost of acquisition net of transaction costs and incomes that is attributable to the acquisition of the financial liability. Cost equates the fair value on acquisition. Company may irrevocably designate a financial liability that meet the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

R) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss. As at the reporting date, the Company does not have any financial liabilities which have been derecognised.

S) Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

T) Compound instruments

The component parts of compound instruments (e.g. cumulative compulsorily convertible preference shares CCCPS) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share capital and share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain/loss is recognised in profit or loss upon conversion or expiration of the conversion option.

A Cumulative Compulsorily Convertible Preference Shares (CCCPS), with an option to holder to convert the instrument in to variable number of equity shares of the entity upon redemption is classified as a financial liability and dividend including dividend distribution tax is accrued on such instruments and recorded as finance cost.

vii. Interest:

Interest income and expense are recognised using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

The calculation of the EIR includes all fees paid or received that are incremental and directly attributable to the acquisition or issue of a financial asset or liability.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets {i.e. at the amortised cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)}. The Company assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the Interest income accrued on credit impaired financial assets are either accounted for as income or written off as per the write off policy of the Company. The interest cost is calculated by applying the EIR to the amortised cost of the financial liability. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

viii. Dividend income

Income from dividend on investment in equity shares of corporate bodies and units of mutual funds is accounted when the Company's right to receive dividend is established.

ix. Other income and expenses

Foreclosure/ penal income are recognised on a point-in-time basis and recorded when realised since the probability of collecting such monies is established then the customer pays. All other income and expense are recognised in the period they occur.

x. Net gain/loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 25), held by the Company on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in 'Net gains on fair value changes' under Revenue from operations and if there is a net loss the same is disclosed under 'Expenses' in the Statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt or equity instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

xi. Other Expenses

Expenses are recognised on accrual basis net off the goods and service tax, except where credit for the input tax are not statutorily permitted.

xii. Cash, Cash equivalents and bank balances

Cash, Cash equivalents and bank balances include fixed deposits, margin money deposits, and earmarked balances with banks are carried at amortised cost. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

xiii. Property, plant and equipment

Property, plant and equipment (PPE) acquired by the Company are reported at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. The acquisition cost includes any cost attributable for bringing asset to its working condition net of tax/duty credits availed, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use. 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.

xiv. Capital work-in-progress

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress" and carried at cost, comprising direct cost, related incidental expenses and attributable interest.

xv. Intangible

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred.

xvi. Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

xvii. Depreciation and Amortisation

Depreciable amount for tangible property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. The residual value of each asset given on Operating lease is determined at the time of recording of the lease asset. If the residual value of the Operating lease asset is higher than 5%, the Company has a justification in place for considering the same.

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Depreciation on tangible property, plant and equipment deployed for own use has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Buildings, Computer Equipment networking assets, electrical installation and equipment and Vehicles, in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. Depreciation on tangible property, plant and equipment deployed on operating lease has been provided on the straight-line method over the primary lease period of the asset. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. Depreciation for additions to/deductions from, owned assets is calculated pro rata to the remaining period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life. All capital assets with individual value less than Rs. 5,000 are depreciated fully in the year in which they are purchased.

Purchased software / licenses are amortised over the estimated useful life during which the benefits are expected to accrue, while Goodwill if any is tested for impairment at each Balance Sheet date. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

Estimated useful life considered by the Company are:

Asset	Estimated Useful Life
Computer Equipment	3 to 4 years
Vehicles	8 years
Buildings	25 years
Electric Equipment	10 years
Intangible Asset	3 years

xviii. Investment property

Properties held to earn rentals and/or capital appreciation are classified as Investment properties and measured and reported at cost, including transaction costs. When the use of an existing property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

Depreciation is recognised using written down value so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

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

xix. Impairment of assets

Upon an observed trigger or at the end of each accounting year, the Company reviews the carrying amounts of its PPE, investment property and intangible asset to determine whether there is any indication that the asset have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss if any. Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing 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.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

xx. De-recognition of property, plant and equipment and intangible asset

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

xxi. Non-Current Assets held for sale:

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

The Company has a policy to make impairment provision at one third of the value of the Asset for each year upon completion of three years upto the end of five years.

xxii. Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution plans

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss in the year in which they occur. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company. The Company is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the employee provident scheme, 1952 is recognised as an expense in the year in which it is determined.

The Company's contribution to superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

b) Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

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to the Standalone financial statements for the year ended 31st March, 2025
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i) Short-term employee benefits plans

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

ii) Long-term employee benefits plans

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long term service awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

iii) Share based payment transaction

The stock options of the Parent Company is granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

xxiii. Operating Segments

The Company's main business is financing by way of loans for retail and corporate borrowers in India. The Company's operating segments consist of "Financing Activity", "Investment Activity" and "Others". All other activities of the Company revolve around the main businesses. This in the context of Ind AS 108 – operating segments reporting are considered to constitute reportable segment. The Chief Operating Decision Maker (CODM) of the Company is the Board of Directors. Operating segment disclosures are consistent with the information reviewed by the CODM.

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. Accordingly, all operating segment's operating results of the Company are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The "Financing Activity" segment consists of asset financing, term loans (corporate and retail), channel financing, credit substitutes, investments linked to/arising out of lending business and bill discounting. The "Investment Activity" segment includes corporate investments and "Others" segment primarily includes advisory services, wealth management, distribution of financial products and leasing.

Revenue and expense directly attributable to segments are reported under each operating segment. Expenses not directly identifiable to each of the segments have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses. received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax law) enacted or substantively enacted by the reporting date.

Current tax asset and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

xxiv. Taxes

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

xxv. Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

xxvi. Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

i. an entity has a present obligation (legal or constructive) as a result of a past event; and

ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

iii. a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received. Contingent liability is disclosed in case of:

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

ii. a present obligation arising from past events, when no reliable estimate is possible. Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision. Contingent assets are not recognised in the financial statements.

xxvii. Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows: a) estimated amount of contracts remaining to be executed on capital account and not provided for;

a) uncalled liability on shares and other investments partly paid;

b) funding related commitment to associate; and

c) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

d) Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

e) Commitments under Loan agreement to disburse Loans

f) Lease agreements entered but not executed

xxviii. Earning Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

xxix. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in operating receivables and payables transactions of a non-cash nature;

ii. Non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

xxx. Dividend payable

Interim dividend declared to equity shareholders, if any, is recognised as liability in the periodin which the said dividend has been declared by the Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

xxxi. Leases

The Company as a lessee

The Company follows Ind AS 116 'Leases' for all long term and material lease contracts.

A) Measurement of lease liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payments discounted using the Company’s incremental cost of borrowing and directly attributable costs.

Subsequently, the lease liability is –

(i) increased by interest on lease liability;

(ii) reduced by lease payments made; and

(iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

B) Measurement of Right-of-use assets

At the time of initial recognition, the Company measures 'Right-of-use assets' as present value of all lease payments discounted using the Company’s incremental cost of borrowing w.r.t said lease contract.

Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

xxxii. Recent pronouncement to Ind AS to mentioned in accounting policies.

The MCA has announced amendments to the Companies (Indian Accounting Standards) Rules, 2015 through its various notifications issued during the financial year 2024-25.

The notification dated August 12, 2024 has notified the new accounting standard, Ind AS 117 - Insurance Contracts, applicable from April 01, 2024.

Subsequently, through its notification dated September 28, 2024, MCA allowed insurers to use Ind AS 104 - Insurance Contracts for preparing consolidated financial statements until Ind AS 117 is notified by the IRDA and inserted a Schedule on Ind AS 104 which outlines the financial reporting requirements for insurance contracts. This notification was made applicable with immediate effect.

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to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

MCA also amended Ind AS 116 - Leases, by inserting new provisions relating to sale and leaseback transactions, through its notification dated September 09, 2024, applicable with immediate effect.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 29th May, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 29th May, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 29th May, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 29th May, 2025

Notes

to the Standalone financial statements for the year ended 31st March, 2025

(All amounts are in rupees lakhs, except per share data and as stated otherwise)

3 Cash and cash equivalents (at amortised cost)

(Amount in ₹ lakhs)

Particulars	31 March 2025	31st March 2024
Cash on hand	0.06	0.01
Balances with banks in current accounts	9,855.63	11,144.50
Balance in Fixed Deposit (with maturity upto 3 months)	202.20	-
	10,057.89	**11,144.51**

4 Bank Balance other than Cash and cash equivalents

(Amount in ₹ lakhs)

Particulars	31 March 2025	31st March 2024
a) At Amortised Cost		
- in deposit accounts (refer note 4.1 & 4.2)	3,961.25	3,502.83
- other deposits	350.00	200.00
	4,311.25	**3,702.83**

4.1 Fixed deposits earns interest at floating rate

4.2 Fixed deposits amounting to Rs. 2500/- lakhs are deposit under lien for resolution plan submitted and for previous financial year which is under process of implementation.

5 Receivables (at cost)

(Amount in ₹ lakhs)

Particulars	31 March 2025	31st March 2024
I) Trade Receivables		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured*	-	76.19
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Gross carrying amount	-	**76.19**
Less: Allowances for impairment loss on trade receivables considered good - unsecured	-	-
Less: Allowances for impairment loss on credit impaired trade receivables	-	-
Net carrying amount	-	**76.19**

*dues are from private company in which we have common Director.

5.1 Trade receivables are non-interest bearing recievables

5.2 Trade Receivables ageing schedule

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025							Total
	Unbilled	Not Due for payment	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

(Amount in ₹ lakhs)

Particulars	As at 31st March 2024							Total
	Unbilled	Not Due for payment	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	-	-	76.19	-	-	-	-	76.19
Total	-	-	**76.19**	-	-	-		**76.19**

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to the Standalone financial statements for the year ended 31st March, 2025

(All amounts are in rupees lakhs, except per share data and as stated otherwise)

II) Other Receivables

(Amount in ₹ lakhs)

Particulars	31 March 2025	31st March 2024
Other receivables considered good - unsecured*	4.30	2.00
Gross carrying amount	**4.30**	**2.00**
Less: Allowances for impairment loss on trade receivables considered good - unsecured		
Less: Allowances for impairment loss on credit impaired trade receivables		-
Net carrying amount	**4.30**	**2.00**
	4.30	**2.00**

*includes dues amounting to Rs. 2.3 lakhs from Directors or other officers of the Company or any firm or private company in which any Director is a partner, a Director or a member.

Other Receivables ageing schedule

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025							Total
	Unbilled	Not Due for payment	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	-	-	-	2.30	2.00	-	-	4.30
Total	**-**	**-**	**-**	**2.30**	**2.00**	**-**	-	**4.30**

(Amount in ₹ lakhs)

Particulars	As at 31st March 2024							Total
	Unbilled	Not Due for payment	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	-	-	-	2.00	-	-	-	2.00
Total	**-**	**-**	**-**	**2.00**	**-**	**-**		**2.00**

6 Loans (at amortised cost)

(Amount in ₹ lakhs)

Particulars	31 March 2025	31 March 2024
(A) (i) Term Loans	17,702.64	11,719.77
(ii) Staff Loan	5.08	13.01
Total (A) - Gross	**17,707.72**	**11,732.78**
Less: Impairment loss allowance	696.78	2,011.64
- NPA Provisions	525.00	1,873.27
- Standard Assets	171.78	138.37
Total (A) - Net	**17,010.94**	**9,721.14**
(B) (i) Secured by tangible assets	734.99	1,590.00
(ii) Unsecured	16,972.73	10,142.78
Total (B) - Gross	**17,707.72**	**11,732.78**
Less: Impairment loss allowance	696.78	1,873.27
Total (B) - Net	**17,010.94**	**9,859.51**
(C) (i) Loans in India		
(a) Public sector	-	-
(b) Others	**17,707.72**	**11,732.78**
i) Retails	1,414.55	2,021.26
ii) Corporates	16,293.17	9,711.52
(ii) Loans outside India	-	-
Total (C)- Gross	**17,707.72**	**11,732.78**
Less: Impairment loss allowance	696.78	1,873.27
Total(C)-Net	**17,010.94**	**9,859.51**

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to the Standalone financial statements for the year ended 31st March, 2025

(All amounts are in rupees lakhs, except per share data and as stated otherwise)

6.1 There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL

6.2 During the previous financial year ended 31st March 2024, the Company has granted loan to it's wholly owned subsidary Legguino India Pvt Ltd granting further loan to its step down subsidary Genesis Reorts Pvt Ltd for sucessful implememtaion of Resolution plan excuted by the company wholly owned subsidary Legguino India Pvt Ltd of Genesis Resorts Pvt Ltd.

6.3 The Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.

6.4 **Credit quality of assets**

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 43A and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 43A.

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025			
	General approach			Total
	Stage 1- Collective	Stage 2- Collective	Stage 3- Collective	
Internal rating grade				
Performing				
High grade	17,177.64	-	-	17,177.64
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Non- performing	-	-	525.00	525.00
Total	**17,177.64**	**-**	**525.00**	**17,702.64**

(Amount in ₹ lakhs)

Particulars	As at 31st March 2024			
	General approach			Total
	Stage 1- Collective	Stage 2- Collective	Stage 3- Collective	
Internal rating grade				
Performing				
High grade	7,851.30	-	-	7,851.30
Standard grade	1,995.20	-	-	1,995.20
Sub-standard grade	-	-	-	-
Non- performing	-	-	1,873.27	1,873.27
Total	**9,846.50**	**-**	**1,873.27**	**11,719.77**

6.5 An analysis of changes in the gross carrying amount as follows:

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	9,846.50	-	1,873.27	11,719.77
Portfolio additions on account of BusinessCombination	-	-	-	-
Balance as on April 01, 2024	**9,846.50**	**-**	**1,873.27**	**11,719.77**
New assets originated or purchased	14,352.18	-	-	14,352.18
Assets derecognised or repaid (excluding writeoffs and includes interestaccruals adjusted)	(6,861.43)	-	(1,498.27)	(8,359.70)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	(159.61)	-	150.00	(9.61)
Amounts written off	-	-	-	-
Gross carrying amount closing balance	**17,177.64**	**-**	**525.00**	**17,702.64**

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to the Standalone financial statements for the year ended 31st March, 2025

(All amounts are in rupees lakhs, except per share data and as stated otherwise)

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	14,859.81	78.91	7,993.33	22,932.05
Portfolio additions on account of BusinessCombination	-	-	-	-
Balance as on April 01, 2023	**14,859.81**	**78.91**	**7,993.33**	**22,932.05**
New assets originated or purchased	4,772.61	-	-	4,772.61
Assets derecognised or repaid (excluding writeoffs and includes interestaccruals adjusted)	(8,998.20)	-	(3,666.72)	(12,664.92)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	(787.72)	-	787.72	-
Amounts written off	-	(78.91)	(3,241.06)	(3,319.97)
Gross carrying amount closing balance	**9,846.50**	**-**	**1,873.27**	**11,719.77**

Reconciliation of ECL balance is given below:

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
ECL Allowance - opening balance	**138.36**	**-**	**1,873.27**	**2,011.63**
New assets originated or purchased	143.52	-	148.40	291.93
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	(1.60)	-	1.60	-
Provision no longer required	(108.52)	-	(1,498.27)	(1,606.79)
ECL Allowance - closing balance	**171.77**	**-**	**525.00**	**696.77**

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
ECL Allowance - opening balance	**265.22**	**39.46**	**7,343.33**	**7,648.01**
New assets originated or purchased	47.73	-	560.61	608.34
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	(39.39)	-	39.39	-
Provision no longer required	(135.19)	(39.46)	(6,070.06)	(6,244.71)
ECL Allowance - closing balance	**138.36**	**-**	**1,873.27**	**2,011.63**

6.7 The table below summarises the gross carrying values and assosiated allowances for expected creedit loss (ECL) stage wise for loan portfolio:-

As at 31st March 2025 **(Amount in ₹ lakhs)**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	17,177.64	-	525.00	17,702.64
Allowance for ECL	171.77	-	525.00	696.77
ECL Coverage Ratio	1.00%	NA	100.00%	3.94%

As at 31st March 2024 **(Amount in ₹ lakhs)**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	9,846.50	-	1,873.27	11,719.77
Allowance for ECL	138.36	-	1,873.27	2,011.63
ECL Coverage Ratio	1.41%	0.00%	100.00%	17.16%

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

7 Investment (Amount in ₹ lakhs)

Sr. No.	Particulars	31st March 2025					31st March 2024				
		Amortised Cost	At Fair Value		Others (At Cost)	TOTAL	Amortised Cost	At Fair Value		Others (At Cost)	TOTAL
			Through OCI	Through P&L				Through OCI	Through P&L		
1	Mutual Funds	-	-	-	-	-	-	-	-	-	-
2	Government Securities	-	-	-	-	-	-	-	-	-	-
3	Others Approved Securities	-	-	-	-	-	-	-	-	-	-
4	**Debt Securities:**	**1,307.08**	**-**	**-**	**-**	**1,307.08**	**8,669.42**	**-**	**-**	**-**	**8,669.42**
a)	Cumulative, Redeemable Preference Share of Ballarpur Industries Limited	249.64	-	-	-	-	226.97	-	-	-	-
b)	Unlisted, Un-Secured, Redeemable, Non-Convertible Debentures series-1 of INR 1 Crore each at par	-	-	-	-	-	7,289.93	-	-	-	-
c)	7% Rated, Listed, Secured, Redeemable, Non-Convertible Debentures of FV INR 1 Lakhs each	1,057.44	-	-	-	-	1,152.51	-	-	-	-
5	**Equity Instrument:**	**-**	**-**	**14,908.76**	**1.00**	**14,909.76**	**-**	**-**	**13,727.74**	**-**	**13,727.74**
a)	Securities Held for Trading	-	-	14,908.76	-	-	-	-	13,727.74	-	-
b)	10,000 Equity Shares of Rs. 1 each fully paid of Reid & Taylor International Private Limited (erstwhile known as Krihaan Texchem Private Limited)	-	-	-	1.00	-	-	-	-	-	-
6	**Subsidiaries:**	**-**	**-**	**-**	**4,351.12**	**4,351.12**	**-**	**-**	**-**	**4,652.12**	**4,652.12**
a)	10,000 Equity Shares of Rs. 1 each fully paid ofReid & Taylor International Private Limited (erstwhile known as Krihaan Texchem Private Limited)	-	-	-	-	-	-	-	-	1.00	
b)	1,50,00,000 Equity Shares of Rs. 10 each fully paid (Previous Year 1,80,00,000) of Digjam Limited	-	-	-	1,500.00	-	-	-	-	1,800.00	
c)	Equity Shares of Ballarpur Industries Limited	-	-	-	2,805.00	-	-	-	-	2,805.00	
d)	Equity component of preference shares of Ballarpur Industries Limited	-	-	-	45.12	-	-	-	-	45.12	
e)	Equity Share of Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	-	-	-	1.00	-	-	-	-	1.00	
7	Assosiates	-	-	-	-	-	-	-	-	-	-
8	Joint Ventures	-	-	-	-	-	-	-	-	-	-
9	**Others:**	**-**	**-**	**-**	**4,229.68**	**4,229.68**	**-**	**-**	**-**	**4,229.68**	**4,229.68**
a)	Investment in Security Receipt	-	-	-	4,229.68	-	-	-	-	4,229.68	-
	Total Gross (A)	**1,307.08**	**-**	**14,908.76**	**8,581.80**	**24,797.64**	**8,669.42**	**-**	**13,727.74**	**8,881.80**	**31,278.97**
1	Investments outside India	-	-	-	-	-	-	-	-	-	-
2	Investments in India	1,307.08	-	14,908.76	8,581.80	24,797.64	8,669.42	-	13,727.74	8,881.80	31,278.97
	Total Gross (B)	**1,307.08**	**-**	**14,908.76**	**8,581.80**	**24,797.64**	**8,669.42**	**-**	**13,727.74**	**8,881.80**	**31,278.97**
	Less : Allowance for impairment loss (C)	-	-	-	-	-	-	-	-	-	-
	Total Net (D) = (B)-(C)	**1,307.08**	**-**	**14,908.76**	**8,581.80**	**24,797.64**	**8,669.42**	**-**	**13,727.74**	**8,881.80**	**31,278.97**

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

7.1 The dividends of Rs.51.31 lakhs (March 31, 2024: Rs.68.13 lakhs) received from investments in shares are recorded as dividend income.

7.2 The company had implemented the approved resolution plan of Ballarpur Industries Ltd (BILT) and has acquired 51% stake in BILT vide Corporate Insolvency Resolution Process during the previous financial year ended 31st March 2024. As per the resolution plan, the new management of BILT is under the process of commencing commercial operations and has forecasted cash flows for the future. As the investments made by the Company are strategic and of long-term nature, the company has not tested for impairment of these investments.

7.3 A description of the Company's financial instrument risks, including risk management objectives and policies is given in Note 43. The methods used to measure financial assets reported at fair value are described in Note 2(vi)(E).

7.4 During the financial year 2024-25, Reid & Taylor International Private Limited (erstwhile known as Krihaan Texchem Private Limited) issued additional 47,000 equity shares on 27th March 2025 and 58,000 equity shares on 28th March 2025. Pursuant to this issuance, the Company's shareholding in Reid & Taylor International Private Limited reduced from 100% as on 26th March 2025 to 8.7%, resulting in a loss of control in accordance with the principles laid down under Ind AS 110 – Consolidated Financial Statements. Consequently, Reid & Taylor International Private Limited has ceased to be a subsidiary of the Company with effect from 27th March 2025.

7.5 During the Financial year 2024-2025, the Company partially divested its investment in DIGJAM Limited by selling 30,00,000 equity shares, representing a 15% stake, through the Offer for Sale (OFS) mechanism of the stock exchange. The OFS was undertaken by Finquest Financial Solutions Private Limited in accordance with SEBI's "Comprehensive Framework on Offer for Sale (OFS) of Shares through Stock Exchange Mechanism" issued vide Circular No. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2023/10 dated January 10, 2023. The total consideration received from the sale amounted to ₹ 2165.84 lakhs, resulting in a profit of ₹ 1873.56 lakhs, which has been recognized in the Statement of Profit and Loss under "Exceptional Item", as applicable. The balance investment in DIGJAM Limited continues to be held by the Company and is appropriately classified and valued in the financial statements as at March 31, 2025.

8 Other financial assets

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Unsecured, considered good		
a) At Amortised Cost		
Deposit for rent	6.24	6.24
b) At Cost		
Other advances	-	-
	6.24	**6.24**

9 Current tax Asset/(Liability)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Income Tax Advance	3,914.19	1,652.68
Less: Provision for Income Tax	(5,642.69)	(3,040.68)
TDS Receivable	1,874.31	1,812.73
	145.81	**424.73**

10 Investment property

Mar-25

(Amount in ₹ lakhs)

PARTICULARS	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 1st April 2024	Adjustment	Additions	Sales/ Deduction	Balance as at 31st March 2025	Balance as at 1st April 2024	During the year	Adjustment	Sales/ Deduction	Balance as at 31st March 2025	Balance as at 31st March 2025	Balance as at 1st April 2024
Land	123.41	-	-	-	123.41	-				-	123.41	123.41
Building	441.32		-	-	441.32	110.12	32.36		-	142.48	298.84	331.20
TOTAL	**564.73**	**0.00**	**0.00**	**0.00**	**564.73**	**110.12**	**32.36**	**0.00**	**0.00**	**142.48**	**422.25**	**454.61**

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

Mar-24 (Amount in ₹ lakhs)

PARTICULARS	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 1st April 2023	Adjustment	Additions	Sales/ Deduction	Balance as at 31st March 2024	Balance as at 1st April 2023	During the year	Adjustment	Sales/ Deduction	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 1st April 2023
Land	123.41	-	-	-	123.41	-	-	-	-	-	123.41	123.41
Building	441.32	-	-	-	441.32	75.27	34.85	-	-	110.12	331.20	366.05
TOTAL	**564.73**	**0.00**	**0.00**	**0.00**	**564.73**	**75.27**	**34.85**	**0.00**	**0.00**	**110.12**	**454.61**	**489.46**

The Company has not revalued any of its investment property during the financial years ended March 31, 2025 and March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is Rs. Nil

(i) Amounts recognised in Statement of Profit and Loss for Investment property

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income from investment property	-	-
Direct operating expenses arising from investment property that generated rental income during the year	-	-
Direct operating expenses arising from investment property that did not generate rental income during the year	-	-
Profit from investment property before depreciation	-	-
Depreciation charge for the year	32.36	34.85
Profit from investment property after depreciation	**(32.36)**	**(34.85)**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair value

The management is of the opinion that the fair value as at 31st March, 2025 is approximately same as on 31st March 2023 which is Rs. 1249.42 lakhs.

The fair value of the investment properties as on 31st March 2023 has been determined by an external independent property valuer, Having appropriate professional qualification and experience in the location and category of property being valued.

(iv) Pledged details

The company has not pledged its Investment Property.

11 Property Plant and Equipment

Mar-25 (Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01st April 2024	Additions	Deductions	Balance as at 31st March 2025	Balance as at 01st April 2024	Charge for the year	Deductions	Balance as at 31st March 25	Balance as at 31st March 2025	Balance as at 01st April 2024
Electric Equipment (Plant and Machinery)	5.09	-	-	5.09	3.44	0.42	-	3.86	1.23	1.65
Computers & Servers	5.09	1.77	-	6.86	3.57	1.48	-	5.05	1.81	1.52
Vehicles	109.92	7.91	-	117.84	102.15	3.94	-	106.09	11.74	7.77
Office Equipment	0.37	-	-	0.37	0.16	0.11	-	0.27	0.10	0.21
TOTAL	**120.48**	**9.69**	**-**	**130.17**	**109.33**	**5.94**	**-**	**115.27**	**14.89**	**11.15**

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Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

Mar-24 (Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01st April 2023	Additions	Deductions	Balance as at 31st March 2024	Balance as at 01st April 2023	Charge for the year	Deductions	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 01st April 2023
Electric Equipment (Plant and Machinery)	5.09	-	-	5.09	2.88	0.56	-	3.44	1.65	2.22
Computers & Servers	3.96	1.13	-	5.09	2.37	1.20	-	3.57	1.52	1.59
Vehicles	109.92	-	-	109.92	98.97	3.19	-	102.15	7.77	10.96
Office Equipment	-	0.37	-	0.37	-	0.16	-	0.16	0.21	-
TOTAL	**118.98**	**1.50**	**-**	**120.48**	**104.21**	**5.12**	**-**	**109.33**	**11.15**	**14.77**

The Company has not revalued any of its property, plant and equipment during the year ended March 31, 2025 and year ended March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil

12 Disclosure under Ind AS 116: Leases

i) Right-of-use Assets

Mar-25 (Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2024	Additions	Deductions	Balance as at 31 March 2025	Balance as at 1st April 2024	Charge for the year	Deductions	Balance as at 31 March 2025	Balance as at 31 March 2025	Balance as at 01st April 2024
Office Premise	34.94	12.73	34.94	12.73	30.06	12.74	31.12	11.68	1.05	4.89
TOTAL	**34.94**	**12.73**	**34.94**	**12.73**	**30.06**	**12.74**	**31.12**	**11.68**	**1.05**	**4.89**

Mar-24 (Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2023	Additions	Deductions	Balance as at 31st March 2024	Balance as at 1st April 2023	Charge for the year	Deductions	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 1st April 2023
Office Premise	22.07	12.87	-	34.94	12.12	17.94	-	30.06	4.89	9.95
TOTAL	**22.07**	**12.87**	**-**	**34.94**	**12.12**	**17.94**	**-**	**30.06**	**4.89**	**9.95**

The Company has not revalued any of its Right-of-use assets during the year ended March, 2025 and year ended March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

ii) Movement in lease liabilities

Mar-25 (Amount in ₹ lakhs)

PARTICULARS	Balance as at 1st April 2024	Additions	Deletions	Finance Cost	Payment of lease liabilities	Balance as at 31 March 2025
Office Premise	3.71	12.73	2.58	0.95	13.68	1.13
TOTAL	**3.71**	**12.73**	**2.58**	**0.95**	**13.68**	**1.13**

Mar-24 (Amount in ₹ lakhs)

PARTICULARS	Balance as at 1st April 2023	Additions	Deletions	Finance Cost	Payment of lease liabilities	Balance as at 31st March 2024
Office Premise	6.39	12.87	-	1.43	16.98	3.71
TOTAL	**6.39**	**12.87**	**-**	**1.43**	**16.98**	**3.71**

The Company has taken various office premises under lease. Certain agreements provide for cancellation by either party or certain agreements contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreements are ranging to 9 months. There are no restrictions imposed by lease arrangements.

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

iii) Maturity analysis of lease liabilities

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Less than 1 month	1.13	1.13
Between 1 month & 3 months	-	-
Between 3 months &1 year	-	2.58
Between 1 year and 5 year	-	-
More than 5 years	-	-
Total	**1.13**	**3.71**

iv) Amounts recognised in the Statement of Profit and Loss

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	(12.74)	(17.94)
Interest expense (included in finance costs)	(0.95)	1.43
Gain/(Loss) on cancellation of lease liability	(1.24)	-

v) The total cash outflow for leases during the year

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Total cash outflow for Leases	**13.68**	**16.98**

13 Intangible Assets

Mar-25 (Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2024	Additions	Deductions	Balance as at 31st March 2025	Balance as at 1st April 2024	Charge for the year	Deductions	Balance as at 31st March 2025	Balance as at 31st March 2025	Balance as at 1st April 2024
License - Cloudbankin	5.90	-	-	5.90	2.18	1.97	-	4.14	1.76	3.72
TOTAL	**5.90**	**-**	**-**	**5.90**	**2.18**	**1.97**	**-**	**4.14**	**1.76**	**3.72**

Mar-24 (Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2023	Additions	Deductions	Balance as at 31st March 2024	Balance as at 1st April 2023	Charge for the year	Deductions	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 1st April 2023
License - Cloudbankin	5.90	-	-	5.90	0.20	1.97	-	2.18	3.72	5.70
TOTAL	**5.90**	**-**	**-**	**5.90**	**0.20**	**1.97**	**-**	**2.18**	**3.72**	**5.70**

The Company has not revalued any of its intangible assets during the financial year ended March 31, 2025 and March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

The useful life of Intagible asset is 3 years.

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

14 Other non-financial assets

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Capital Advances	1,850.00	1,850.00
GST on Reverse Charge	-	-
GST Credit on Input Services	-	-
Prepaid Employee Benefit Expenses	-	-
Prepaid Vehicle Insurance Expenses	-	-
Professional Tax Excess Paid	-	-
Excess paid to TATA Capital	-	-
	1,850.00	**1,850.00**

15 Payables (at cost)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(I) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2.35	-
	2.35	**-**

Trade Payables ageing schedule

(Amount in ₹ lakhs)

PARTICULARS	31st March 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	2.35	-	-	-	2.35
TOTAL	**2.35**	**-**	**-**	**-**	**2.35**

(Amount in ₹ lakhs)

PARTICULARS	31st March 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(II) Other Payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	234.22	300.36
	234.22	**300.36**

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

15.1 Trade & other payables are non-interest bearing

Other Payables ageing schedule

(Amount in ₹ lakhs)

PARTICULARS	31st March 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	57.27	1.13	0.06	175.76	234.22
TOTAL	**57.27**	**1.13**	**0.06**	**175.76**	**234.22**

(Amount in ₹ lakhs)

PARTICULARS	31st March 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	300.36	-	-	-	300.36
TOTAL	**300.36**	**-**	**-**	**-**	**300.36**

16 Debt Securities (at amortised cost)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Non Convertible debentures (Unsecured)**	18,302.49	23,252.88
Total (A)	**18,302.49**	**23,252.88**
Debt securities in India	18,302.49	23,252.88
Debt securities outside India	-	-
Total (B)	**18,302.49**	**23,252.88**

Details of Debt Securities:

As on 31st March, 2025

Particulars	Debentures Issued at (in Lakhs)	Redemption Value (In Lakhs)	Redemption Date	Issue Date
Non-Convertible Debentures. (INE712W08037)	3600.00	6480.00	24-03-2027	24-03-2017
Non-Convertible Debentures. (INE712W08029)	8100.00	18630.00	26-09-2029	26-09-2019

As on 31st March, 2024

Particulars	Debentures Issued at (in Lakhs)	Redemption Value (In Lakhs)	Redemption Date	Issue Date
Non-Convertible Debentures. (INE712W08037)	6,200.00	11,160.00	24-03-2027	24-03-2017
Non-Convertible Debentures. (INE712W08029)	10,000.00	23,000.00	28-09-2029	26-09-2019

16.1 During the current financial year the the Company has exercised its option for early redemption of Non-Convertible Debentures (NCDs) in accordance with the terms of issuance. During the Financial year 2024-25, a total of 26 NCDs from Series I, out of 62 NCDs outstanding, have been redeemed. Additionally, 19 NCDs from Series II, out of 100 NCDs outstanding have also been redeemed.

16.2 During the previous financial year the Company has an option to call for early redemption from its debenture holders. The company has exercised its option vide its notice dated February 23, 2024. Hence, out of total 64 Listed, Rated, Unsecured, Redeemable, Non-Convertible Debentures outstanding as on 31/03/2023, totalling Rs. 64 crores, option was exercised by debenture holder of Rs. 2 Crore under the call option during quarter ended 31/03/2024. Hence, as at year ended March 31/03/2024, there are outstanding Debentures of Rs. 62 Crore.

** includes Rs. Nil lakhs (March 31, 2024 Rs. 109 lakhs) issued to related parties including Directors.

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

17 Borrowings (Other than Debt Securities - at amortised cost)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Term loans	-	-
Secured	-	-
(i) from banks	-	-
(ii) from other parties	-	-
Unsecured	-	-
(i) from banks	-	-
(ii) from other parties (unsecured)#	27.11	25.75
(b) Loans from related parties (unsecured)	381.91	191.96
(c) Loans repayable on demand (Unsecured)	-	-
(i) from banks	-	-
(ii) from other parties	-	-
(d) Other loans (Unsecured)	-	-
Total (A)	409.02	217.71
Borrowings in India	409.02	217.71
Borrowings outside India	-	-
Total (B)	**409.02**	**217.71**

17.1 There are no borrowings measured at FVTPL or designated at FVTPL.

17.2 Rate of Interest of borrowings from other parties ranges upto 6.5%

17.3 The borrowings have not been guaranteed by directors or others. The Company has not defaulted in repayment of principal and interest to its lenders.

18 Provisions

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits		
- Gratuity	7.84	7.74
- Compensated absences	2.16	2.32
CSR Provision	-	-
Provisioin for expenses	8.16	-
Total (B)	**18.19**	**10.06**

19 Deffered Tax Asset/(Liability)

For the Year Ended March 31, 2025

(Amount in ₹ lakhs)

Particulars	Net balance on 31 March, 2025	Recognized in profit or loss	Recognized in OCI	Previous year Adjustments in DTA/ DTL	Net	Deferred tax asset	Deferred tax liability
- WDV of Assets	24.96	24.96	-	-	24.96	24.96	-
- Investment in Equity Shares (Trading) (ICDS VIII)	(838.24)	(838.24)	-	-	(838.24)	-	(838.24)
- Investment in BILT:-					-	-	-
- NCD for Cash	-	-	-	-	-	-	-
- NCD against loan	-	-	-	-	-	-	-
- Preference share against loan	-	-	-	-	-	-	-
- ROU Assets (net off Lease liability)	0.02	0.02	-	-	0.02	0.02	-

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

For the Year Ended March 31, 2025 (Amount in ₹ lakhs)

Particulars	Net balance on 31 March, 2025	Recognized in profit or loss	Recognized in OCI	Previous year Adjustments in DTA/ DTL	Net	Deferred tax asset	Deferred tax liability
- Deposit (Rent)	0.00	0.00	-	-	0.00	0.00	-
- On Provision for Gratuity	1.97	(0.15)	2.12		1.97	1.97	-
- On Provision for compensated absences	0.54	0.54	-	-	0.54	0.54	-
- NCD Issused	(335.47)	(335.47)	-	-	(335.47)	-	(335.47)
Deferred Tax Assets/(Liabilities)	**(1,146.22)**	**(1,148.34)**	**2.12**	**-**	**(1,146.22)**	**27.49**	**(1,173.71)**
Net	**-**	**-**	**-**	**-**	**-**	**-**	**(1,146.22)**
Opening Deferred tax Assets/ (liability)	**(2,304.46)**						
Deferred tax income/(expense) during the year	**1,158.24**						
Closing Deferred tax Assets/ (liability)	**(1,146.22)**						

For the Year Ended March 31, 2024 (Amount in ₹ lakhs)

Particulars	Net balance on 31 March, 2024	Recognized in profit or loss	Recognized in OCI	Previous year Adjustments in DTA/ DTL	Net	Deferred tax asset	Deferred tax liability
- WDV of Assets	18.26	18.26	-	-	18.26	18.26	-
- Investment in Equity Shares (Trading) (ICDS VIII)	(1,731.11)	(1,731.11)	-	-	(1,731.11)	-	(1,731.11)
- Investment in BILT:-	-	-	-	-	-	-	-
- NCD for Cash	(123.32)	(123.32)	-	-	(123.32)	-	(123.32)
- NCD against loan	(15.48)	(15.48)	-	-	(15.48)	-	(15.48)
- Preference share against loan	8.31	8.31	-	-	8.31	8.31	-
- ROU Assets (net off Lease liability)	(0.30)	(0.30)	-	-	(0.30)	-	(0.30)
- Deposit (Rent)	0.02	0.02	-	-	0.02	0.02	-
- On Provision for Gratuity	1.95	2.48	(0.53)	-	1.95	1.95	-
- On Provision for compensated absences	0.58	0.58	-	-	0.58	0.58	-
- NCD Issused	(463.38)	(463.38)	-	-	(463.38)	-	(463.38)
Deferred Tax Assets/(Liabilities)	**(2,304.46)**	**(2,303.93)**	**(0.53)**	**-**	**(2,304.46)**	**29.12**	**(2,333.58)**
Net	**-**	**-**	**-**	**-**	**-**	**-**	**(2,304.46)**
Opening Deferred tax Assets/ (liability)	**(348.28)**						
Deferred tax income/(expense) during the year	**(1,956.18)**						
Closing Deferred tax Assets/ (liability)	**(2,304.46)**						

20 Other non- financial liabilities

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Statutory liabilities	-0.00	-0.01
TDS Payable	5.78	5.45
Other liabilities	-	3.90
	5.78	**9.35**

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

21 Equity share capital

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Authorized Equity shares		
3,20,00,000 (31 March 2024: 3,20,00,000) Equity Shares of Rs.10 each	3,200.00	3,200.00
1% Redeemable Optionally Convertible Cumulative Preference Shares of Rs.1,00,000/- Each	1,000.00	1,000.00
	4,200.00	**4,200.00**
Issued, Subscribed and fully Paid up Equity Shares 31,900,000 (31 March 2024: 31,900,000) Equity Shares of Rs.10 each	3,190.00	3,190.00
	3,190.00	**3,190.00**

(a) Reconciliation of number of shares

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025		As at 31st March 2024	
	No of shares	Rupees	No of shares	Rupees
Balance at the beginning of the year				
Equity Shares	3,19,00,000	3,190.00	3,19,00,000	3,190.00
Add: Shares Issued during the year				
Equity Shares	-	-	-	-
Balance at the end of the year				
Equity Shares	3,19,00,000	3,190.00	3,19,00,000	3,190.00

(b) Reconciliation of Equity Share Capital

(Amount in ₹ lakhs)

	Particulars	As at 31st March 2025	As at 31st March 2024
(A)	Balance at the beginning of the current reporting period	3,190.00	3,190.00
(B)	Changes in Equity Share Capital due to prior period errors	-	-
(C)	**Restated balance at the beginning of the current reporting period (A+B)**	**3,190.00**	**3,190.00**
(D)	Changes in equity share capital during the current year	-	-
(E)	**Balance at the end of the current reporting period (C+D)**	**3,190.00**	**3,190.00**

(c) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date were Nil (March 31, 2024: Nil).

(e) Shares held by holding / ultimate holding company / or their subsidiaries / associates and its nominees

The Company does not have holding/ultimate holding company

(f) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the Company

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

Details of shareholding	31 March 2025		31 March 2024	
Name of the shareholder Equity shares of Rs. 10/- each	No. of shares held	% of holding	No. of shares held	% of holding
Mrs. Minal Bharat Patel	2,06,25,421	64.66%	2,06,25,421	64.66%
Mr. Hardik Bharat Patel	1,03,12,711	32.33%	1,03,12,711	32.33%

(g) **Refer note 40 -** Capital management for the Company's objectives, policies and processes for managing capital.

(h) Shareholding of Promoters

Promoter & Promoter Group	Relationship	Shares held at the end of the year		% Change during the year
		No. of Shares	% of Total Shares	
As at March 31, 2025				
Minal Patel	Promoter	2,06,25,421	64.66%	0.00%
Hardik Patel	Promoter	1,03,12,711	32.33%	0.00%
Ruchit Patel	Promoter	-	0.00%	0.00%
As at March 31, 2024				
Hardik Patel	Promoter	2,06,25,421	64.66%	32.33%
Minal Patel	Promoter	1,03,12,711	32.33%	0.00%
Ruchit Patel	Promoter	-	0.00%	-32.33%

(i) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(j) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

22 Other equity

Balance at the Beginning of the year 01 April 2023	**13,349.60**	**2,857.94**	**1,461.62**	**(4.22)**	**17,664.93**
Securities premium on equity shares issued during the year	-	-	-	-	-
Dividends	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-
Add : Securities premium on equity shares issued during the year	-	-	-	-	-
Transfer from Surplus in the Statement of Profit and Loss / Other comprehemsive income	-	-	11,727.60	(0.08)	11,727.52
Previous Year Adjustment (Ind AS)	-	-	-	-	-
Transfer to Statutory Reserve under Section 45-IC of RBI Act	-	2,345.52	(2,345.52)	-	-
Closing Balance at the end of current financial year -31st March 2024	**13,349.60**	**5,203.46**	**10,843.70**	**(4.30)**	**29,392.45**
Balance at the Beginning of the year 01 April 2024	**13,349.60**	**5,203.46**	**10,843.70**	**(4.30)**	**29,392.45**
Securities premium on equity shares issued during the year	-	-	-	-	-
Dividends	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-
Add : Securities premium on equity shares issued during the year	-	-	-	-	-
Transfer from Surplus in the Statement of Profit and Loss / Other comprehemsive income	-	-	-	-	-
Previous Year Adjustment (Ind AS)	-	-	5,920.61	1.59	5,922.20
Transfer to Statutory Reserve under Section 45-IC of RBI Act	-	-	-	-	-
Closing Balance at the end of current financial year -31st March 2025	**13,349.60**	**6,387.58**	**15,580.19**	**(2.72)**	**35,314.64**

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

Notes:

Nature and Purpose of Reserves

1. **Statutory Reserve**
   In terms of Section 45-IC of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year. The above requirement is to give intrinsic strength to the balance sheets of the companies. This reserve could be used for purposes as stipulated by the Reserve Bank of India from time to time.

2. **Securities Premium**
   Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

3. **Retained Earnings**
   Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to investors.

4. **Other Comprehensive Income (OCI)**
   Other Comprehensive Income refers to items of income and expenses that are not recognised as a part of the profit and loss account. However, the entity may transfer those amounts recognised in other comprehensive income within equity. The gain/loss on actuarial valuation of gratuity liability is considered in other comprehensive income.

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 29th May, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi	**Hardik B. Patel**	**B S P Murthy**
Company Secretary	MD&CEO	Director
Membership No. A32336	DIN: 00590663	DIN: 00011584
Place: Mumbai	Place: Mumbai	Place: Mumbai
Date: 29th May, 2025	Date: 29th May, 2025	Date: 29th May, 2025

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

23 Interest Income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
A) On Financial assets measured at amortised cost		
Interest on loans	3,553.52	2,153.93
Interest on NCD	676.83	636.68
Interest on Preference Shares	22.67	12.10
Interest on fixed deposits with banks	439.35	203.47
Other Interest Income	24.91	28.77
	4,717.28	**3,034.95**

24 Dividend Income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Dividend on Investment	51.31	68.13
	51.31	**68.13**

25 Net Gain/(Loss) on Fair Value Changes

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss:		
(i) On trading portfolio		
- Investments	(539.29)	5,480.09
- Derivatives	-	-
- Others	-	-
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others		
Profit on sale of Investment	-	-
Initial Recognition of Deposit	(0.75)	(0.75)
(C) Total Net Gain/(Loss) on fair value change	**(540.04)**	**5,479.34**
Fair Value Change:		
- Realised	-	-
- Unrealised	(540.04)	5,479.34
(D) Total Net Gain/(Loss) on Fair Value Changes	**(540.04)**	**5,479.34**

26 Other Operating Income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Processing Fees	4.00	-
Prepayment Charges	3.31	-
Gain in part on realisation of Stressed asset	291.07	508.22
Profit on sale of Shares and Securities	2,735.52	6,007.91
	3,033.90	**6,516.13**

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

27 Other Income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Interest on Deposit (Leased Asset)	0.75	0.85
Gain on Derecognition of FL	101.80	0.47
Other Miscelleneous Income	3.90	0.01
	106.45	**1.33**

28 Finance Costs

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
A) On Financial liabilities measured at amortised cost		
Interest (other than debt securities)	1.51	98.75
Interest Expense on lease liability	0.95	1.43
Debenture Premium Cost	1,899.42	1,879.48
	1,901.88	**1,979.66**

29 Impairment on financial instruments

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
A) On Financial instruments measured at amortised cost		
Loans	(1,314.86)	(5,636.37)
Provision for Expected Credit loss	(1,314.86)	(5,636.37)
Contingent Provision against Standard Assets		
Bad Debts		
Investments	-	-
Others	-	-
	(1,314.86)	**(5,636.37)**

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

Mar'25 (Amount in ₹ lakhs)

Particulars	General approach			Simplified Approach	Total
	Stage 1-Collective	Stage 2-Collective	Stage 3-Collective		
Loans and advances to customers measured at amortised cost	33.41	-	(1,348.27)	-	**(1,314.86)**
Investments					
Others					
Total	**33.41**	**-**	**(1,348.27)**	**-**	**(1,314.86)**

Mar'24 (Amount in ₹ lakhs)

Particulars	General approach			Simplified Approach	Total
	Stage 1-Collective	Stage 2-Collective	Stage 3-Collective		
Loans and advances to customers measured at amortised cost	(126.85)	(39.46)	(5,470.06)	-	**(5,636.37)**
Investments					
Others					
Total	**(126.85)**	**(39.46)**	**(5,470.06)**	**-**	**(5,636.37)**

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

30 Employee benefit expenses

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Salaries, bonus and commission	159.88	111.45
Contribution to other funds	0.02	0.02
Gratuity and Leave Encashmemt Provision	2.50	2.64
Staff welfare expenses	3.67	2.42
	166.07	**116.53**

31 Depreciation, amortisation and impairment

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Depreciation of property, plant and equipment	5.94	5.12
Depreciation of investment property	32.36	34.85
Amortisation of intangible assets	1.97	1.97
Depreciation on Right-of-use assets	12.74	17.94
	53.01	**59.88**

32 Other expenses

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Legal & Professional Fees	430.97	357.29
GST credit on RCM	68.28	47.27
CSR Expense (Refer Note B)	84.50	27.10
Office Expenses	13.21	11.69
Audit Fees (Refer Note A)	10.50	10.50
Conveyance Expenses	9.81	9.25
Rent	1.69	-
Other Expenses	9.58	4.75
Penalty	-	1.20
ROC Filing fees	0.72	0.32
Printing & Stationery	0.34	1.03
Bank charges	8.90	1.96
Demat Account Expnses	0.03	0.10
Interest For Deferment of advanced tax	-	31.85
Director's fees, allowances and other expenses	2.50	3.30
Interest for Default of advance Tax	-	34.70
Interest On Tds	0.04	2.85
Sebi Fees	-	0.24
Interest on Advance Tax	74.10	-
Writeoff	221.00	3,110.78
Loss on cancellation of lease	1.24	-
Profession Tax	0.03	0.03
	937.44	**3,656.21**

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Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

Note A:- Payment to Auditors

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
As auditors	9.50	9.50
For taxation matters	1.00	1.00
Other matters		
	10.50	**10.50**

Note B : CSR

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
i) Amount required to be spent by the company during the year	84.34	27.10
ii) Amount of expenditure incurred	84.50	42.17
iii) Shortfall at the end of the year	Nil	Nil
iv) Nature of Activity :-	Contribution made to a Non-Profit organisation set up with an objective of providing relief to the poor, promoting education, offering medical relief, preserving monuments or places and objects of artistic or historic interest, and advancing other objects of general public utility.	- Contribution made to a Non-Profit organisation set up with an objective of developing the down trotted especially dalits, schduled caste, schduled tribes, minorities, BPL's and other backward communities, welfare of women, youth and child development through education, economic environment, skill, education, health and cultural programs.

33 Exceptional Item

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Profit on sale of investments in a subsidiary company (Refer note 7.5)	1,865.84	-
Total	**1,865.84**	**-**

34 Tax Expenses

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Current tax expense		
Current tax for the year	2,436.45	1,240.16
Tax of earlier year	293.94	-
Deffered tax		
Change in Deffered tax assets	1.63	680.66
Change in Deffered tax liabilities	(1,160.41)	1,275.55
Net Deffered tax (income) /expense	(1,158.78)	1,956.21
Total Income tax expense	**1,571.61**	**3,196.37**

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

34.1 Tax Reconciliation

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Profit/(loss) before income tax expenses	7,492.22	14,923.97
Effecive Tax Rate	25.168%	25.168%
Tax at Statutory Rate	1,885.64	3,756.06
Tax effect of amounts which are not deductible/ non-		
taxable in calculating taxable income		
Income allowed /Expenses disallowed	1,096.24	(1,849.64)
Income disallowed /Expenses allowed	(835.68)	(666.23)
Income Taxable at special rate	266.82	-
Interest on Advance Tax	23.43	-
Other Adjustments	-	(0.03)
Income Tax expenses	**2,436.45**	**1,240.16**

35 Statement of other comprehensive income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	2.12	(0.11)
Equity Instruments through Other Comprehensive Income		
Others (Specify nature)		
	2.12	**(0.11)**
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.53)	0.03
	(0.53)	**0.03**
(i) Items that will be reclassified to profit or loss	-	-
Other Comprehensive Income	**1.59**	**(0.08)**

36 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit for the year attributable to equity holders of Company (after adjusting the impact of potential equity shares, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential equity shares into ordinary shares.

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Net profit after tax as per Statement of profit and loss (in lakhs) (A)	5,920.61	11,727.60
Weighted average number of equity shares for calculating basic EPS (in lakhs) (B)	319.00	319.00
Weighted average number of equity shares for calculating diluted EPS (in lakhs) (C)	319.00	319.00
Basic earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (B)	**18.56**	**36.76**
Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	**18.56**	**36.76**

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37 Investment in Subsidiaries

'The Company has invested in the following entities:

(Amount in ₹ lakhs)

Name of the entity	Relationship	Country of incorporation	Principal place of business	Principal activities	% Equity interest	
					As at 31st March 2025	As at 31st March 2024
Reid & Taylor International Private Limited (erstwhile known as Krihaan Texchem Private Limited)*	Subsidiary (upto 27-3-25)	India	India	Textile	NA	100%
Digjam Limited	Subsidiary	India	India	Textile	75%	90%
Ballarpur Industries Limited	Subsidiary	India	India	Paper & Paper Products	51%	51%
Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	Subsidiary	India	India	Textile	100%	100%

The Company has recognised its investment in subsidiaries at cost.
* Also refer note no. 7.4

38 Contingent Liabilities:

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
In respect of Income Tax demands where company has filed appeal before various authorities	6,724.28	1,869.74
Total:	**6,724.28**	**1,869.74**

39 Employee benefits plans

A. Gratuity

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement whichever is earlier. The benefits vest after five years of continuous service.

The Company has a defined benefit plan for post-employment benefits in the form of Gratuity. Gratuity Benefits liabilities of the company are Unfunded. The Company accounts for gratuity based on an actuarial valuation which is carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method. Since the liabilities are unfunded, there is no Asset-Liability Matching strategy deviced for plan.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amount recognised in the Company's financial statement as at the balance sheet date :

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
A. Change in present value of obligations		
Liability at the beginning of the year	7.74	6.25
Adjusted through retained earnings		
Transfer in/ (out) obligation		
Current service cost	1.79	0.96
Interest cost	0.43	0.42
Actuarial losses / (gain)	(2.12)	0.11
Past service cost		
Benefits paid	-	-
Liability at the end of the year	**7.84**	**7.74**

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(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
D. Expense recognized in the statement of profit and loss		
Current service cost	1.79	0.96
Interest cost	0.43	0.42
Past Service Cost		
Net gratuity expense	**2.22**	**1.38**
E. Remeasurements recognized in the OCI		
Actuarial (gain) / loss arising from	(2.12)	0.11
- experience adjustments	-2.31	0.07
- actuarial assumptions	0.19	0.04

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
F. Actuarial Assumptions		
Discount Rate	6.60%	7.15%
Salary escalation rate	7.00%	7.00%
Attrition Rate - Age (Years)		
25 & below	20.00%	20.00%
25-35	20.00%	20.00%
35-45	20.00%	20.00%
45-55	20.00%	20.00%
55 & above	20.00%	20.00%
Mortality rate	Indian Assured Life Mortality (2012-14) Ultimate	Indian Assured Life Mortality (2012-14) Ultimate
Retirement Age	60 Years	60 Years

Assumptions regarding future mortality experience are set in accordance with published statistics and mortality tables. The defined benefit plan expose the company to actuarial risks, such as longevity and Interest rate risk. The weighted average duration of the defined benefit obligation was 4.69 years (31 March 2024: 3.38 years).

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in weighted principal assumption are as below :

Gratuity

Particulars	31 March 2025		31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	-2.18%	2.27%	-1.62%	1.69%
Salary escalation rate (50 bps movement)	2.23%	-2.16%	1.67%	-1.62%
Withdrawal rate (W.R.) (50 bps movement)	-1.33%	1.43%	-0.07%	0.11%

Sensitivity of significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligations by 50 basis points, keeping all the other actuarial assumptions constant. Although the analysis does not take into account of the full distribution of cash flows expected under the plan, if does provide an appproximation of the sensitivity of the assumption shown.

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B. Compensated absences

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
A. Change in present value of obligations		
Liability at the beginning of the year	2.32	1.33
Adjusted through retained earnings		
Transfer in/ (out) obligation		
Current service cost	1.03	0.48
Interest cost	0.11	0.09
Actuarial losses / (gain)	(0.86)	0.42
Past service cost		
Benefits paid	(0.44)	-
Liability at the end of the year	**2.16**	**2.32**

40 Maturity Analysis of financial Assets & liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Amount in ₹ lakhs)

Particulars	Note No	As at 31 March 2025			As at 31 March 2024		
		Contractual cash flows			Contractual cash flows		
		Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial liabilities							
Trade Payables	15	2.35	-	2.35	-	-	-
Other Payables		234.22	-	234.22	300.36	-	300.36
Borrowings	17	409.02	-	409.02	217.71	-	217.71
Debt securities	16	-	18,302.49	18,302.49	2,018.27	21,234.60	23,252.88
Financial Assets							-
Cash and cash equivalents	3	10,057.89	-	10,057.89	11,144.51	-	11,144.51
Trade receivables	5	-	-	-	76.19	-	76.19
Other receivables		4.30	-	4.30	2.00	-	2.00
Loans	6	16,700.87	1,006.84	17,707.72	8,790.81	2,941.97	11,732.78
Investments	7	10,219.57	15,000.32	25,219.89	531.57	31,202.01	31,733.58
Other financial assets	8	-	6.24	6.24	-	6.24	6.24

41 Capital Management

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As per Chapter IV of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 a Base Layer NBFC is required to disclose Leverage Ratio. In the erstwhile directions the NBFC was required to disclose CRAR, however as the said requirement has been removed in the new master directions the company has disclosed only Leverage Ratio

The Company monitors capital on the basis of the leverage ratio, which is calculated as total liabilities divided by total equity. As per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, for Non-Banking Financial Companies (NBFCs), the leverage ratio is required to be maintained at a level not exceeding 7.

The Company aims to maintain a prudent balance between debt and equity to ensure operational flexibility, financial stability, and compliance with regulatory norms. The capital structure is reviewed periodically to ensure that the leverage remains within the prescribed regulatory limits and supports the Company's long-term growth objectives.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk

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characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board. The Company has complied with the notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards.

42 Related Party Disclosure as per Indian Accounting Standard 24

Promotor
Hardik B. Patel
Minal B. Patel
Promotor Group
Ruchit B. Patel

Director & Key Managerial Personnel (KMP)	**Nature of relationship**
Hardik B. Patel	Managing Director
Ruchit B Patel	Director
Parashiva Murthy B S	Director
Dhiren S. Shah	Independent Director
Kalyani Sharma	Independent Director
Rashmi Raturi	Company Secretary(wef September 08,2023 Upto November 08, 2023)
Chhaya Patel	Company Secretary(wef November 01,2023 Upto September 25, 2024)
Himali Trivedi	Company Secretary(wef January 31, 2025)
Relative of Key Managerial Personnel (KMP)	**Nature of relationship**
Shweta H. Patel	Director's Relative
Other Related Parties	**Nature of relationship**
Digjam Limited	Subsidiary
Reid & Taylor International Pvt Ltd (erstwhile known as Krihaan Texchem Pvt Ltd)	Subsidiary (upto 27-3-25)
RNT Garments Pvt Ltd	Step down Subsidiary (upto 27-3-25)
Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	Subsidiary
Genesis Resorts Private Limited	Step down Subsidiary
Ballarpur Industries Limited (wef 16th June 2024)	Subsidiary
Avantha Agritech Limited (wef 16th June 2024)	Step down Subsidiary
Ballarpur International Holding B.V (wef 16th June 2024)	Step down Subsidiary
Ballarpur Speciality Paper Holding B.V (wef 16th June 2024)	Step down Subsidiary
BILT Paper B.V (wef 16th June 2024)	Step down Subsidiary
BILT Paper Holding B.V (wef 16th June 2024)	Associate of BILT Paper B.V.
BILT Graphic Paper Product Limited (wef 16th June 2024)	Subsidiary of BILT Paper Holding B.V
Sabah Forest Industries Sdn. Bhd. (wef 16th June 2024)	Subsidiary of BILT Paper Holding B.V
BILT General Trading FZE (wef 16th June 2024)	Subsidiary of Ballarpur Speciality Paper Holding B.V
Mirabelle Trading Pte Ltd (wef 16th June 2024)	Step down Subsidiary of Ballarpur International Holding B.V
Reid & Taylor International Pvt Ltd (erstwhile known as Krihaan Texchem Pvt Ltd)	Subsidiary (Upto 27-3-25)
RNT Garments Pvt Ltd	Step down Subsidiary of Reid & Taylor International Pvt Ltd (erstwhile known as Krihaan Texchem Pvt Ltd) (Upto 27-3-25)
Bharat Patel Welfare Foundation	Common Control

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43 Related Party Disclosure as per Indian Accounting Standard 24 (Contd.)

(Amount in ₹ lakhs)

Related Party	Promoter		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Borrowings					-	-	-	-	-	-	-	-		
Balance outstanding at the year end	**226.33**	**126.38**	-	-	-	-	-	-	-	-	-	-	**226.33**	**126.38**
Hardik Patel	226.33	126.38			-	-	-	-	-	-	-	-	226.33	126.38
Minal Patel	155.57	65.57			-	-	-	-	-	-	-	-	155.57	65.57
Maximum balance during the year	**2,631.90**	**5,781.39**	-	-	-	-	-	-	-	-	-	-	**2,631.90**	**5,781.39**
Hardik Patel	1,376.33	4,064.62	-	-	-	-	-	-	-	-	-	-	1,376.33	4,064.62
Minal Patel	1,255.57	3,685.57	-	-	-	-	-	-	-	-	-	-	1,255.57	3,685.57
Loans & Advances	-	-			-	-	-	-	-	-	-	-		
Balance outstanding at the year end	-	-	**15,531.33**	**5,001.71**	-	-	-	-	-	-	-	-	**15,531.33**	**5,001.71**
Digjam Limited	-	-	-	2,378.70	-	-	-	-	-	-	-	-	-	2,378.70
Reid & Taylor International Pvt Ltd (erstwhile known as Krihaan Texchem Pvt Ltd)	-	-	5,176.40	123.07	-	-	-	-	-	-	-	-	5,176.40	123.07
Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	-	-	2,522.04	2,499.93	-	-	-	-	-	-	-	-		2,499.93
Ballarpur Industries Limited	-	-	7,832.89	-	-	-	-	-	-	-	-		7,832.89	-
Maximum balance during the year	-	-	**22,467.81**	**25,116.46**	-	-	-	-	-	-	-	**2,732.20**	**22,467.81**	**27,848.66**
Digjam Limited	-	-	2,378.70	4,653.96	-	-	-	-	-	-	-	-	2,378.70	4,653.96
Reid & Taylor International Pvt Ltd (erstwhile known as Krihaan Texchem Pvt Ltd)	-	-	9,704.80	9,096.38	-	-	-	-	-	-	-	-	9,704.80	9,096.38
Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	-	-	2,547.77	8,766.13	-	-	-	-	-	-	-	-	2,547.77	8,766.13
Ballarpur Industries Limited	-	-	7,836.54	2,600.00	-	-	-	-	-	-	-	-	7,836.54	2,600.00
JHP Finvest Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	2,732.20	-	2,732.20

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(Amount in ₹ lakhs)

Related Party	Promoter		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Balance outstanding at the year end	-	-	**4,307.00**	**4,607.00**	-	-	-	-	-	-	-	-	**4,307.00**	**4,607.00**
Digjam Limited	-	-	1,500.00	1,800.00	-	-	-	-	-	-	-	-	1,500.00	1,800.00
Reid & Taylor International Pvt Ltd (erstwhile known as Krihaan Texchem Pvt Ltd)	-	-	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Ballarpur Industries Limited	-	-	2,805.00	2,805.00	-	-	-	-	-	-	-	-	2,805.00	2,805.00
Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	-	-	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Maximum balance during the year	-	-	**4,607.00**	**4,607.00**	-	-	-	-	-	-	-	-	**4,607.00**	**4,607.00**
Digjam Limited	-	-	1,800.00	1,800.00	-	-	-	-	-	-	-	-	1,800.00	1,800.00
Reid & Taylor International Pvt Ltd (erstwhile known as Krihaan Texchem Pvt Ltd)	-	-	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Ballarpur Industries Limited	-	-	2,805.00	2,805.00	-	-	-	-	-	-	-	-	2,805.00	2,805.00
Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	-	-	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Interest received	-	-	**2,355.19**	**1,393.82**	-	-	-	-	-	-	-	-	**2,355.19**	**1,393.82**
Digjam Limited	-	-	96.11	323.22									96.11	323.22
Reid & Taylor International Pvt Ltd (erstwhile known as Krihaan Texchem Pvt Ltd)	-	-	1,222.75	169.98	-	-	-	-	-	-	-	-	1,222.75	169.98
Ballarpur Industries Limited	-	-	736.04	773.43	-	-	-	-	-	-	-	-		773.43
Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	-	-	300.29	127.19	-	-	-	-	-	-	-	-	-	127.19
Sitting Fees	-	-	-	-	-	-	**1.30**	**3.30**	-	-	-	-	**1.30**	**3.30**
Parashiva Murthy B S	-	-	-	-	-	-	1.30	1.80	-	-	-	-	1.30	1.80
Key Managerial Remuneration	**18.00**	**18.00**	-	-	-	-	-	-	-	-	-	-	**18.00**	**18.00**

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(Amount in ₹ lakhs)

Related Party	Promoter		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	**Year Ended 31st March, 2025**	**Year Ended 31st March, 2024**	**Year Ended 31st March, 2025**	**Year Ended 31st March, 2024**	**Year Ended 31st March, 2025**	**Year Ended 31st March, 2024**	**Year Ended 31st March, 2025**	**Year Ended 31st March, 2024**	**Year Ended 31st March, 2025**	**Year Ended 31st March, 2024**	**Year Ended 31st March, 2025**	**Year Ended 31st March, 2024**	**Year Ended 31st March, 2025**	**Year Ended 31st March, 2024**
Hardik Patel	18.00	18.00	-	-	-	-	-	-	-	-	-	-	18.00	18.00
Rashmi Raturi	-	-	-	-	-	-		1.55	-	-	-	-	-	-
Chhaya Patel	-	-	-	-	-	-	5.39	4.24	-	-	-	-	-	-
Himali Trivedi	-	-	-	-	-	-	1.67	-	-	-	-	-	-	-
Sale of Investments	-	**3,185.23**	-	-	-	-	-	-	-	-	-	-	-	**3,185.23**
Hardik Patel	-	3,185.23	-	-	-	-	-	-	-	-	-	-	-	3,185.23
Trade Payables	-	-	-	-	-	-	-	-	-	-	**2.35**	-	**2.35**	-
Finquest Securities Pvt Ltd	-	-	-	-	-	-	-	-	-	-	2.35	-	2.35	-
Trade Receivables	-	-	-	-	-	-	-	-	-	-	-	**76.19**	-	**76.19**
Finquest Securities Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	76.19	-	76.19
Other Payable	-	-	-	-	-	-	-	-	-	-	**17.83**	**34.06**	**17.83**	**34.06**
Finquest Securities Pvt Ltd	-	-	-	-	-	-	-	-	-	-	17.83	34.06	17.83	34.06
Rent Expense	-	-	-	-	-	-	-	-	-	-	-	**3.72**	-	**3.72**
Finquest Securities Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	3.72	-	3.72
Hardik Patel	1.43	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement Expenses	-	-	-	-	-	-	-	-	-	-	**6.76**	**7.58**	**6.76**	**7.58**
CSR Expense	-	-	-	-	-	-	-	-	-	-	**84.50**	-	**84.50**	-
Bharat Patel Welfare Foundation	-	-	-	-	-	-	-	-	-	-	84.50	-	84.50	-

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44 Financial instruments-fair value and risk management

A. Valuation Model

1) Accounting classification and fair values

As at 31 March 2025 (Amount in ₹ lakhs)

	FVTPL	FVOCI	Amortised Cost	Others (at cost)	Total
Financial Assets					
Cash and cash equivalents	-	-	10,057.89	-	10,057.89
Bank Balance other than (a) above	-	-	3,961.25	350.00	4,311.25
Loans and advances	-	-	17,010.94	-	17,010.94
Investments	14,908.76	-	1,307.08	8,581.80	24,797.64
Trade receivables	-	-	-	-	-
Other Receivables	-	-	4.30	-	4.30
Other financial assets	-	-	6.24	-	6.24
Financial Liabilities					
Payables	-	-	236.57	-	236.57
Borrowings (other than debt securities)	-	-	409.02	-	409.02
Debt securities					
- Non-Convertible Debentures	-	-	18,302.49	-	18,302.49
Other financial liabilities	-	-	-	-	-

As at 31 March 2024 (Amount in ₹ lakhs)

	FVTPL	FVOCI	Amortised Cost	Others (at cost)	Total
Assets					
Cash and cash equivalents	-	-	11,144.51	-	11,144.51
Bank Balance other than (a) above	-	-	3,702.83	-	3,702.83
Loans and advances	-	-	9,721.14	-	9,721.14
Investments	13,727.74	-	8,669.42	8,881.80	31,278.97
Trade receivables	-	-	76.19	-	76.19
Other Receivables	-	-	2.00	-	2.00
Other financial assets	-	-	6.24	-	6.24
Liabilities					
Payables	-	-	300.36	-	300.36
Borrowings (other than debt securities)	-	-	217.71	-	217.71
Debt securities					
- Non-Convertible Debentures	-	-	23,252.88	-	23,252.88
Other financial liabilities	-	-	-	-	-

2) Fair value hierarchy

Financial instruments measured at amortised cost for which fair values are disclosed

The table below summarizes the carrying amounts and fair values of those financial assets and liabilities not presented at fair value compared to carrying amounts shown in the financial statement.

As at 31 March 2025 (Amount in ₹ lakhs)

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Financial Assets					
Cash and cash equivalents	10,057.89	-	-	10,057.89	10,057.89
Bank Balance other than (a) above	4,311.25	-	-	4,311.25	4,311.25
Loans and advances	-	-	17,010.94	17,010.94	17,010.94
Investments	14,908.76	4,229.68	5,659.20	24,797.64	24,797.64

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(All amounts are in rupees lakhs, except per share data and as stated otherwise)

As at 31 March 2025 (Amount in ₹ lakhs)

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Trade receivables	-	-	-	-	-
Other Receivables			4.30	4.30	4.30
Other financial assets	-	-	6.24	6.24	6.24
Financial Liabilities					
Payables		-	236.57	236.57	236.57
Borrowings (other than debt securities)	-	-	409.02	409.02	409.02
Debt securities					
- Non-Convertible Debentures	-	-	18,302.49	18,302.49	18,302.49
Other financial liabilities	-	-		-	-

As at 31 March 2024 (Amount in ₹ lakhs)

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Assets					
Cash and cash equivalents	11,144.51	-	-	11,144.51	11,144.51
Bank Balance other than (a) above	3,702.83	-	-	3,702.83	3,702.83
Loans and advances	-	-	9,721.14	9,721.14	9,721.14
Investments	13,727.74		17,551.23	31,278.97	31,278.97
Trade receivables		-	76.19	76.19	76.19
Other Receivables			2.00	2.00	2.00
Other financial assets	-	-	6.24	6.24	6.24
Liabilities					
Payables	-	-	300.36	300.36	300.36
Borrowings (other than debt securities)	-	-	217.71	217.71	217.71
Debt securities					
- Non-Convertible Debentures	-	-	23,252.88	23,252.88	23,252.88
Other financial liabilities	-	-	-	-	-

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the fair value are a reasonable approximation of their carrying cost. Such instruments include: cash & bank balances, short term borrowings and trade receivables & trade payables without a specific maturity.

Loans and advances

The fair values of loans and advances are estimated by discounted cash flow models. For fixed rate loans, the fair value represents the discounted value of the expected future cashflow. For floating rate interest loans, the discounted value of the expected cash flows represents the carrying amount of the loans.

Borrowing & Debt Securities

Non-convertible debentures have been valued at amortized cost

Investment in subsidiary

The Company has elected to account for its investment in Subsidiary in its separate financial statements at cost, in accordance with paragraph 10 of Ind AS 27 – Separate Financial Statements.

Notes

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(All amounts are in rupees lakhs, except per share data and as stated otherwise)

45 Financial Risk Management

The Company has exposure to the following risks from financial instruments:

- Credit risk
- Liquidity risk
- Market risk (currency risk)"

This note presents information about the Company's objectives, policies and processes for measuring and managing risks.

Risk management framework:

The Board has the overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities. The Company's risk management policies are established to identify and analyze the risks faced by it, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities.

A. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from its borrowers. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Credit risk management approach

The Company performs necessary due diligence on its borrowers (dealers) viz. financial analysis, background checks, CIBIL, grading etc to arrive at sanctioning of limit. The Company follows the grading tool used by the group globally where certain qualitative and quantitative factors are considered to arrive at grading which helps in ascertaining the probability of default ("PD") of a particular borrower. This is used for decision making on limit sanction and precautions to be undertaken for a said borrower.

ii) Expected credit loss

The Company recognises impairment allowance for expected credit losses (ECL) on financial assets measured at amortised cost in accordance with Ind AS 109 – Financial Instruments.

The ECL is measured using the Probability of Default (PD) and Loss Given Default (LGD) approach. Where Exposure at Default (EAD) represents the carrying value of the financial asset at the reporting date. The Company applies the above methodology for all financial assets within the scope of the ECL model, with provisions assessed on either a collective or individual basis depending on the significance of the exposure. ECL allowances and any subsequent reversals are recognised in the Statement of Profit and Loss under "Impairment on Financial Instruments".

Definition of Default

The Company's definition of default is aligned with regulatory guidelines issued by RBI and internal credit risk management practices.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due
- identified by the management as such

Exposure at Default

Exposure at default ("EAD") is estimation of the extent that the Company is exposed to borrower in the event of default. EAD is arrived by taking into account any expected changes in the exposure after the assessment date.

EAD in the case of facilities with no limits will be the outstanding exposure which will be calculated as principal + Due interest + Interest accrued but not due (as on reporting date). To calculate the EAD for a Stage 1 asset, the Company assesses the possible default events within 12 months for the calculation of the 12mECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the assets.

The Company determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. PDs are then assigned to each economic scenario based on the outcome of Company's models.

Loss Given Default (LGD)

Loss given default (LGD) is defined as the forecasted economic loss in case of default. LGD computation is based on the Company's losses on defaulted accounts after consideration of recovery percentages. LGD computation is independent of the assessment of credit quality and thus applied uniformly across all stages.

The company computes LGD taking into account the value of collaterals and experience of past recovery from the defaulted cases. The recoveries are adjusted with time period delay and direct cost involved. Under Ind AS 109, LGD rates are estimated for the Stage 1, Stage 2 and Stage 3 segment of each asset class. These are repeated for each economic scenario as appropriate.

When assessing forward-looking information, the expectation is based on multiple scenarios. Examples of key inputs involve changes in, collateral values including property prices for mortgages, payment status or other factors that are indicative of losses.

Probability of Default (PD)

PD represents the likelihood of a counterparty defaulting over the expected life of the financial asset. The Company applies a fixed percentage PD based on the nature and historical performance of the respective loan portfolio. The PD rates are reviewed periodically to reflect any changes in credit risk patterns.

Significant in Credit Risk (SICR)

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. At each reporting date, the company assesses whether the credit risk on a financial instrument has increased significantly since its initial recognition. To make the assessment, Company considers available quantitative and qualitative information and also considers the company's historical experience and expert credit assessment.

Besides, the company also recognized SICR based on factors such as internal rating of borrowers, sector or segment collectively assessed to have SICR, high risk events/attributes of client (bankruptcy etc.)

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing of amounts of cash flows, which is inherent to the nature of Company's operations. Liquidity risk could lead to situations where the Company needs to raise funds and/or assets need to be liquidated under unfavorable market conditions. Measuring and managing liquidity needs are vital for effective operation of the Company by assuring the ability to meet its liabilities as they become due.

The liquidity risk can be either:

(i) institution specific or

(ii) market specific.

i) Liquidity risk management

Liquidity has to be tracked through maturity or cash flow mismatches. For measuring and managing net funding requirements, the use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates is adopted as a standard tool commonly referred to as Structural Liquidity. The Maturity Profile, are used for measuring the future cash flows of the company in different time buckets. The time buckets distributed considered are as per RBI guidelines and monitored by Asset Liability management Committee (ALCO) .

- The Statement of Structural Liquidity is prepared by placing all cash inflows and outflows in the maturity ladder according to the expected timing of cash flows. A maturing liability will be a cash outflow while a maturing asset will be a cash inflow.

- The Company strives to manage the negative gap (i.e. where outflows exceed inflows) in the particular time-bucket and cumulative gap up to selected maturity period should not exceed the prudential limits approved by the Board . The prudential limits for individual time buckets are based on a percentage of outflows of each time-bucket and the limit for the cumulative gaps are based on the percentage of cumulative gap to cumulative cash outflows up to the period.

- To manage the liquidity risk the company also has lines of credit from various banks including backstop facilities in the form of committed lines measured in the form of ""no of day these back stop lines will fund the unforeseen liquidity event"" of potential and unexpected business disruption due to unforeseen liquidity distress and cover debt capital market exposure. This is monitored as ""Days until alternative funding"" by the company.

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(All amounts are in rupees lakhs, except per share data and as stated otherwise)

- In order to enable the company to monitor its short-term liquidity on a dynamic basis over a time horizon spanning from 1 day to 6 months, short-term liquidity profiles is estimated on the basis of business projections and other commitments for planning purposes which is effectively used as a predictive tool for its future ALM requirements.

ii) Maturity Analysis of financial Assets & liabilities

Refer note no. 39 for maturity analysis.

C. Foreign currency risk

Currency risk is the risk that the value of an receivable/ payable will fluctuate due to changes in foreign exchange rates. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency (INR).

i. Currency risk management

The company does not have any material foreign currency transactions that would significantly impact the profitability of the company.

ii. Exposure to currency risk

There is no exposure to currency risk

D. Interest rate risk

Interest rate risk is defined as the adverse impact of the interest rates movements on the financial condition of the company. The immediate impact of changes in interest rates is on the company earnings by changing its Net Interest Income (NII). A long-term impact of changing interest rates is on company's Market Value of Equity (MVE) or Net Worth as the economic value of the assets, liabilities and off-balance sheet positions get affected due to variation in market interest rates. The interest rate risk when viewed from these two perspectives is known as 'earnings perspective' and 'economic value perspective', respectively.

Sources of Risk

a. Repricing risk: The Company encounters interest rate risk in several ways, the primary form of interest rate risk arises from timing differences in the maturity (for fixed rate) and repricing (for floating rate) of the company's assets, liabilities positions.

b. Yield curve risk: Repricing mismatches can also expose the company to changes in the slope and shape of the yield curve. Yield curve risk arises when unanticipated shifts of the yield curve have adverse effects on the company's income or underlying economic value.

c. Basis risk: Basis risk arises from imperfect correlation in the adjustment of the rates earned and paid on different instruments with otherwise similar repricing characteristics.

i. Interest rate risk management

The GAP Analysis approach is be followed to measure the interest rate risk:

The GAP or mismatch risk is measured by calculating gaps over different time intervals as at a given date. Gap analysis measures mismatches between rate sensitive liabilities and rate sensitive assets. An asset or liability is normally classified as rate sensitive if:

- within the time interval under consideration, there is a cash flow;
- the interest rate resets/reprices contractually during the interval;
- it is contractually pre-payable or withdrawable before the stated maturities;
- It is dependent on the changes in the Bank Rate by RBI or market products."

The Gap report is be generated by grouping rate sensitive liabilities, assets and off-balance sheet positions into time buckets according to residual maturity or next re-pricing period, whichever is earlier. All investments, advances, deposits, borrowings, purchased funds, etc. that mature/re-price within a specified time-frame are interest rate sensitive. Similarly, any principal repayment of loan is also rate sensitive if the company expects to receive it within the time horizon. This includes final principal repayment and interim instalments. Certain assets and liabilities carry floating rates of interest that vary with a reference rate and hence, these items get re-priced at pre-determined intervals. Such assets and liabilities are rate sensitive at the time of re-pricing.

The Company measures its interest rate exposure to reduce the risk of loss due to interest rate exposure through the following:

1. Set and monitor the threshold levels of KRI on monthly basis
2. Monitor Interest rate sensitivity as prescribed by RBI under IRS return
3. Analyze earnings at risk caused by an upward shift in the yield curve (100 bps parallel shift)
4. Computes and monitors Square hedge rate

Management draws comfort from the fact that most of the assets and liabilities of the company create natural interest rate hedge for the company to an extent.

46 Financial Risk Management (continued)

i. Interest rate risk management

The GAP Analysis approach is be followed to measure the interest rate risk:

The GAP or mismatch risk is measured by calculating gaps over different time intervals as at a given date. Gap analysis measures mismatches between rate sensitive liabilities and rate sensitive assets. An asset or liability is normally classified as rate sensitive if:

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- it is contractually pre-payable or withdrawable before the stated maturities;
- It is dependent on the changes in the Bank Rate by RBI or market products."

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4. Computes and monitors Square hedge rate

Management draws comfort from the fact that most of the assets and liabilities of the company create natural interest rate hedge for the company to an extent.

ii. Exposure to interest rate risk

The exposure of the Company to interest rate risk as at 31st March, 2025 and 31st March, 2024 are as below:

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Interest bearing assets		
Loans (A)	17,707.72	11,732.78
Interest bearing liabilities		
Borrowings (B)	18,329.60	23,278.63
Variable rate borrowings	-	-
Fixed rate borrowings	18,329.60	23,278.63
Net exposure (A-B)	(621.88)	(11,545.85)

Since the Company provides loan to Customer at fixed interest rate also all the borrowing are at fixed rate hence there is no interest rate risk to the Company on loan exposure & borrowings.

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47 Classification of financial assets & liabilities

As at 31 March 2025 (Amount in ₹ lakhs)

Particulars	Level 1	Level 2	Level 3	Total fair values
Financial Assets	-	-	-	-
Cash and cash equivalents	10,057.89	-	-	10,057.89
Bank Balance other than (a) above	4,311.25	-	-	4,311.25
Loans and advances	-	-	17,010.94	17,010.94
Investments	14,908.76	4,229.68	5,659.20	24,797.64
Trade receivables	-	-	-	-
Other Receivables	-	-	4.30	4.30
Other financial assets	-	-	6.24	6.24
Financial Liabilities	-	-	-	-
Payables	-	-	236.57	236.57
Borrowings (other than debt securities)	-	-	409.02	409.02
Debt securities	-	-	-	-
- Non-Convertible Debentures	-	-	18,302.49	18,302.49
Other financial liabilities	-	-	-	-

As at 31 March 2024 (Amount in ₹ lakhs)

Particulars	Level 1	Level 2	Level 3	Total fair values
Assets	-	-	-	-
Cash and cash equivalents	11,144.51	-	-	11,144.51
Bank Balance other than (a) above	3,702.83	-	-	3,702.83
Loans and advances	-	-	9,721.14	9,721.14
Investments	13,727.74	-	17,551.23	31,278.97
Trade receivables	-	-	76.19	76.19
Other Receivables	-	-	2.00	2.00
Other financial assets	-	-	6.24	6.24
Liabilities	-	-	-	-
Payables	-	-	300.36	300.36
Borrowings (other than debt securities)	-	-	217.71	217.71
Debt securities	-	-	-	-
- Non-Convertible Debentures	-	-	23,252.88	23,252.88
Other financial liabilities	-	-	-	-

48 Disclosure under the MSME Act 2006

Based on the information available with the Company, there are no micro, small and medium enterprises to whom the Company has paid interest or any interest is payable on outstanding amounts (under the provisions of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006) during the year ended 31st March, 2025 and 31st March, 2024.

49 Events after reporting date

There have been no events after the reporting date which requires adjustment to or disclosure in the financial statement.

50 Items of income and expenditure of exceptional nature

(Amount in ₹ lakhs)

Sr. No.	Particulars	Year Ended	
		31st March 2025	31st March 2024
1	Profit on sale of investments in a subsidiary company*	1865.84	-

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*During the Financial year 2024-2025, the Company partially divested its investment in DIGJAM Limited by selling 30,00,000 equity shares, representing a 15% stake, through the Offer for Sale (OFS) mechanism of the stock exchange. The OFS was undertaken by Finquest Financial Solutions Private Limited in accordance with SEBI's "Comprehensive Framework on Offer for Sale (OFS) of Shares through Stock Exchange Mechanism" issued vide Circular No. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2023/10 dated January 10, 2023. The total consideration received from the sale amounted to ₹ 2165.84 lakhs, resulting in a profit of ₹ 1873.56 lakhs, which has been recognized in the Statement of Profit and Loss under "Exceptional Item", as applicable. The balance investment in DIGJAM Limited continues to be held by the Company and is appropriately classified and valued in the financial statements as at March 31, 2025.

51 Since the Company is not a Subsidary of any other Company therefore the clause on financing of Parent Company Product by a subsidary is not applicable to the Company.

52 Segment Information:

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based upon analysis of various performance indicators by the Operating Segments. Accordingly, information has been presented on operating segments. The Company's CODM constitutes of managing director and whole-time director.

a. The Company's operations pre-dominantly relates to Lending and Investments. Accordingly, it identified "Lending" and "Investments" as its Operating segments. The Company's operations are limited to India only and its all assets are domiciled in India, there are no reportable geographical segments.

b. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments. Income and expenses, which are not directly relatable to the segments, are shown as unallocated items. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as Unallocable.

The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

"As per Ind AS 108 - Operating Segments, the Company has reported 'Segment Information' as follows:

(1) The main business segments are (i) Lending and (ii) Investment.

(2) Unallocable Income net of Unallocable expenses mainly includes income from Interest on Deposit (lease asset), gain on lease modification, Gain on de-recognition of Financial Liability, Interest on Income tax refund and common expenses not directly attributable to any individual identified segments.

(3) Unallocable corporate assets less unallocated corporate liabilities mainly represent of Cash & cash equivalent, other financial and non-financial asssets and liabilities.

c. Segment Information in terms of Indian Accounting Standard 108 - Operating Segments for the year ended March 31, 2025 and March 31, 2024 is as below:

(i) Information about Primary Business Segment:

(Amount in ₹ lakhs)

Particulars	For the Year ended March 31, 2025			For the Year ended March 31, 2024		
	External	Inter Segment	Total	External	Inter Segment	Total
REVENUE						
Lending	3,876.82	-	3,876.82	2,690.92	-	2,690.92
Investment	3,386.40	-	3,386.40	12,408.38	-	12,408.38
TOTAL REVENUE	**7,263.21**	**-**	**7,263.21**	**15,099.30**	**-**	**15,099.30**

(Amount in ₹ lakhs)

Particulars	For the Year ended March 31, 2025			For the Year ended March 31, 2024		
	External	Inter Segment	Total	External	Inter Segment	Total
RESULT						
Lending	5,190.17	-	5,190.17	5,117.76	-	5,117.76
Investment	3,386.37	-	3,386.37	12,408.27	-	12,408.27
TOTAL SEGMENT RESULTS	**-**	**-**	**8,576.53**	**-**	**-**	**17,526.04**

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(Amount in ₹ lakhs)

Particulars	For the Year ended March 31, 2025			For the Year ended March 31, 2024		
	External	Inter Segment	Total	External	Inter Segment	Total
Add: Un-allocable income (i.e. Other Income)	-	-	106.46	-	-	1.32
Add : exceptional item	-	-	1,865.84	-	-	-
Less: Un-allocable expenses	-	-	(1,157.25)	-	-	(722.47)
Less: Finance Cost	-	-	(1,900.37)	-	-	(1,880.90)
PROFIT BEFORE TAX	**-**	**-**	**7,491.22**	**-**	**-**	**14,923.99**

(ii) Other Information:

(Amount in ₹ lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities
Lending	17,010.94	(409.02)	11,808.97	(217.71)
Investment	25,219.89	(2.35)	31,733.58	-
	42,230.83	**(411.37)**	**43,542.55**	**(217.71)**
Unallocated Corporate Assets / (Liabilities)	16,393.20	(19,708.02)	17,150.07	(27,892.45)
TOTAL ASSETS / (LIABILITIES)	**58,624.03**	**(20,119.39)**	**60,692.62**	**(28,110.15)**

(Amount in ₹ lakhs)

Particulars	Capital Expenditure		Depreciation/ Amortisation (including Impairment)		Non - Cash Expenses other than Depreciation	
	March 25	March 24	March 25	March 24	March 25	March 24
Lending	-	-	-	-	-	-
Investment	-	-	32.36	34.85	-	-
Unallocated	9.69	1.50	19.65	25.03	-	-

(iii) Information concerning principal geographic area is as follows:

Net sales to external customers by geographic area by location of customers:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Segment Revenue*		
(a) In India	7,908.94	15,099.88
(b) Rest of the world	-	-
Total	**7,908.94**	**15,099.88**

* Based on location of Customers

(iv) Information about major customers:

In accordance with the requirements of Ind AS 108, Operating Segments, the Company has revenue from transactions with two customers which individually contributed 10% or more of the total revenue of the Company during the year ended 31 March 2025.

The details are as follows:

Particulars	Segment	Nature	For the year ended March 31, 2025		For the year ended March 31, 2024	
			Revenue (₹ in lakhs)	% of Total Revenue	Revenue (₹ in lakhs)	% of Total Revenue
Customer 1	Financing	Domestic	1,222.75	15.67%	-	-
Customer 2	Financing	Domestic	1,389.30	17.81%	-	-

The total revenue of the Company during the year was ₹ 7,802.49 lakhs. In accordance with Ind AS 108, the identity of these customers is not disclosed.

Previous Year (FY 2023-24):
There was no single customer from whom revenue amounted to 10% or more of the Company's total revenue.

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53 Additional regulatory information required by Schedule III of the Act:

(a) Title deeds of immovable properties held in name of the company
The title deeds of all the immovable properties as disclosed in notes to the financial statements, are held in the name of the Company.

(b) Valuation of Investment Property
Refer note no. 10(iii) on valuation of investment property.

(c) Valuation of PP&E (including Right-of-use assets):
The Company has not revalued its property, plant and equipment (including Right-of-use assets) during the current or previous year.

(d) Valuation of Intangible Assets:
The company has not revalued its intangible assets during the current or previous year.

(e) Loans or Advances in the nautre of Loans granted to Promoters, Directors, Key Managerial Personnel and Related Parties:
No loans or advances in the nature of loans are granted to related parties which are repayable on demand or without specifying the terms or period of repayment.

(f) Capital Work in Progress (CWIP):
There is no capital work in progress during the current year or previous year.

(g) Intangible Asset Under Development:
There are no intangible asset under development during the current or previous year

(h) Details of benami property held:
No benami property is held by the Company accordingly no proceedings are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(i) Borrowing secured against current assets:
The Company does not have borrowings from banks or financial institutions on the basis of security of current assets.

(j) Willful defaulter:
The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(h) Relationship with struck off companies:
The Company has no transactions with the companies struck off under the Act or Companies Act, 1956.

(i) Registration of charges or satisfaction with Registrar of Companies:
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(j) Compliance with number of layers of companies:
The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(k) Analytical Ratios:

Sr. no.	Particulars	31st March, 2025 (Audited)	31st March, 2024 (Audited)	% Variance	Reason for variance
a)	Leverage ratio	0.55	0.93	-40.99%	Due to Decrease in liability
b)	Gross Non Performing Assets% ("GNPA") (refer note i)	2.96%	15.97%	-81.43%	Due to Recovery of Non-Performing Assets in current financial year
c)	Net Non Performing Assets% ("NNPA") (refer note ii)	0.00%	0.00%	0.00%	
d)	Provision Coverage Ratio% ("PCR") (refer note iii)	100.00%	100.00%	0.00%	

i) Gross Non-performing Assets: (Gross Stage III loans/ Gross loans)

ii) Net Non-performing Assets: (Gross Stage III loans - impairment allowance on stage III loans)/ (Gross loans - impairment loss allowance on stage III loans)

iii) Provision Coverage Ratio% ("PCR"): (Impairment loss allowance on stage III loans/ Gross stage III loans)

Notes

to the Standalone financial statements for the year ended 31st March, 2025
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(l) Compliance with approved scheme(s) of arrangements:

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(m) Utilisation of borrowed funds and share premium:

(A) During Current financial year the company has not given any loan/advances with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

However, The Company during the previous financial year has given loan to one of its subsidiary company Legguino India Pvt. Ltd. ("Intermediary") with the understanding that the Intermediary shall lend and invest in its step-down subsidiary Genesis Resorts Pvt. Ltd ("Ultimate Beneficiary"). The details of loan given and its manner of utilization are as follows:

I) Details of loan to intermediary company is given below:

Sr. No.	Name of the Intermediary	Address	CIN	Date of Loan	Amount of loan (Rs. Lakhs)
1	Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	602, Boston House, Suren Road, Andheri (East), Mumbai - 400093	U17299MH2022PTC387543	February 16, 2024	8,715
				February 20, 2024	5
				February 23, 2024	5
				February 29, 2024	5
				Total Loan	**8,730**

II) Details of loan and investment by intermediary company in the Ultimate Beneficiary are given below:

Mar-24

Sr. No.	Name of the Ultimate Beneficiary	Address	CIN	Date of Loan/ Investment	Amount of loan/ investment (Rs. Lakhs)
1	Genesis Resorts Pvt. Ltd.	602, Boston House, Suren Road, Andheri (East), Mumbai - 400093	U55204MH2012PTC235493	February 16, 2024	2,500
				February 16, 2024	6,215
				February 20, 2024	5
				February 23, 2024	5
				February 29, 2024	5
				Total Loan and Investment	**8,730**

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(n) Undisclosed income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(o) Details of crypto currency or virtual currency:

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

54 Disclsoure as per Reserve Bank of India (RBI) guideline and Circulars

1 Capital

(Amount in ₹ lakhs)

Particulars		As at 31st March 2025	As at 31st March 2024
i)	CRAR (%)	63.66%	33.03%
ii)	CRAR - Tier I Capital (%)	63.00%	32.56%
iii)	CRAR - Tier II Capital (%)	0.66%	0.47%
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-
vi)	Leverage ratio	0.55	0.93

As per Chapter IV of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, a Base Layer NBFC is required to disclose the Leverage Ratio. Under the erstwhile directions, disclosure of CRAR was mandated for an NBFC-ND-SI; however, this requirement has been omitted in the revised Master Directions for Base layer NBFC. Accordingly, the Company has disclosed only the Leverage Ratio in its financial statements. Nevertheless, the management has internally decided to continue monitoring the CRAR for internal reporting purposes, and hence, the same has also been disclosed in the Annual Report.

2 Investments

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March 2025	As at 31st March 2024
1	Value of Investments	-	-
(i)	Gross Value of Investments	-	-
	(a) In India	25,362.37	31,843.69
	(b) Outside India,	-	-
(ii)	Provisions for Depreciation	-	-
	(a) In India	142.48	110.12
	(b) Outside India,	-	-
(iii)	Net Value of Investments	-	-
	(a) In India	25,219.89	31,733.58
	(b) Outside India,	-	-
2	Movement of provisions held towards depreciation on investments.		
(i)	Opening balance	110.12	75.27
(ii)	Add : Provisions made during the year	32.36	34.85
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
(iv)	Closing balance	142.48	110.12

3 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

(Amount in ₹ lakhs)

Sr. No.	Particulars	0-7 Days	8 to 14 Days	15 to 30 Days	Over 1 month Upto 2 Month	Over 2 months upto 3months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
1	Deposits (Bank Deposit)	-	-	-	-	-	-	-	-	-	-	-
2	Advances	1,024.90	-	10.00	510.00	7,852.89	30.00	7,273.08	481.84	-	525.00	17,707.72
3	Investments	-	-	-	-	-	-	10,219.57	10,271.07	-	4,729.25	25,219.89
4	Borrowings	-	-	-	-	-	-	409.02	5,486.51	12,815.98	-	18,711.51

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

4 Exposures

4.1 Exposure to Real Estate Sector

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March 2025	As at 31st March 2024
I)	**Direct Exposure**	34.47	-
	a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.		
	b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	375.00	1,240.00
	c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures – i. Residential ii. Commercial Real Estate	-	-
II)	**Indirect Exposure**	-	-
	Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	
	Total Exposure to Real Estate Sector	**409.47**	**1,240.00**

4.2 Exposure to capital market

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March 2025	As at 31st March 2024
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	19,213.76	18,332.74
ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii)	Bridge loans to companies against expected equity flows / issues	-	-
viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix)	Financing to stockbrokers for margin trading	-	-

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March 2025	As at 31st March 2024
x)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
	Total Exposure to Capital Market	**19,213.76**	**18,332.74**

4.3 Intra-group exposures

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March 2025	As at 31st March 2024
i)	Total amount of intra-group exposures	21,189.52	18,323.26
ii)	Total amount of top 20 intra-group exposures	21,189.52	18,323.26
iii)	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/ customers	50.68%	42.60%
iv)	Total Exposure	41,808.58	43,011.75

4.4 Sectoral Exposure:

(Amount in ₹ lakhs)

Sr. No	Sectors	31st March, 2025			31st March, 2024		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector (%)	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector (%)
1	**Agriculture and Allied Activities**	-	-	-	-	-	-
2	**Industry**						
	i) Beverage & Tobacco	325.52	-	0.00%	1,215.00	865.00	71.19%
	ii) Real Estate Construction	-	-	0.00%	-	-	0.00%
	iii) Textile	5,176.40	-	0.00%	5,001.71	-	0.00%
	iv) Paper & Paper Product	7,869.21	-	0.00%	1,995.20	-	0.00%
	v) Others	-	-	0.00%	-	-	0.00%
	Total of Industry (i+ii+iii+iv+v)	**13,371.13**	**-**	**0.00%**	**8,211.91**	**865.00**	**10.53%**
					-	-	
3	**Services**				-	-	
	i) Other Retails	1,409.47	375	26.61%	2,008.27	1,008.27	50.21%
	ii) NBFC	-	-	0.00%	1,339.99	-	0.00%
	iii) Capital Markets	-	-	0.00%	-	-	0.00%
	iv) Others	2,922.04	150	5.13%	159.61	-	0.00%
	Total of Services (i+ii+iii+iv)	**4,331.51**	**525.00**	**12.12%**	**3,507.86**	**1,008.27**	**28.74%**
4	**Personal Loans**						
	Others	5.08	-	-	13.01	-	-
	Total of Personal Loans	-	-	-	-	-	-

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

5 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March 2025
I	**Exceed SBL – Loans & Advances**	
		0.00
II	**Exceed SBL – Investment**	
	Investment in Security receipt	42.29
III	**Exceed GBL – Loans & Advances**	
		0.00

6 Miscellaneous

6.1 Registration obtained from other financial sector regulators : NA

6.2 Disclosure of Penalties imposed by RBI and other regulators: NA

6.3

Year	Name of the Credit Rating Agency	Rating	Product	Redemption Date	Debenture Issued at (in Lakhs)	Redemption Value (In Lakhs)
24-25	Brickwork Rating Agency Pvt Ltd	BWR B-	NCD	24-03-2027	3,600.00	5,486.51
	Brickwork Rating Agency Pvt Ltd	BWR B-	NCD	26-09-2029	8,100.00	12,815.98
23-24	Brickwork Rating Agency Pvt Ltd	BWR B-	NCD	24-03-2027	6,200.00	8,694.47
	Brickwork Rating Agency Pvt Ltd	BWR B-	NCD	26-09-2029	10,000.00	14,558.41

6.4 Remuneration of Directors

(Amount in ₹ lakhs)

Sr. No.	Name of Director	Remuneration
1	Hardik B Patel	18

6.5 Net Profit or Loss for the period, prior period items and changes in accounting policies
There were no such event during the current or previous financial year

6.6 Revenue Recognition
Refer note 2(vii) to 2(x) of Material Accounting Policy

7 Additional Disclosures

7.1 Provisions and Contingencies
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March 2025	As at 31st March 2024
1	Provisions for depreciation on Investment	52.01	59.88
2	Provision towards NPA	-1,348.27	-5,636.37
3	Provision made towards Income tax	2,730.38	1,240.16
4	Other Provision and Contingencies (with details)	-	-
5	Provision for Standard Assets	33.41	-166.31

7.2 Draw Down from Reserves
There were no such acivity and hence this disclosure is not applicable

7.2.1 Concentration of Deposits, Advances, Exposures and NPAs

7.2.2 Concentration of Deposits (for deposit taking NBFCs) : As the company is non - deposit taking NBFC

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025
Total Deposits of twenty largest depositors	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

7.2.3 Concentration of Advances

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025
Total Advances to twenty largest borrowers	17,702.64
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	100%

7.2.4 Concentration of Exposures

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025
Total Exposure to twenty largest borrower/customers (borrowings)	18,711.51
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers (borrowings)	100%

7.2.5 Concentration of NPAs

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025
Total Exposure to top four NPA accounts	525.00

7.3 Movement of NPAs

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	Net NPAs to Net Advances (%)	0%	0%
(ii)	Movement of NPAs (Gross)	-	-
(a)	Opening balance	1,873.27	7,992.87
(b)	Additions during the year	150.00	600.00
(c)	Reductions during the year	1,498.27	6,719.60
(d)	Closing balance	525.00	1,873.27
(iii)	Movement of Net NPAs		
(a)	Opening balance	-	649.87
(b)	Additions during the year	-	-
(c)	Reductions during the year	-	649.87
(d)	Closing balance	-	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	1,873.27	7,343.00
(b)	Provisions made during the year	150.00	600.00
(c)	Write-off / write-back of excess provisions	1,498.27	6,069.73
(d)	Closing balance	525.00	1,873.27

7.4 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)nce Sheet SPVs sponsored (which are required to be consolidated as per accounting norms) - NA

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

8 Disclosure of Complaints

8.1 Customer Complaints

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

Sr. No	Particulars		As at 31st March 2025	As at 31st March 2024
	Complaints received by the NBFC from its customers			
1		Number of complaints pending at beginning of the year	0	0
2		Number of complaints received during the year	1	0
3		Number of complaints disposed during the year	0	0
	3.1	Of which, number of complaints rejected by the NBFC	1	0
4		Number of complaints pending at the end of the year	0	0
	Maintainable complaints received by the NBFC from Office of Ombudsman			
5.*		Number of maintainable complaints received by the NBFC from Office of Ombudsman	0	0
	5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	0	0
	5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	0	0
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6.*		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in ' Reserve Bank - Integrated Ombudsman Scheme, 2021' (Previously 'The Ombudsman Scheme for Non-Banking Financial Companies, 2018') and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCS which are included under 'Reserve Bank - Integrated Ombudsman Scheme, 2021'.

8.2 Top five grounds of complaints received by the NBFCs from customers- NA

9.1 Annex X - Data on Pledged Securities- NA

Name of the Lender NBFC	Finquest Financial Solutions Private Limited				
Pan	AAACF8117G				
Date of Reporting	31-03-2025				
Shareholding Information					
Name of the Company	ISIN	No. of Shares held against loans	Type of Borrower (Promoter/Non Promoter	Name of the Borrower	Pan of the Borrower
NA	NA	-	-	-	-

10.1 Annex XI

Loans to Directors, Senior Officers and Relatives of Directors

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

55 Public Disclosure on Liquidity Risk for the year ended March 31, 2025 and March 31, 2024 pursuant to RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Particulars	Number of significant counterparties (Refer note 1)	(Amount in ₹ lakhs)	% of Total Deposits	% of Total liabilities (Refer note 2)
As at March 31, 2025	8	11700.00	NA*	56.21%
As at March 31, 2024	11	15800.00	NA*	56.21%

(ii) Top 20 large deposits (amount in Rs. in lakhs and % of total deposits)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Total amount of top 20 large deposits	NA*	NA*
Percentage of amount of top 20 large deposits to total deposits	NA*	NA*

* The Company being Non-deposit taking NBFC hence the clause is not applicable

iii) Top 10 borrowings (amount in Rs. in lakhs and % of total borrowings)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Total amount of top 10 borrowings	18,711.51	23,470.58
Percentage of amount of top 10 borrowings to total borrowings	100%	100%

iv) Funding concentration based on significant instrument/ product

(Amount in ₹ lakhs)

Significant instrument/product (Refer Note 2)	As at 31st March 2025		As at 31st March 2024	
	(Amount in ₹ lakhs)	% of Total liabilities (Refer note 3)	(Amount in ₹ lakhs)	% of Total liabilities (Refer note 3)
Debt securities (unsecured)	18,302.49	88%	23,252.88	83%
Borrowings (other than debt securities)	409.02	2%	217.71	1%

v) Stock ratios

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025		As at 31st March 2024	
	as a % of Total liabilities (refer note 3)	as a % of Total assets	as a % of Total liabilities (refer note 3)	as a % of Total assets
Non-convertible debentures (original maturity of less than one year)	0%	0%	0%	0%
Borrowings (other than debt securities)	1.96%	0.70%	0.77%	0.37%

(vi) Institutional set-up for liquidity risk management

Refer note 43B: Risk management structure, Liquidity risk and funding management for institutional set-up for liquidity risk management.

Notes:

1) Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.

2) Total liabilities has been computed as sum of all liabilities (Total of Balance Sheet less Total Equity).

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

56 As required in terms of Annexure VIII of Master Direction RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

Schedule to Balance Sheet

(Amount in ₹ lakhs)

Laibilities Side	As at March 31, 2025	
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :	**Amount Outstanding**	**Amount Overdue**
a) Debentures : Secured	Nil	Nil
: Unsecured (other than falling within the meaning of public deposits*)	18,302.49	-
b) Deferred Credits	Nil	Nil
c) Term Loans	381.91	-
d) Inter-corporate loans and borrowing	27.11	-
e) Commercial Paper	Nil	Nil
f) Public Deposits*	NA	NA
g) Other Loans		
* Please see Note 1 below		
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of Unsecured debentures	NA	NA
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NA	NA
(c) Other public deposits	NA	NA

(Amount in ₹ lakhs)

Asset Side	As at March 31, 2025
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	
(a) Secured	734.98
(b) Unsecured	16,972.73
4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	
i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	Nil
(b) Operating lease	Nil
ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	Nil
(b) Repossessed Assets	Nil
iii) Other loans counting towards asset financing activities	
(a) Loans where assets have been repossessed	Nil
(b) Loans other than (a) above	Nil

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

(Amount in ₹ lakhs)

	Asset Side		As at March 31, 2025	
5	**Break-up of Investments**			
	Current Investments			
	1. Quoted			
	(i) Shares			
	(a) Equity			10,219.57
	(b) Preference			Nil
	(ii) Debentures and Bonds			Nil
	(iii) Units of mutual funds			Nil
	(iv) Government Securities			Nil
	(v) Others (please specify)			Nil
	2. Unquoted			
	(i) Shares			
	(a) Equity			Nil
	(b) Preference			Nil
	(ii) Debentures and Bonds			Nil
	(iii) Units of mutual funds			Nil
	(iv) Government Securities			Nil
	(v) Others (please specify)			Nil
	Long Term investments			
	1. Quoted			
	(i) Share			
	(a) Equity			8,994.19
	(b) Preference			Nil
	(ii) Debentures and Bonds			1,057.44
	(iii) Units of mutual funds			Nil
	(iv) Government Securities			Nil
	(v) Others (please specify)			Nil
	2. Unquoted			
	(i) Shares			
	(a) Equity			47.12
	(b) Preference			249.64
	(ii) Debentures and Bonds			-
	(iii) Units of mutual funds			Nil
	(iv) Government Securities			Nil
	(v) Others			
	a) Investment in Security Receipts			4,229.68
6	**Borrower group-wise classification of assets financed as in (3) and (4) above:**			
	Category		**Amount net of provisions**	
		Secured	**Unsecured**	**Total**
	I Related Parties **			
	(a) Subsidiaries	Nil	15,531.32	**15,531.32**
	(b) Companies in the same group	Nil	Nil	**-**
	(c) Other related parties	Nil	Nil	**-**
	II Other than related parties	734.99	1,441.41	**2,176.40**

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

(Amount in ₹ lakhs)

	Asset Side	As at March 31, 2025	
7	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**		
	Category	**Market Value / Break up or fair value or NAV**	**Book Value (Net of Provisions)**
	1. Related Parties **		
	(a) Subsidiaries	5,658.20	5,658.20
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	Nil	Nil
	2. Other than related parties	19,139.44	19,139.44
	Total	**24,797.64**	**24,797.64**
	** As per Accounting Standard of ICAI (Please see Note 3)		
8	**Other information**		
	(i) Gross Non-Performing Assets#		
	(a) Related parties		Nil
	(b) Other than related parties		525.00
	(ii) Net Non-Performing Assets#		
	(a) Related parties		Nil
	(b) Other than related parties		-
	(iii) Assets acquired in satisfaction of debt		Nil
	# NPA accounts refer to stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired.		

Note:-

1. Public deposits shall have the same meaning as defined in the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.
2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA
3. All notified Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term (amortised cost in the case of Ind AS) or current (fair value in the case of Ind AS) in (5) above.

57 Disclosure pursuant to Appendix II-A of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

(Amount in ₹ lakhs)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	For the year ended March 31, 2025				
		Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRAC P norms	Difference between Ind AS 109 provisions and IRAC P norms
Performing Assets						
Standard Asset	Stage 1	17177.64	171.78	17005.86	68.71	103.07
	Stage 2					
Sub-Total		**17177.64**	**171.78**	**17005.86**	**68.71**	**103.07**
Non-Performing Assets (NPA's)						
Substandard	Stage 3	150.00	150.00	0.00	15.00	135.00

Notes

to the Standalone financial statements for the year ended 31st March, 2025
(All amounts are in rupees lakhs, except per share data and as stated otherwise)

(Amount in ₹ lakhs)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	For the year ended March 31, 2025				
		Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRAC P norms	Difference between Ind AS 109 provisions and IRAC P norms
Doubtful - Upto 1 year	Stage 3			0.00	0.00	0.00
1 to 3 year	Stage 3			0.00	0.00	0.00
More than 3 years	Stage 3	375.00	375.00	0.00	375.00	0.00
Sub-total for Doubtful		**525.00**	**525.00**	**0.00**	**390.00**	**135.00**
Loss	Stage 3					
Sub-total for NPA		**525.00**	**525.00**	**0.00**	**390.00**	**135.00**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1					
	Stage 2					
	Stage 3					
Subtotal		**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
TOTAL		**17702.64**	**696.78**	**17005.86**	**458.71**	**238.07**

(Amount in ₹ lakhs)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	For the year ended March 31, 2024				
		Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRAC P norms	Difference between Ind AS 109 provisions and IRAC P norms
Performing Assets						
Standard Asset	Stage 1	9846.50	138.37	9708.13	39.39	98.98
	Stage 2	0.00	0.00	0.00	0.00	0.00
Sub-Total		**9846.50**	**138.37**	**9708.13**	**39.39**	**98.98**
Non-Performing Assets (NPA's)						
Substandard	Stage 3	600.00	600.00	0.00	60.00	540.00
Doubtful - Upto 1 year	Stage 3	33.27	33.27	0.00	33.27	0.00
1 to 3 year	Stage 3	865.00	865.00	0.00	865.00	0.00
More than 3 years	Stage 3	375.00	375.00	0.00	375.00	0.00
Sub-total for Doubtful		**1873.27**	**1873.27**	**0.00**	**1333.27**	**540.00**
Loss	Stage 3	0.00	0.00	0.00	0.00	0.00
Sub-total for NPA		**1873.27**	**1873.27**	**0.00**	**1333.27**	**540.00**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	0.00	0.00	0.00	0.00	0.00
	Stage 2	0.00	0.00	0.00	0.00	0.00
	Stage 3	0.00	0.00	0.00	0.00	0.00
Subtotal		**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
TOTAL		**11719.77**	**2011.64**	**9708.13**	**1372.66**	**638.98**

Provision as per Ind AS 109 is more than as required under IRAC norms

Notes

to the Standalone financial statements for the year ended 31st March, 2025

(All amounts are in rupees lakhs, except per share data and as stated otherwise)

58 Breach of covenant

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2024 and March 31, 2025.

59 Divergence in Asset Classification and Provisioning

a) Additional provisioning requirements in excess of 5 percent

There were no such instances identified by RBI during the year

b) Aditional Gross NPAs in excess of 5%

The RBI has not identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

60 Discontinued Operations

The Company had no discontinuing operations during the financial year ended March 31, 2025 and March 31, 2024.

61 Whistle-blower Complaints

There were no whistle blower complaints received by the Company during the financial year ended March 31, 2025 and March 31, 2024.

62 The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

63 Previous year figures have been re-grouped or reclassified, to confirm with current year's grouping /classifications

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 29th May, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 29th May, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 29th May, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 29th May, 2025

Independent Auditors' Report

To the Members of Finquest Financial Solutions Pvt. Ltd.

Report on the Audit of the Consolidated Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying Consolidated Financial Statements of Finquest Financial Solutions Pvt. Ltd, ("the parent") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group") and the Group's Share of profit/(loss) in its associates, comprising the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss, (Including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information ("the Consolidated Financial Statements").

We do not express an opinion on the accompanying Consolidated Financial Statements of the group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Consolidated Financial Statements.

The Consolidated Financial Statements includes the financial statements of the following entities:

a. Parent:

Finquest Financial Solutions Pvt. Ltd.

b. Subsidiaries:

Digjam Ltd.
Reid & Taylor International Pvt Ltd (Formely known as 'Krihaan Texchem Pvt. Ltd.') (upto 27th March 2025)
Amartaru Hospitality Pvt. Ltd. (Formerly known as Leggiuno India Pvt. Ltd.')
Ballarpur Industries Ltd. ('BILT')
Genesis Resorts Pvt. Ltd.
RNT Garments Pvt Ltd. (upto 27th March, 2025)
Avantha Agritech Ltd.
Ballarpur International Holdings B.V.
Ballarpur Speciality Paper Holdings B.V.
Bilt Paper B.V.
Mirabelle Trading Pte. Ltd.
BILT General Trading FZE

c. Associate:

Ballarpur Paper Holdings B.V.

Basis for Disclaimer of Opinion

1. During the financial year 2024–25, BILT, has not prepared its consolidated financial statements. However, its standalone financial statements for the year ended March 31, 2025 are available and have been considered for the purpose of consolidation. Further, the financial statements of BILT's other subsidiaries and step-down subsidiaries — Ballarpur International Holdings B.V., Ballarpur Speciality Paper Holdings B.V. & BILT Paper B.V. are not available for the year ended March 31, 2025. As a result, the balance sheet items of these entities have been carried forward from the balances reported as at March 31, 2024.

   Additionally, the financial statements of the associate entity Ballarpur Paper Holdings B.V. are also not available for the year ended March 31, 2025. Consequently, the Group's share of profit or loss from this associate has not been included in the Consolidated Statement of Profit and Loss for the current financial year.

   Due to the non-availability of complete and updated financial information as stated above, we are unable to obtain sufficient appropriate audit evidence regarding the financial position and performance of the Group as at and for the year ended March 31, 2025. Hence due to above reason the figures for the year ended March 31, 2025 are not comparable with figures of year ended March 31, 2024. Accordingly, we are unable to express an opinion on the accompanying Consolidated Financial Statements. (Refer note no. 67to the Consolidated Financial Statements).

2. The National Stock Exchange of India Limited (NSE) and BSE Ltd have imposed penalties on BILT for delays in compliance with various provisions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations ("Listing Regulations"). As per the Listing Regulations, a penalty of ₹5,000 per day per stock exchange is applicable for non-adoption of financial results. BILT has filed an Interlocutory Application (IA) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, seeking an extension/exemption from statutory filings, including quarterly and annual financial statements for the period ended March 31, 2025. The IA is currently pending adjudication and BILT is hopeful of obtaining relief from the Hon'ble NCLT.

   In view of the pending legal proceedings and the uncertainty surrounding the outcome, no provision has been made in the books of accounts towards the said penalties, as the final amount is presently not ascertainable. Given the ongoing non-compliance and the matter being sub judice, we were unable to obtain sufficient appropriate audit evidence to determine the potential financial impact of the penalties, if any, on the consolidated financial statements for the year ended March 31, 2025. Accordingly, we are unable to determine whether any adjustments might be necessary in respect of this matter. (Refer note no. 58 to the Consolidated Financial Statements).

3. One of the step-down subsidiaries, Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") in financial year 2019-20 as BGT does not carry on any operations and there is no intention to carry on the business in future and also the license of BGT was expired. Since, the financial Statements of BGT for year ended March 31, 2025 are not available with the Management therefore the balance sheet as at March 31, 2019 have been considered for preparation of consolidated financial Statements for the year ended March 31,2025. As a result, the consequential impact, if any, on the consolidated financial Statements is not ascertainable. (Refer note no. 63 to the consolidated financial Statements).

Independent Auditors' Report

4. The consolidated financial statements for year ended March 31, 2025 of 2 step down subsidiaries Mirabelle Trading Pte. Ltd and Avantha Agritech Limited, are not available and therefore, the balance sheet as at March 31, 2020 have been considered in the preparation of the consolidated financial Statements for the year ended March 31, 2025. As a result, the consequential impact, if any, on the consolidated financial statements is not ascertainable. (Refer note no. 64 to the Consolidated Financial Statements)

5. The Consolidated Financial Statements for the year ended March 31, 2025 include the financial information of the step-down subsidiary Ballarpur International Holdings B.V., for which the financial statements for the year ended March 31, 2024 were neither audited nor certified by its management. Furthermore, the financial information of two other step-down subsidiaries, namely Ballarpur Speciality Paper Holdings B.V. and Bilt Paper B.V., and one associate, Ballarpur Paper Holdings B.V., have also been consolidated based on unaudited but management-certified financial statements as at and for the year ended March 31, 2024.

   Since the financial statements of these entities were unaudited and, in one case, not even certified by management, and as no updated financial statements were available for the year ended March 31, 2025, the balances as at March 31, 2024 have been carried forward in the Consolidated Financial Statements as at March 31, 2025.

   In the absence of audit and adequate certification of the financial information of these subsidiaries and associate entities, we were unable to obtain sufficient appropriate audit evidence to assess the accuracy, completeness, and potential impact, if any, of the financial information included in the Consolidated Financial Statements. (Refer note no. 68 to the Consolidated Financial Statements)

Material Uncertainty relating to Going Concern

We draw attention to Note 62 of the accompanying consolidated financial statements of the Group, which contains conditions along with other matters which indicate that a material uncertainty exists that may cast significant doubt on the ability of some of the entities in the Group to continue as a going concern.

Digjam Ltd.

For the year ended March 31, 2025, Digjam Ltd incurred a total comprehensive loss of Rs. 1,044.08 lakhs. As of that date, current liabilities of Digjam Ltd exceeded its current assets by Rs. 502.64 lakhs. However, Digjam Ltd continues to maintain a positive net worth. Despite the working capital deficit and the discontinuation of its primary manufacturing operations, the financial statements have been prepared on a going concern basis, reflecting the subsidiary management's confidence in Digjam's Ltd ability to implement operational and financial strategies, including realisation of assets held for sale and restructuring of cost base.

Ballarpur Industries Limited ('BILT')

Post takeover, the new Management of BILT has raised funds by way of issuance of Non-Convertible Debentures (NCDs). Further the Company envisages sale of old inventory & assets held for sale in order to generate appropriate cash flows. Pursuant to write back of the old liabilities in financial year 2022-23, financial position has been restored to solvency through the implementation of the resolution plan which the company is confident to adhere to. Based on the aforesaid plans, the Management believes that the Company will generate sufficient cash flows to meet its obligations and, accordingly, the financial statements do not include any adjustments that might result from the outcome of this uncertainty. Thus, the accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern.

Our opinion is not modified in respect of the above matters.

Emphasis of Matter

1. We invite attention to note no. 6.2 of the Consolidated Financial Statements, wherein it has been stated that the Parent has acquired 51% stake in Ballarpur Industries Limited. The new management of BILT is under the process of commencing commercial operations and has forecasted sufficient cash flows for the future. As the investments made by the Parent are strategic and of long-term nature, the parent has not tested for impairment of these investments.

2. We invite attention to note no. 66 of the Consolidated Financial Statements, which explains the restatement of the corresponding figures for the year ended March 31, 2024. The restatement has been made to include the financial statements of BILT and its Subsidiaries and its associate, which were not available at the time of preparation of the previous year's consolidated financial statements.

3. We invite attention to Note No. 3.1 of the Consolidated Financial Statements stating that the Company has 2 Dividend Warrant accounts carrying aggregate balances of ₹16.24 lakhs as at March 31, 2025. As per Clause (6) of Section 124 of the Companies Act, 2013, the entire amount in these accounts is required to be transferred to the Investor Education and Protection Fund (IEPF), since a period of ten years has lapsed. However, the transfer could not be affected due to the Company's inability to trace the requisite investor details, which have not been provided by the Resolution Professional or the erstwhile management. The current management of BILT is in the process of taking appropriate steps to retrieve the necessary information to facilitate the transfer to the IEPF.

4. We invite attention to Note No. 55 of the Consolidated Financial Statements stating that the Management of BILT has revalued its land located at Jagadhari District Yamunanagar, Haryana and based on the revised assessment as per the current market conditions, an impairment of Rs. 1,244.73 Lakhs has been carried out, which has been shown as exceptional item.

5. A. We invite attention to Note No. 15 of the Consolidated Financial Statements stating that the Non-Current Assets of BILT amounting to ₹49,509.02 lakhs have been classified as held for sale. As per Ind AS 105 – Non-Current Assets Held for Sale and Discontinued Operations, such classification is permitted when the sale is highly probable and expected to be completed within one year. The assets have been classified as held for sale for over one year, and management is taking active steps toward their sale. The sale is probable and anticipated to be completed soon. According to the Resolution Plan, management is actively pursuing the sale of these assets; therefore, they remain classified as Non-Current Assets Held for Sale.

Independent Auditors' Report

B. We draw attention to Note No. 17 of the Consolidated Financial Statements, which describes that during the quarter ended 31st March 2025, the Board of Directors of **Digjam Ltd**, a subsidiary, approved the discontinuation of operations at its sole manufacturing facility located at Jamnagar, effective the same date. The decision was taken as part of a strategic initiative to rationalise operations and optimise the asset base.

In accordance with Indian Accounting Standard (Ind AS) 105 – Non-current Assets Held for Sale and Discontinued Operations, the results of the Jamnagar Plant have been presented as "Discontinued Operations" in the financial results for the quarter and year ended 31st March 2025, with corresponding figures for prior periods reclassified accordingly.

Further, non-current assets associated with the discontinued unit, amounting to ₹5,714.12 lakhs, have been classified under "Non-Current Assets Held for Sale" based on a valuation performed by an Independent Registered Valuer, which management believes reflects fair value less costs to sell.

6. We invite attention to Note 6.4 of the Consolidated Financial Statements, which describes that during the financial year 2024–25, the Parent has partially divested its investment in DIGJAM Limited by selling 30,00,000 equity shares (representing a 15% stake) through the Offer for Sale (OFS) mechanism in accordance with SEBI's "Comprehensive Framework on Offer for Sale (OFS) of Shares through Stock Exchange Mechanism" issued vide Circular No. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2023/10 dated January 10, 2023. The profit arising on derecognition of this investment, amounting to ₹ 2,509.08 lakhs, has been recognized under "Exceptional Item" in the Consolidated Statement of Profit and Loss.

7. We invite attention to Note 6.3 of the Consolidated Financial Statements, which explains that during the financial year 2024–25, Reid & Taylor International Private Limited, a wholly owned subsidiary of the Parent, issued 47,000 equity shares on March 27, 2025, and 58,000 equity shares on March 28, 2025. As a result of this issuance, the Parent's shareholding in the said subsidiary reduced from 100% to 8.7% without any sale of shares by the Parent, resulting in a loss of control in accordance with Ind AS 110 – Consolidated Financial Statements. Consequently, Reid & Taylor International Private Limited has been de-recognised from the Group's consolidated financial statements, and a loss of ₹ 5,802.71 lakhs on such de-recognition has been recognised under "Exceptional Item" in the Consolidated Statement of Profit and Loss for the year ended March 31, 2025.

Our Opinion is not modified in respect of the above matters.

Management's and Board of Director's Responsibility for the Consolidated Financial Statements

The Parent's Management's and Board of Directors are responsible for the matters stated in Section 134(5) of the Act' with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit/loss, consolidated total comprehensive income, 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, as amended.

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

In preparing the consolidated financial statements, the respective management and Board of Directors of each companies/entities and its associates are responsible for assessing the ability of each companies/entities and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate each companies/entities or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Group and its associates are also responsible for overseeing the financial reporting process of each companies/ entities.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the consolidated financial statements in accordance with the SA and to issue an auditor's report thereon.

However, because of the matters described in the basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the group in accordance with the code of ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements and provisions of the Act that are relevant to our audit of consolidated financial statements under the provision of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's code of ethics.

Other Matters

1. The Consolidated Annual Financial Statements include the audited financial statements of 1 subsidiary Digjam Limited (75%), whose financial statements reflect total assets (before consolidation adjustment) of ₹8,084.29 lakhs as at March 31, 2025, total revenue (before consolidation adjustment) of ₹1,839.92 lakhs for the year ended March 31, 2025 and net loss after tax (before consolidation adjustments) of ₹1,060.49 lakhs for the year ended March 31, 2025. These financial statements have been audited by their independent auditor, whose report has been furnished to us by the Management of the Parent. Our

Independent Auditors' Report

opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of such other auditor.

2. The Statement of Profit and Loss included in the Consolidated Financial Statements comprises the audited financial statements of two subsidiaries, Reid & Taylor International Private Limited and RNT Garments Private Limited, which ceased to be subsidiaries with effect from March 27, 2025. These entities have reported total revenue (before consolidation adjustments) of ₹48,127.33 lakhs and net loss after tax (before consolidation adjustments) of ₹150.23 lakhs for the period up to the date they ceased to be subsidiaries. The financial statements of these entities have been audited by their respective independent auditors for the specific purpose of consolidation. The Special Purpose audit reports of such auditors have been furnished to us by the Management of the Parent, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such other auditors.

   Except for the matter stated in the basis of disclaimer of opinion, our opinion on the Consolidated Financial Statements 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, and except for the possible effects, of the matter described in the Basis for Disclaimer of Opinion section we give in the "**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) As described in the basis for disclaimer of Opinion paragraph above, we were unable to obtain 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) Due to the possible effects of the matters described in the basis for disclaimer of opinion section of our report, we were unable to state whether 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;

   (c) Due to possible effects of the matters described in the basis for disclaimer of opinion section of our report, we are unable to comment whether 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 flows 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) Due to the possible effects of matters described in Basis for Disclaimer of Opinion section of our report, we are unable to state whether the aforesaid consolidated financial statements comply with the Indian Accounting Standards notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) In our opinion, the matter described in the Basis for Disclaimer of Opinion section may have an adverse effect on the functioning of the Group;

   (f) On the basis of the written representations received from the directors of the Parent as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act,

   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**, which is based on the auditors reports of the Parent and its subsidiary companies; and

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether the Company has appropriately disclosed the impact of pending litigation on its financial position.;

      ii) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether the Company have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii) One of the subsidiary, BILT, holds two Dividend Warrant accounts with aggregate balances of ₹16.24 lakhs as at March 31, 2025. In accordance with Section 124(6) of the Companies Act, 2013, these amounts are required to be transferred to the Investor Education and Protection Fund (IEPF) since a period of ten years has lapsed. The transfer has not been effected due to the Company's inability to trace the requisite investor details, which were not made available by the Resolution Professional or the erstwhile management. The current management is in the process of taking necessary steps to retrieve the information to enable compliance with the aforesaid requirement.

      iv) a) The respective Managements of the Parent and its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and

Independent Auditors' Report

belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, and associates 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 Parent or any of such subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The respective Managements of the Parent and its subsidiaries, and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, and associates respectively that, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries and associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and associates 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.

c) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether the representation of the Respective Companies in the Group and its associate, under sub clause (a) and (b) above, does not contain any material misstatement.

v) The Parent has not declared any dividend during the current and previous financial year ended March 31, 2025.

vi) Based on our examination which included test checks and that performed by the respective auditors of subsidiaries and its associate, which are incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Parent Company and subsidiary companies have used accounting software for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the respective softwares:

- In respect of 1 subsidiary incorporated in India, Avantha Agritech Limited, the audited financial statements have not been available since FY 2019-20 and the balances relating to the said subsidiary have been carried forward in consolidated financial statements as at March 31, 2025. Accordingly, we are unable to satisfy ourselves that, such subsidiary has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility.

- Digjam Limited, a subsidiary incorporated in India, switched to new accounting software (SAP Infotech) on October 1, 2024, which does not support audit trail recording for direct database changes. For the earlier software used during the first six months of the financial year and in the previous year, the audit trail feature was also not enabled. Other than these periods, the Company has maintained audit trails as required by statutory record retention rules.

- In repsect of Amartaru Hospitality Pvt. Ltd. and Genesis Resorts Pvt. Ltd., in the absence of any information on existence of Audit trail (edit logs) for any changes made at the application level or database level in the aforesaid systems, we are unable to comment on whether audit trail feature of the said systems/software was enabled and operated throughout the year.

  Further, where audit trail (edit log) facility was enabled and operated, we and respective auditors of such subsidiary companies, did not come across any instance of the audit trail feature being tampered with.

For Batliboi & Purohit
Chartered Accountants
Firm Registration Number: 101048W

Raman Hangekar
Partner
Membership No. 030615
Place: Mumbai
Date: June 26, 2025
UDIN: 25030615BMOCQF7418

Independent Auditors' Report

Annexure - A to the Independent Auditors' Report on the consolidated financial statements of Finquest Financial Solutions Private Limited for the year ended March 31, 2025

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date)

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order,2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements, to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that:

i. There have been qualifications by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, the details of companies and paragraph number of the CARO report containing qualifications is indicated below:

Sr. No.	Name of the Component	Corporate Identity Number (CIN)	Type of Component	Respective clause number of CARO report of the component
1	Ballarpur Industries Limited	L21010MH1945PLC010337	Subsidiary	(i)(b), (vii) and (xvii)
2	Digjam Limited	L17123GJ2015PLC083569	Subsidiary	(xvii)
3	Amartaru Hospitality Pvt. Ltd. (erstwhile known as Legguino India Pvt. Ltd.)	U17299MH2022PTC387543	Subsidiary	(xvii)
4	Genesis Resorts Pvt. Ltd.	U55204MH2012PTC235493	Subsidiary	(xvii)

Annexure - B to the Independent Auditors' Report on the consolidated financial statements of Finquest Financial Solutions Private Limited for the year ended March 31, 2025

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

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements section of our report of even date)

We were engaged to audit the internal financial controls over financial reporting of Finquest Financial Solutions Private Limited (hereinafter referred to as "Parent") and such subsidiary companies (the Parent and its subsidiaries together referred to as the "Group") and associate companies incorporated in India, as at March 31, 2025, in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements and due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" paragraph below, we are unable to obtain sufficient and appropriate evidence to provide a basis for our opinion on whether the Company has adequate internal financial controls over financial reporting with reference to these Ind AS consolidated financial statements as at March 31, 2025.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the group, and the disclaimer has affected our opinion on the financial statements of the group and we have issued a disclaimer opinion on the consolidated financial statements of the group.

Basis for Disclaimer of Opinion

Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph in our main audit report, we are unable to obtain sufficient and appropriate evidence to provide a basis for our opinion on whether the group has adequate internal financial controls over financial reporting with reference to Ind AS financial statements as at March 31,2025 & whether such internal financial controls were operating effectively.

Accordingly, we do not express an opinion on the internal financial controls over financial reporting with reference to the Consolidated financial statements of the group.

We have considered the disclaimer of opinion reported above in determining the nature, timing and extent of audit tests applied in our audit of the Consolidated financial statements of the Group for the year ended March 31, 2025, and the disclaimer of opinion on this report has affected our opinion on the Consolidated financial statements of the Group and we have issued a disclaimer of opinion on the Consolidated financial statements (refer "Basis for Disclaimer of Opinion" paragraph in our audit report of even date).

Managements and Board of Directors Responsibility for Internal Financial Controls

The respective Management and Board of Directors of the Parent, its subsidiaries company and associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to Consolidated Financial Statements of the Parent, its subsidiary companies and its associate companies which are incorporated in India, based on our audit. We were engaged to audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Group.

Independent Auditors' Report

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management and directors of the company; and

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

For Batliboi & Purohit
Chartered Accountants
Firm Registration Number: 101048W

Raman Hangekar
Partner
Membership No. 030615
Place: Mumbai
Date: June 26, 2025
UDIN: 25030615BMOCQF7418

Consolidated Balance Sheet

as on 31st March 2025

(Amount in ₹ lakhs)

Particulars	Note No.	31st March, 2025	31st March, 2024 (Restated)
I ASSETS			
1 **Financial assets**			
(a) Cash and cash equivalents	2	11,286.50	12,405.75
(b) Bank Balance other than (a) above	3	4,351.88	7,111.85
(c) Receivables	4		
(I) Trade Receivables		44,956.93	52,214.68
(II) Other Receivables		2.00	2.00
(d) Loans	5	1,71,024.68	1,62,584.59
(e) Investments	6	4,77,124.44	4,75,943.42
(f) Other financial assets	7	30,695.35	33,179.10
2 **Non-financial assets**			
(a) Inventories	8	2,494.74	17,638.20
(b) Current tax assets (net)	9	189.99	529.95
(c) Deferred tax assets (net)	10	-	-
(d) Investment property	11	422.25	454.61
(e) Property, plant and equipment	12	74,106.84	1,18,075.96
(f) Right of Use Assets	13	1.06	703.95
(g) Capital Work in Progress	14	8,346.08	2,058.49
(h) Other Intangible Assets	15	15.28	32.32
(i) Other non-financial assets	16	5,016.72	4,676.05
(j) Asset Classified as Held For Sale	17	55,223.14	50,754.00
Total Assests		**8,85,257.88**	**9,38,364.92**
II Liabilities and Equity			
Liabilities			
A **Financial liabilities**			
(a) Payables	18		
(I) Trade Payables		**1,985.49**	**4,698.42**
(i) Total outstanding dues of micro enterprises and small enterprises		15.45	219.76
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,970.04	3,109.65
(iii) Related party		-	66.00
(iv) Others		-	1,303.00
(II) Other Payables		**234.22**	**310.20**
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		234.22	310.20
(b) Debt securities	19	89,555.75	87,835.45
(c) Borrowings (other than debt securities)	20	1,43,268.39	1,84,902.29
(d) Lease Liabilities	13	1.13	690.88
(e) Other financial liabilities	21	3,12,859.92	3,06,904.38
B **Non-financial liabilities**			
(a) Provisions	22	97,734.69	1,03,314.29
(b) Deffered tax liabilities	10	1,146.22	2,123.01
(c) Other non-financial liabilities	23	40,446.21	41,672.34

Consolidated Balance Sheet

as on 31st March 2025

(Amount in ₹ lakhs)

	Particulars	Note No.	31st March, 2025	31st March, 2024 (Restated)
C	**Equity**			
	Equity attributable to owners of Parent			
	(a) Equity share capital	24	3,190.00	3,190.00
	(b) Other equity	25	52,436.40	57,054.22
	Non Controlling Interest		1,42,399.47	1,45,669.44
	Total Liabilities and Equity		**8,85,257.88**	**9,38,364.92**

Summary of Material Accounting Policies followed by the Group 1

The accopanying notes are an integral part of the consolidated financial statements

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 26th June, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 26th June, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 26th June, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 26th June, 2025

Consolidated Profit or loss Statement

for the year ended 31st March 2025

(Amount in ₹ lakhs)

	Particulars	Note No.	31st March, 2025	31st March, 2024 (Restated)
	Revenue from operations			
(i)	Interest income	26	3,137.88	12,911.98
(ii)	Dividend Income	27	51.31	68.13
(iii)	Net gain on fair value changes	28	-	5,804.34
(iii)	Sale of Goods	29	47,762.01	43,845.26
(iv)	Other operating income	30	3,870.12	7,081.00
(I)	**Total Revenue from operations**		**54,821.32**	**69,710.71**
(II)	Other income	31	1,802.41	966.52
(III)	**Total Income (I+II)**		**56,623.73**	**70,677.23**
	Expenses			
(i)	Finance cost	32	6,373.98	13,413.02
(ii)	Net Loss on Fair Value Changes	28	540.04	-
(iii)	Impairment on financial instruments	33	(1,314.86)	5,237.34
(iv)	Cost of Material consumed	34	16,243.58	17,045.04
(v)	Purchases of Stock-in trade	35	6,218.07	3,959.44
(vi)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	36	(2,103.22)	(2,402.62)
(vii)	Employee benefit expenses	37	8,406.71	8,261.19
(viii)	Depreciation, amortisation and impairment	11, 12, 13, 15	4,945.13	4,896.12
(ix)	Other expenses	38	18,461.19	18,962.36
(IV)	**Total expenses**		**57,770.62**	**69,371.89**
(V)	**Profit/(loss) before share in Profit/loss of Associate/JV, exceptional items and tax (III-IV)**		**(1,146.91)**	**1,305.34**
(VI)	Share in Profit & loss of Associate		-	**19.45**
(VII)	**Profit/(loss) before exceptional items and Tax (V+VI)**		**(1,146.91)**	**1,324.79**
(VIII)	Exceptional Items	55	(3,702.36)	(19,340.68)
(IX)	**Profit before tax (VII+VIII)**		**(4,849.27)**	**(18,015.91)**
	Tax expense	**39**		
	1. Current tax		2,436.45	1,240.16
	2. Deferred tax		(517.28)	2,413.47
	3. Previous tax expenses		293.94	
(X)	**Total tax expenses**		**2,213.10**	**3,653.63**
(XI)	**Profit/(loss) for the period from continuing operations (IX-X)**		**(7,062.37)**	**(21,669.54)**
	Attributable to:			
	(a) Shareholders of the Company		(4,415.81)	(5,742.34)
	(b) Non-controlling interest		(2,646.57)	(15,927.17)
(XII)	Profit/(loss) for the period from discontinued operations		(1,258.40)	-
(XIII)	Tax expense of discontinued operations		**-**	**-**
(XIV)	**Profit/(loss) for the period from discontinued operations (After tax) (XII-XIII)**		**(1,258.40)**	**-**
	Attributable to:			
	(a) Shareholders of the Company		(1,258.40)	-
	(b) Non-controlling interest		(314.60)	-
(XV)	**Profit for the period (XI+XIV)**		**(8,320.77)**	**(21,669.54)**

FINQUEST
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Consolidated Profit or loss Statement

for the year ended 31st March 2025

(Amount in ₹ lakhs)

	Particulars	Note No.	31st March, 2025	31st March, 2024 (Restated)
	Attributable to:			
	(a) Shareholders of the Company		(5,359.61)	(5,742.34)
	(b) Non-controlling interest		(2,961.17)	(15,927.17)
(XVI)	**Other Comprehensive Income /(Loss) from Continued operations**	40		
A	**Items that will not be reclassified to profit or loss**			
i.	Remeasurements gain/ (losses) of the defined benefit plans		(39.36)	(22.46)
ii.	Income tax relating to items that will not be reclassified to profit or loss		8.44	1.58
B	**Items that will be reclassified to profit or loss**			
i.	Exchange difference on translation of foreign operation		-	(762.73)
C	**Shares of Associate/JV**		-	(190.03)
D	**Gain on Bargain Purchase**		-	38,789.80
E	**Other Comprehensive Income/(Loss) from Discontinued operations**			
	Items that will not be reclassified to profit or loss			
i.	Remeasurements gain/ (losses) of the defined benefit plans		15.75	-
ii.	Income tax relating to items that will not be reclassified to profit or loss		-	-
	Other Comprehensive Income		**(15.18)**	**37,816.15**
	Attributable to:			
	(a) Shareholders of the Company		(16.46)	37,941.20
	(b) Non-controlling interest		1.28	(125.05)
(XVII)	**Total Comprehensive Income for the period (XV+XVI)**		**(8,335.95)**	**16,146.62**
	Attributable to:			
	(a) Shareholders of the Company		(5,376.07)	32,198.86
	(b) Non-controlling interest		(2,959.88)	(16,052.22)
(XVIII)	**Earnings for equity share**			
	From Continuing Operation			
	Basic		(13.84)	(18.00)
	Diluted		(13.84)	(18.00)
	From Discountinuing Operation			
	Basic		(2.96)	-
	Diluted		(2.96)	-
	From continuing and discontinued operations			
	Basic		(16.80)	(18.00)
	Diluted		(16.80)	(18.00)
	Face Value Basic (Rs.)		10.00	10.00
	Face Value Diluted (Rs.)		10.00	10.00

Summary of Material Accounting Policies followed by the Group 1

The accopanying notes are an integral part of the consolidated financial statements

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 26th June, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 26th June, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 26th June, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 26th June, 2025

Consolidated Statement of Cash Flow

as on 31st March 2025

(Amount in ₹ lakhs)

	Particulars	31st March, 2025	31st March, 2024 (Restated)
A.	**Cash flow from operating activities**		
	Net Profit before taxation (including profiit/(loss) from discontinued operation)	(6,107.67)	(18,015.91)
	Adjustments for :		-
	Depreciation / amortisation	4,945.13	4,896.12
	Provision for Gratuity & Leave encashment	208.89	131.38
	Finance Cost	6,373.98	13,413.02
	Exchange Loss/(Gain)	(96.41)	(93.34)
	Bad Debts Written Off	-	3,240.78
	Credit Balance Written Back	221.44	-
	Impairment of Financial Instruments	(1,314.86)	5,237.34
	Net (Gain)/Loss on Fair value changes	540.04	-5,804.34
	Gain on derecognition of Financial Liability	(1,467.80)	(0.47)
	Gain on disposal of Property, plant and equipment	(2.65)	(564.02)
	Internal Reconstruction Transfer	820.84	-
	Operating profit before working capital changes	**4,120.91**	**2,440.58**
	Changes in working capital :		
	Increase / (decrease) in Trade Payables	(2,712.93)	556.11
	Increase / (decrease) in Other Payables	(75.98)	44.08
	Increase / (decrease) in Other Financial Liabilities	5,734.95	3,01,738.18
	Increase / (decrease) in Other Non-Financial Liabilities	(1,226.13)	37,565.30
	Increase / (decrease) in Provisions	(5,812.11)	91,881.25
	(Increase) / decrease in Loans	(7,161.04)	(1,52,745.01)
	(Increase) / decrease in Trade Receivables	7,354.16	(42,373.61)
	(Increase) / decrease in Other Receivables	-	(2.00)
	(Increase) / decrease in Other Financial Assets	2,483.76	(31,601.10)
	(Increase) / decrease in Other Non-Financial Assets	(340.67)	(768.33)
	(Increase) / decrease in Inventories	15,143.47	(3,832.25)
	Cash used in Operations	**17,508.39**	**2,02,903.19**
	Taxes paid (including tax deducted at source) (Net of refund received)	(2,841.50)	(1,121.70)
	Net Cash (used in) operating activities	**14,666.89**	**2,01,781.49**
B.	**Cash flow from Investing Activities**		
	Net Purchase/sale of Property, Plant & Equipment	34,863.62	(1,23,841.87)
	Net Purchase/sale of intangible assets	6.84	(16.44)
	Net Purchase/sale of Investment Property	1.00	-
	Net Change in Capital Work-in-Progress	(6,287.59)	(84.54)
	Net Increase/ Decrease in Right to Use Assets	438.33	(713.98)
	(Increase) / decrease in Investments	(2,058.79)	-2,44,686.79
	(Increase) / decrease in Other Equity	-	-9,151.53
	Net cash (used in)/ generated from investing activities	**26,963.41**	**(3,78,495.14)**

Consolidated Statement of Cash Flow

as on 31st March 2025

(Amount in ₹ lakhs)

Particulars	31st March, 2025	31st March, 2024 (Restated)
C. Cash flow from Financing Activities		
borrowings made during the year - Debt Securities	3,188.10	66,182.06
Borrowings during the year - Other than debt Securities	(41,633.89)	1,38,169.37
Interest Paid	(6,373.98)	(13,413.02)
Increase/ decrease in lease liabilities	(689.76)	631.44
Net cash flow from financing activity	**(45,509.52)**	**1,91,569.85**
Net Increases/(Decrease) in Cash and cash equivalents (A)+(B)+(C)	**(3,879.23)**	**14,856.20**
Cash and cash equivalents, end of the year	**15,638.38**	**19,517.61**
Notes to the statement of cash flow :		
Notes to the statement of cash flow :		
Cash and cash equivalents comprise of:		
Cash on hand	6.48	206.09
Balances with banks		
In current accounts	11,280.02	12,199.66
Restricted Cash	4,351.88	7,111.85
TOTAL	**15,638.38**	**19,517.61**

Summary of Material Accounting Policies followed by the Group 1

The accopanying notes are an integral part of the consolidated financial statements

Notes:

(a) The statement of cashflows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cashflows'.

(b) Payment for acquisition of property, plant and equipment and intangible assets includes movement in capital work-in-progress, intangible assets under development, capital advances and liability toward capital purchases.

(c) Restricted cash represent bank balances earmarked for specific purpose and deposits with banks having a maturity exceeding 3 months

(d) Figures in brackets indicate cash outgo.

(e) "0" represents amount less than Rs. 50,000

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 26th June, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 26th June, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 26th June, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 26th June, 2025

Consolidated Statement of Changes in Equity (SOCIE)

as on 31st March 2025 (All amounts are INR, unless expressed otherwise)

A. Equity Share Capital

(Amount in ₹ lakhs)

Sr. no.	Particulars	As at 31st March, 2025	As at 31st March, 2024
(A)	Balance at the beginning of the current reporting period	3,190.00	3,190.00
(B)	Changes in Equity Share Capital due to prior period errors	-	-
(C)	**Restated balance at the beginning of the current reporting period (A+B)**	**3,190.00**	**3,190.00**
(D)	Changes in Equity Share Capital during the current period	-	-
(E)	**Balance at the end of the current reporting period (C + D)**	**3,190.00**	**3,190.00**

B. Other Equity

(Amount in ₹ lakhs)

Particulars	Attributable to Shareholders of the company						Non-controlling Interest			
	Statutory Reserve (Note 1) (Other Reserves)	Securities Premium (Note 2)	Retained Earnings (Note 3)	Capital Reserve	Other Comprehensive Income (Note 4)	Total	Equity Share Capital	Retained Earnings (Note 3)	Other Comprehensive Income (Note 4)	Total
Balance at the Beginning of the year 01 April 2023	**2,857.94**	**13,349.60**	**(3,312.29)**	**10,164.66**	**25.84**	**23,085.74**	**200.00**	**133.53**	**6.43**	**339.96**
Total Comprehensive Income for the year			(5,742.34)		37,941.20	32,198.86		(15,927.17)	(125.05)	(16,052.22)
Transfer to Statutory Reserve under Section 45-IC of RBI Act						-				-
Unrealised gain on sale of inventories			(1.71)			(1.71)				-
Gain on Bargain Purchase			(38,789.80)	38,789.80		-				-
Additions			1,816.45			1,816.45		(10,967.98)		(10,967.98)
Pre-acquisition reserves of non-controlling Interest						-	2,695.00	1,69,654.68		1,72,349.68
Less: Inter-eliniation on consolidation			(45.12)			(45.12)				-
Deduction						-				-
Closing Balance at the end of current financial year -31st March 2024	**2,857.94**	**13,349.60**	**(46,074.80)**	**48,954.45**	**37,967.04**	**57,054.22**	**2,895.00**	**1,42,893.06**	**(118.62)**	**1,45,669.44**
Balance at the Beginning of the year 01 April 2024	**2,857.94**	**13,349.60**	**(46,074.80)**	**48,954.45**	**37,967.04**	**57,054.22**	**2,895.00**	**1,42,893.06**	**(118.62)**	**1,45,669.44**
Total Comprehensive Income for the year			(5,358.75)	(35.80)		(5,394.55)		(2,961.17)		(2,961.17)
Total Other Comprehensive Income for the year					(16.46)	(16.46)			1.28	1.28
Creation of NCI due to partail sale of stake in subsidiary						-	300.00	(643.24)		(343.24)
Transfer to Statutory Reserve under Section 45-IC of RBI Act	2,345.52		(2,345.52)			-				
Transferred realised gain on sale of inventories						-				
Gain on Bargain Purchase						-				
Reversal of goodwill due to loss on control				5.51		5.51				
Interal restruction				820.84		820.84				
Restating balance of NCI			(33.16)			(33.16)		33.16		33.16
Deduction						-				
Closing Balance at the end of current financial year -31st March 2025	**5,203.46**	**13,349.60**	**(53,812.23)**	**49,745.00**	**37,950.58**	**52,436.40**	**3,195.00**	**1,39,321.81**	**(117.34)**	**1,42,399.47**

Summary of Material Accounting Policies followed by the Group
The accopanying notes are an integral part of the consolidated financial statements

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 26th June, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 26th June, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 26th June, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 26th June, 2025

Notes

forming part of the Consolidated Financial Statements for the Year Ended 31st March 2025

1A. Background of the Group

Finquest Financial Solutions Pvt. Ltd. ('the Parent Company') incorporated under the provisions of Companies Act, 1956. The Parent Company and its subsidiaries (together known as 'the Group'), along with its associate companies is primarily engaged in the business of providing financing through loans to retail and corporate borrowers in India, manufacturing of paper and textiles, manufacturing and retail sale of garments and hospitality services. Parent's debt securities are listed on BSE Limited.

The Parent company is classified under Base Layer NBFC (erstwhile known as Non-Deposit taking Systematically-Important Non-Banking Financial Company ('NBFC')). The Parent has obtained Certificate of Registration from the Reserve Bank of India ("RBI") under Reserve Bank of India Act, 1934. The registration details are as follows:

RBI	N-13.01935
Corporate Identification Number	U74140MH2004PTC146715

The consolidated financial statements of Finquest Financial Solutions Pvt. Ltd. were subject to review and recommendation for adoption by Audit Committee and approval of Board. On 26th June 2025, Board of the Parent Company approved and recommended the consolidated financial statements of the Group. for consideration and adoption by the shareholders in its annual general meeting. The consolidated financial statements of Finquest Financial Solutions Pvt. Ltd. include financial statements of the following subsidiaries and associates consolidated in accordance with Indian Accounting Standard ('Ind AS') 110 'Consolidated Financial Statements' and Ind AS 28 'Investments in Associates and Joint Ventures'. The consolidated financial statements comprise financial statements of Finquest Financial Solutions Pvt. Ltd, its subsidiaries and associates for the year ended 31st March 2025.

Name of the Company	Country of Incorporation	% Share of Parent	Consolidated as
Reid & Taylor International Private Limited (erstwhile known as Krihaan Texchem Private Limited)*	India	NA	Subsidiary (upto 27-3-25)
Digjam Limited	India	75%	Subsidiary
Ballarpur Industries Limited	India	51%	Subsidiary
Amartaru Hospitality Pvt. Ltd. (Formely known as Leggiuno India Private Limited)	India	100%	Subsidiary
Genesis Resorts Pvt. Lttd	India	100%	Subsidiary
RNT Garments Pvt Ltd.	India	NA	Subsidiary (upto 27-3-25)
Avantha Agritech Ltd.	India	46.75%	Subsidiary
Ballarpur International Holdings B.V.	Netherland	51%	Subsidiary
Ballarpur Speciality Paper Holdings B.V.	Netherland	51%	Subsidiary
Bilt Paper B.V.	Netherland	31.73%	Subsidiary
Mirabelle Trading Pte. Ltd.	Singapore	51%	Subsidiary
BILT General Trading FZE	UAE	51%	Subsidiary
Ballarpur Paper Holdings B.V.	Netherland	9.52%	Associate

1B. Basis of Presentation of Consolidated Financial Statements

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value. The consolidated financial statements are presented in Indian Rupee (INR), which is also the Group's functional currency, and all values are rounded off to the nearest lakhs with two decimals as permitted by Schedule III to the Act, except where otherwise indicated.

Differences in accounting policies followed by the other entities consolidated have been reviewed and adjustments have been made, only if these differences are material and significant.

The consolidated financial statements are prepared on a going concern basis as the Management is satisfied that the Group shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

1C. Presentation of Financial Statements

The Group prepares and presents its consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The Group generally reports financial assets and financial liabilities on a gross basis in the consolidated Balance Sheet. They are offset and reported on a net basis only where the Group has legally enforceable right to offset the recognised amounts and the Group intends to either settle on a net basis or to realise the assets and settle the liabilities simultaneously as permitted by Ind AS. Similarly, the Group offsets income and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

1D. Basis of Consolidation

i. Business Combinations

The Group accounts for its business combinations under acquisition method of accounting as per the guidance of Ind AS 103 Business Combination. Acquisition related costs are recognised in consolidated Statement of Profit and Loss as incurred. The acquirees' identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values except certain assets and liabilities which are carried at cost at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in the equity of subsidiaries.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit and loss or OCI, as appropriate.

Consolidation procedure:

i. Subsidiaries

Subsidiaries are entities controlled by the Parent Company. The Parent Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The consolidated financial statements of the Parent Company and its subsidiaries have been combined on a line-by-line basis by grouping together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions, and resulting unrealised profits or losses, unless cost cannot be recovered.

ii. Investment in Associates and Joint Ventures (Equity Accounted)

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures.

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Interests in joint ventures and associates are accounted for using the equity method, after initially being recognized at the cost in the consolidated Balance Sheet. Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from equity-accounted investees are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Profit or loss and each component of OCI are attributed to the equity holders of the Parent Company of the Group and to the non-controlling interests.

At each reporting date, the Group assesses whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group determines the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as 'Share of profit/loss of an associate and a joint venture' in the consolidated Statement of Profit and Loss.

iii. Non-controlling Interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Subsequently, NCI are adjusted for the NCI's share of the profit or loss and other comprehensive income of the subsidiary. When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest; and (ii) the carrying amount of the assets (including goodwill) and liabilities of the subsidiary, and any non-controlling interests.

iv. Loss of Control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the consolidated Statement of Profit and Loss.

v. Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

1E. Material Accounting policies followed by the group

i. Use of estimates and judgements

The preparation of consolidated financial statements requires the management of the Parent to make judgements, assumptions and estimates that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses for the reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the financial statements have been disclosed as applicable in the respective notes to accounts. Accounting estimates could change from period to period. Future results could differ from these estimates. 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 consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Information about judgements made in applying accounting policies that have a most significant effect on the amount recognised in the consolidated financial statements is included as follows:

a) Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b) Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using 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 and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

c) Fair value measurement

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, their fair value is measured using various valuation techniques. 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.

d) Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

e) Contingent liabilities and provisions other than impairment on loan portfolio

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 at each Balance sheet date and revised to take account of changing facts and circumstances.

f) Effective Interest Rate (EIR) method

The Group's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given/ taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

g) Estimating the incremental borrowing rate

The Group uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its incremental borrowings.

Measurement of fair values:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value for measurement and/or disclosure purposes for certain items in these financial statements is determined considering following methods:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Net defined benefit (asset)/liability	Fair value of planned assets less present value of defined benefit obligations
Property plant and equipment	Value in use under Ind AS 36

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Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entities in the Group can access at measurement date

b) Level 2: inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3: inputs are unobservable inputs for the valuation of assets or liabilities that the entities in the Group can access at measurement date.

ii. Interest Income and Expense

Interest income and expense are recognised using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

The calculation of the EIR includes all fees paid or received that are incremental and directly attributable to the acquisition or issue of a financial asset or liability."

"The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets {i.e. at the amortised cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)}. The Group assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the Interest income accrued on credit impaired financial assets are either accounted for as income or written off as per the write off policy of the Group. The interest cost is calculated by applying the EIR to the amortised cost of the financial liability.

Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance."

iii. Income from services and distribution of financial products

Revenue from brokerage is recognised when the service is performed. Revenue is net of applicable indirect taxes and sub-brokerage.

iv. Dividend income

Income from dividend on investment in equity shares of corporate bodies and units of mutual funds is accounted when the group's right to receive dividend is established.

v. Revenue from contracts with customers

The Group derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns and discounts. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expect to receive in exchange for those products or services.

To recognise revenues, the Group applies the following five step approach :

i. Identify the contract with customer;

ii. Identify the performance obligations in the contract;

iii. Determine the transaction price;

iv. Allocate the transaction price to the performance obligations in the contract; and

v. Recognise revenues when a performance obligation is satisfied.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Group presents revenues net of indirect taxes in its Statement of Profit and Loss.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognised over time.

i. The customer simultaneously receives and consumes the benefits provided by the Group's performance; or

ii. The Group's performance creates or enhances an asset that the group controls as the asset is created or enhanced; or

iii. The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

vi. Other operating income

(a) Incentives

Incentives on exports and other Government incentives are recognized when it is probable that the economic benefits associated with the incentives will flow to the entity, the revenue can be measured reliably and there is no significant uncertainty about the ultimate realization of the incentive.

(b) Rental income

Lease rental income from operating lease is recognized on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases.

(c) Net gain/loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 28), held by the Group on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in 'Net gains on fair value changes' under Revenue from operations and if there is a net loss the same is disclosed under 'Expenses' in the Statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt or equity instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Group does not have any debt instruments measured at FVOCI.

vii. Financial Instruments

Financial assets and financial liabilities are recognised in the group's balance sheet on settlement date when the group becomes a party to the contractual provisions of the instrument."

Recognised financial assets and financial liabilities are initially measured at fair value.

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

If the transaction price differs from fair value at initial recognition, the group will account for such difference as follows:

a) if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);

b) in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

a) Financial assets Classification

On initial recognition, depending on the group's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

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1) amortised cost;

2) fair value through other comprehensive income (FVTOCI); or

3) fair value through profit and loss (FVTPL)."

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.
- At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassesses its business models each reporting period to determine whether the business model/ (s) have changed since the preceding period. For the current and prior reporting period the Group has not identified a change in its business model.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Based on the assessment of the business models, the Group has identified the three following choices of classification of financial assets:

a) Financial assets that are held within a business model whose objective is to collect the contractual cash flows ("Asset held to collect contractual cash-flows"), and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are measured at amortised cost;

b) Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ("Contractual cash flows of Asset collected through hold and sell model") and that have contractual cash flows that are SPPI, are measured at FVTOCI.

All other financial assets (e.g. managed on a fair value basis, or held for sale) and equity investments are measured at FVTPL.

Initial recognition and measurement

Financial asset is recognised on settlement date initially at cost of acquisition net of transaction cost and income that is attributable to the acquisition of the financial asset. Cost equates the fair value on acquisition. Financial asset measured at amortised cost and Financial measured at fair value through other comprehensive income is presented at gross carrying value in the Financial statements. Unamortised transaction cost and incomes and impairment allowance on Financial asset is shown separately under the heading ""Other non-financial asset"", Other non-financial liability"" and ""Provisions"" respectively.

Financial asset at amortised cost

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g., if there are repayments of principal).

"Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares

Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares are classified as FVTPL and measured at fair value with all changes recognised in the statement of profit and loss. Upon initial recognition, the group, on an instrument-by-instrument basis, may elect to classify equity instruments other than held for trading either as FVTOCI or FVTPL. Such election is subsequently irrevocable. If FVTOCI is elected, all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the gains or losses from OCI to the statement of profit and loss, even upon sale of investment. However, the group may transfer the cumulative gain or loss within other equity upon realisation.

Investment in associates:

The group has elected to measure Investment in associates as per Equity Method as per the requirement of Ind AS 28.

Reclassifications within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the group holds financial assets and therefore no reclassifications were made.

Impairment of Financial Assets

The group is required to recognise expected credit losses (ECLs) based on forward-looking information for all financial assets at amortised cost, lease receivables, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. No impairment loss is applicable on equity investments.

At the reporting date, an allowance (or provision for loan commitments and financial guarantees) is required for the 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognised for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The group applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

1. Stage 1: 12-months ECL

   For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 29 days are classified as stage 1. The group has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets."

2. Stage 2: Lifetime ECL – not credit impaired

   For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD equal to 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the group assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The group has identified cases with DPD equal to or more than 30 days and less than or equal to 59 days and cases with DPD equal to or more than 60 days and less than or equal to 89 days as two separate buckets.

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3. Stage 3: Lifetime ECL – credit impaired

   Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

   A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. ECL is recognised on EAD as at period end. If the terms of a financial asset are renegotiated or modified due to financial difficulties of the borrower, then such asset is moved to stage 3, lifetime ECL under stage 3 on the outstanding amount is applied.

   "The group assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

   1. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.

   2. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress.

   3. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above.

   For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

   The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due. The group continues to incrementally provide for the asset post initial recognition in Stage 3, based on its estimate of the recovery.

   The measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives, and estimation of EAD and assessing significant increases in credit risk.

Impairment of Trade receivable and Operating lease receivable

Impairment allowance on trade receivables is made on the basis of life time credit loss method, in addition to specific provision considering the uncertainty of recoverability of certain receivables.

Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract. Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

1) the rights to receive cash flows from the asset have expired, or

2) the Group has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

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.

Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Group's internal processes and when the Group concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case-by-case basis. A write-off constitutes a de-recognition event. The Group has right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

Presentation of ECL allowance for financial asset:

Type of Financial asset	Disclosure
Financial asset measured at amortised cost	shown separately under the head "provisions" and not as a deduction from the gross carrying amount of the assets
Financial assets measured at FVTOCI	
Loan commitments and financial guarantee contracts	shown separately under the head "provisions"

Where a financial instrument includes both a drawn and an undrawn component and the Group cannot identify the ECL on the loan commitment separately from those on the drawn component, the Group presents a combined loss allowance for both components under "provisions".

"Financial liability, Equity and Compound Financial Instruments Financial liabilities and equity

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the group or a contract that will or may be settled in the group's own equity instruments and is a non-derivative contract for which the group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the group's own equity instruments.

"Classification

The group classifies its financial liability as ""Financial liability at amortised cost"" except for financial liability at fair value through profit and loss (FVTPL).

Initial recognition and measurement

Financial liability is recognised initially at cost of acquisition net of transaction costs and incomes that is attributable to the acquisition of the financial liability. Cost equates the fair value on acquisition. group may irrevocably designate a financial liability that meet the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

De-recognition of financial liabilities

The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the group's own equity instruments is an equity instrument.

No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the group's own equity instruments.

Compound instruments"

"The component parts of compound instruments (e.g. cumulative compulsorily convertible preference shares CCCPS) issued by the group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is

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recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share capital and share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain/loss is recognised in profit or loss upon conversion or expiration of the conversion option.

A Cumulative Compulsorily Convertible Preference Shares (CCCPS), with an option to holder to convert the instrument in to variable number of equity shares of the entity upon redemption is classified as a financial liability and dividend including dividend distribution tax is accrued on such instruments and recorded as finance cost.

Cash, Cash equivalents and bank balances

Cash, Cash equivalents and bank balances include fixed deposits, margin money deposits, and earmarked balances with banks are carried at amortised cost. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents."

viii. BIOLOGICAL ASSETS

Plantation development and planting expenditure incurred in the cultivation and reforestation of the tree plantation, including a proportion of the Group 's forestry division general charges incurred in relation to the planning of trees, are deferred and charged to plantation development expenditure and classified as biological assets. This expenditure is charged to the statement of profit and loss and other comprehensive income when the trees are harvested upon maturity based on the volume of logs harvested and consumed.

ix. Inventories

Inventories comprises Raw Materials, Stores & Spares, Chemicals, Work in progress, stock-in-transit and with others for manufacturing/processing/replacement.

Inventories are stated at lower of cost on weighted average basis and net realizable value. Finished goods and process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

In addition, when the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

x. Property, plant and equipment

a. Tangible

Tangible property, plant and equipment (PPE) acquired by the Group are reported at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. The acquisition cost includes any cost attributable for bringing asset to its working condition net of tax/duty credits availed, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use. 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.

b. Capital work-in-progress

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress" and carried at cost, comprising direct cost, related incidental expenses and attributable interest.

c. Intangible

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred."

d. Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

e. Depreciation and Amortisation

Depreciable amount for tangible property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. The residual value of each asset given on Operating lease is determined at the time of recording of the lease asset. If the residual value of the Operating lease asset is higher than 5%, the group has a justification in place for considering the same.

Depreciation on tangible property, plant and equipment deployed for own use has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Buildings, Computer Equipment networking assets, electrical installation and equipment and Vehicles, in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. Depreciation on tangible property, plant and equipment deployed on operating lease has been provided on the straight-line method over the primary lease period of the asset. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis. Depreciation for additions to/deductions from, owned assets is calculated pro rata to the remaining period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life. All capital assets with individual value less than Rs. 5,000 are depreciated fully in the year in which they are purchased."

"Purchased software / licenses are amortised over the estimated useful life during which the benefits are expected to accrue, while Goodwill if any is tested for impairment at each Balance Sheet date. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

Estimated useful life considered by the group are:"

Asset	Estimated Useful Life
Furniture and Fixtures	Owned: 4 - 10 years
Computer Equipment	Owned: 3 to 5 years
Office Equipment	Owned: 5 - 30 years
Vehicles	Owned: 7 - 16 years
Software Licenses	Owned: 1 to 10 years
Buildings	20-50 years
Leasehold land	Upto 29 years
Railway Sidings	14 years
Electrical Equipment	10 years
Other Intangible Asset	3 years
Plant & Machinery	Owned: 7-30* years

Freehold land is not depreciated.

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

The estimated useful life and residual values are reviewed regularly and when necessary reversed. No further change is provided in respect of assets that are fully written down but are still in use.

*Note: For these class of assets, based on internal assessment and independent technical evaluation carried out by Chartered engineers, the Group believes that useful lives, as given above, represents the period over which the Group expects to use these assets. Hence, the useful lives for these assets are different from the useful lives prescribed under Schedule II.

"f. Reclassification to Investment property

Properties held to earn rentals and/or capital appreciation are classified as Investment properties and measured and reported at cost, including transaction costs. When the use of an existing property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

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

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g. Impairment of assets

Upon an observed trigger or at the end of each accounting year, the group reviews the carrying amounts of its PPE, investment property and intangible asset to determine whether there is any indication that the asset have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing 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.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss."

h. De-recognition of property, plant and equipment and intangible asset

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

xi. Development costs

The Group capitalises development costs in accordance with its accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, unless when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

xii. Non-Current Assets held for sale:

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

xiii. Employee Benefits

Defined employee benefits include provident fund, superannuation fund, employee state insurance scheme.

Defined contribution benefits includes gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

The eligible employees of the group are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss in the year in which they occur. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the group. The group is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the employee provident scheme, 1952 is recognised as an expense in the year in which it is determined.

The group's contribution to superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested."

"The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long term service awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Share based payment transaction

The stock options of the Parent group is granted to employees pursuant to the group's Stock Options Schemes, are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which he related service and non-market and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service and non-market vesting conditions at the vesting date. For share-based options with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which a free reserve in nature.

xiv. Securities premium account

The group records premium on account of

1. On issuance of new equity shares;
2. On conversion of CCCPS into equity shares

The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

xv. Foreign currencies transactions

Functional and presentational currency

The consolidated financial statements are presented in Indian Rupees which is also functional currency of the Group and the currency of the primary economic environment in which the Group operates.

Transactions and balances

a) Initial recognition

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

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b) Conversion

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

xvi. Operating Segments

The group's main business is financing by way of loans for retail and corporate borrowers in India. The group's operating segments consist of ""Financing Activity"", ""Investment Activity"" , ""Sale of Goods"" and ""Others"". All other activities of the group revolve around the main businesses. This in the context of Ind AS 108 – operating segments reporting are considered to constitute reportable segment. The Chief Operating Decision Maker (CODM) of the group is the Board of Directors. Operating segment disclosures are consistent with the information reviewed by the CODM.

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components, and for which discrete financial information is available. Accordingly, all operating segment's operating results of the group are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The ""Financing Activity"" segment consists of asset financing, term loans (corporate and retail), channel financing, credit substitutes, investments linked to/arising out of lending business and bill discounting. The ""Investment Activity"" segment includes corporate investments and ""Others"" segment primarily includes gain/(loss) on recognition/de-recognition/sale/buyback/revaluation/payment of certain financial instruments and other non-operating income.

Revenue and expense directly attributable to segments are reported under each operating segment. Expenses not directly identifiable to each of the segments have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses. Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

xvii. Investments in Associates

The group has elected to measure investment in associate at cost plus profit pick up.

xviii. Earnings per share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 - Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included. The EPS and DPS of Digjam Limited was disclosed under 'Discontinued Operations'.

xix. Taxation

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax law) enacted or substantively enacted by the reporting date."

"Current tax asset and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

xx. Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits."

xxi. Government Grants

Government grants with a condition to purchase, construct or otherwise acquire long-term assets are initially measured based on grant receivable under the scheme. Such grants are recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset. Amount of benefits receivable in excess of grant income accrued based on usage of the assets is accounted as Government grant received in advance. Changes in estimates are recognised prospectively over the remaining life of the assets. Government revenue grants relating to costs are deferred and recognised in the consolidated Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.

xxii. Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

(i) an entity has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

(i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

(ii) a present obligation arising from past events, when no reliable estimate is possible. Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets are not recognised in the financial statements.

xxiii. Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to associate; and

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

e) Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

f) Commitments under Loan agreement to disburse Loans

g) Lease agreements entered but not executed

Notes

forming part of the Consolidated Financial Statements for the Year Ended 31st March 2025

xxiii. Statement of Cash Flows

Cash flows are reported under the 'Indirect method' as set out in Ind AS 7 on Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Group. The respective cash flows of Digjam Limited were presented under 'Discontinued Operations'.

xxiv. Dividend payable

Interim dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders."

xxv. Leases

<u>The Group as a lessee</u>

The Group follows Ind AS 116 'Leases' for all long term and material lease contracts.

A) Measurement of lease liability

At the time of initial recognition, the Group measures lease liability as present value of all lease payments discounted using the respective entity's incremental cost of borrowing and directly attributable costs.

Subsequently, the lease liability is –

(i) increased by interest on lease liability;

(ii) reduced by lease payments made; and

(iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

B) Measurement of Right-of-use assets

At the time of initial recognition, the Group measures 'Right-of-use assets' as present value of all lease payments discounted using the respective Company's incremental cost of borrowing w.r.t said lease contract.

Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

xvi. Recent pronouncement to Ind AS to mentioned in accounting policies.

The MCA has announced amendments to the Companies (Indian Accounting Standards) Rules, 2015 through its various notifications issued during the financial year 2024-25. The notification dated August 12, 2024 has notified the new accounting standard, Ind AS 117 - Insurance Contracts, applicable from April 01, 2024. Subsequently, through its notification dated September 28, 2024, MCA allowed insurers to use Ind AS 104 - Insurance Contracts for preparing consolidated financial statements until Ind AS 117 is notified by the IRDA and inserted a Schedule on Ind AS 104 which outlines the financial reporting requirements for insurance contracts. This notification was made applicable with immediate effect. MCA also amended Ind AS 116 - Leases, by inserting new provisions relating to sale and leaseback transactions, through its notification dated September 09, 2024, applicable with immediate effect. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 26th June, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 26th June, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 26th June, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 26th June, 2025

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

2 Cash and cash equivalents

(Amount in ₹ lakhs)

Particulars	31 March 2025	31st March 2024
Cash on hand	6.48	206.09
Balances with banks in current accounts (Refer note 2.1)	11,077.81	12,199.66
Balance in Fixed Deposit (with maturity upto 3 months)	202.20	-
	11,286.50	**12,405.75**

2.1 Bank reconciliation statements of one of the subsidiary Ballarpur Induatries Limited ('BILT') as at 31st March 2024 have not been prepared for 17 bank accounts having a carrying amount of ₹ 9.20 Lakhs since the bank statements were not available for these bank accounts. Also, no balance confirmation could be obtained from any of the banks.

3 Bank Balance other than (a) above

(Amount in ₹ lakhs)

Particulars	31 March 2025	31st March 2024
a) At Amortised Cost		
Fixed Deposit (Refer note 3.4)	3,966.68	3,500.53
Term Deposits (original maturity for more than three months but less than twelve months) (refer note 3.1)	35.20	3,411.33
Deposits	350.00	200.00
	4,351.88	**7,111.85**

3.1 2 bank accounts maintained by one of the subsidiaries BILT relating to unpaid dividend having a carrying amount of ₹16.24 lakhs as at 31st March, 2025 (₹27.59 lakhs as at 31st March, 2024) need to be transferred to the Investor Education and Protection Fund in the lieu of clause (6) of Section 124 of Companies Act 2013 as 10 years have lapsed. However, the amount could not be deposited as the necessary details of Investors are not traceable by the Company since the same have not been shared by the RP or the erstwhile Management of BILT. The current Management is now taking sufficient steps to trace the details as required for transferring the amounts to the Investor Education and Protection Fund.

3.2 For one of the subsidiary company, BILT, details of bank deposits with original maturity exceeding 3 months but less than 12 months for the previous year are not available. Also, neither the balance confirmation certifiacte nor interest on bank deposit certificate could be obtatined from bank.

3.3 Fixed deposits earns interest at floating rate

3.4 Fixed deposits amounting to Rs. 2500/- lakhs are deposit under lien for resolution plan submitted and for previous financial year which is under process of implementation.

4 Receivables

(Amount in ₹ lakhs)

	Particulars	31 March 2025	31st March 2024
	a) At Amortised Cost		
4.1	**Trade Receivables**		
	Trade receivables considered good - secured	-	
	Trade receivables considered good - unsecured	44,953.69	52,300.62
	Trade receivables which have significant increase in credit risk	3.24	4.00
	Trade receivables - credit impaired	477.51	451.26
	Gross carrying amount	**45,434.44**	**52,755.89**
	Less: Allowances for impairment loss on trade receivables considered good -unsecured	-	-
	Less: Allowances for impairment loss on credit impaired trade receivables	(477.51)	(541.21)
	Net carrying amount	**44,956.93**	**52,214.68**

4.1.1 There are no amounts due by directors or other officers of the Company either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

4.1.2 Trade receivables are non-interest bearing recievables

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	286.72	237.81	82.36	-	-	44350*	844.70
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	26.25	-	-	26.25
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	451.26	451.26
TOTAL TRADE RECEIVABLE	**286.72**	**237.81**	**82.36**	**26.25**	**-**	**44,801.26**	**45,434.40**
Less: Allowance for Expected credit loss	-	-	-	(26.25)	-	(451.26)	(477.51)
NET TRADE RECEIVABLE	**286.72**	**237.81**	**82.36**	**-**	**-**	**44,350.00**	**44,956.89**

(Amount in ₹ lakhs)

Particulars	As at 31st March 2024						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	3,673.10	3,818.28	253.82	119.48	-	44350*	7,864.68
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	47.04	41.19	0.85	0.86	-	-	89.94
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	451.26	451.26
TOTAL TRADE RECEIVABLE	**3,720.14**	**3,859.47**	**254.67**	**120.34**	**-**	**44,801.26**	**52,755.88**
Less: Allowance for Expected credit loss	(47.04)	(41.19)	(0.85)	(0.86)	-	(451.26)	(541.20)
NET TRADE RECEIVABLE	**3,673.10**	**3,818.28**	**253.82**	**119.48**	**-**	**44,350.00**	**52,214.68**

* this receivable belongs to the step-down subsidiarries, for which refer to detailed note no. 68

Reconciliation of impairment loss allowance on trade receivables:

(Amount in ₹ lakhs)

Particulars	31 March 2025	31st March 2024
Impairment allowance measured as per simplified approach		
Opening balance	**541.21**	**517.86**
Add: Addition during the year	26.25	23.35
(Less): Reduction during the year	(89.95)	-
Closing Balance	**477.51**	**541.21**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

4.2 Other Receivables

(Amount in ₹ lakhs)

Particulars	31 March 2025	31st March 2024
Other Receivables		
Other receivables considered good - secured	-	
Other receivables considered good - unsecured	2.00	2.00
Other receivables which have significant increase in credit risk	-	-
Other receivables - credit impaired	-	-
Gross carrying amount	**2.00**	**2.00**
Less: Allowances for impairment loss on other receivables considered good -unsecured	-	-
Less: Allowances for impairment loss on credit impaired Other receivables	-	-
Net carrying amount	**2.00**	**2.00**

Other Receivables ageing schedule

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025							Total
	Unbilled	Not Due for payment	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Other receivables — considered good	-	-	-	2.00	-	-	-	2.00
(ii) Undisputed Other Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Other Receivables — credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Other Receivables— considered good	-	-	-	-	-	-	-	-
(v) Disputed Other Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Other Receivables — credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**2.00**	**-**	**-**		**2.00**

Other Receivables ageing schedule

(Amount in ₹ lakhs)

Particulars	As at 31st March 2024							Total
	Unbilled	Not Due for payment	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Other receivables — considered good	-	-	2.00	-	-	-	-	2.00
(ii) Undisputed Other Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Other Receivables — credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Other Receivables— considered good	-	-	-	-	-	-	-	-
(v) Disputed Other Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Other Receivables — credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**-**	**2.00**	**-**	**-**	**-**		**2.00**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

5 Loans (at amortised cost)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Loans (at amortised cost)		
(A)		
(i) Term Loans	1,71,019.60	6,718.06
(iii) Staff Loan	5.08	27.52
Total (A) - Gross	**1,71,024.68**	**1,62,584.59**
Less: Impairment loss allowance	96,829.78	98,144.64
Total (A) - Net	**74,194.91**	**64,439.94**
(B)		
(i) Secured by tangible assets	734.99	1,590.00
(ii) Unsecured	1,70,289.69	1,60,994.59
Total (B) - Gross	**1,71,024.68**	**1,62,584.59**
Less: Impairment loss allowance	96,829.78	98,144.64
Total (B) - Net	**74,194.91**	**64,439.94**
(C)		
(i) Loans in India		
(a) Public sector		
(b) Others	1,71,024.68	1,62,584.59
Total (C)- Gross	**1,71,024.68**	**1,62,584.59**
Less: Impairment loss allowance	96,829.78	98,144.64
Total(C)-Net	**74,194.91**	**64,439.94**

Note: There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL

5.1 There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL

5.2 The Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.

5.3 Term loans includes a loan amounting to to Rs. 155839 lakhs for which no balance confirmation or reconcilitaion was obtained (also Refer note 76)

5.4 Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 52 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 52.

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025			
	General approach			TOTAL
	Stage 1- Collective	Stage 2- Collective	Stage 3- Collective	
Internal rating grade				
Performing				
High grade	14,655.60	-	-	14,655.60
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Non- performing	-	-	1,56,364.00	1,56,364.00
Total	**14,655.60**	**-**	**1,56,364.00**	**1,71,019.60**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2024			
	General approach			TOTAL
	Stage 1- Collective	Stage 2- Collective	Stage 3- Collective	
Internal rating grade				
Performing				
High grade	2,849.59	-	-	2,849.59
Standard grade	1,995.20	-	-	1,995.20
Sub-standard grade	-	-	-	-
Non- performing	-	-	1,57,712.27	1,57,712.27
Total	**4,844.79**	**-**	**1,57,712.27**	**1,62,557.06**

5.4 An analysis of changes in the gross carrying amount as follows:

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2025			
	Stage 1	Stage 2	Stage 3	TOTAL
Gross carrying amount opening balance	4,844.79	-	1,57,712.27	1,62,557.06
Portfolio additions on account of BusinessCombination	-	-		-
Restated Balance as on April 01, 2022	**4,844.79**	**-**	**1,57,712.27**	**1,62,557.06**
New assets originated or purchased	14,352.18	-	-	14,352.18
Assets derecognised or repaid (excluding writeoffs and includes interestaccruals adjusted)	(4,381.76)	-	(1,498.27)	(5,880.03)
Transfers to stage 1	-	-		-
Transfers to stage 2		-		-
Transfers to stage 3	(159.61)	-	150.00	(9.61)
Amounts written off				-
Gross carrying amount closing balance	**14,655.60**	**-**	**1,56,364.00**	**1,71,019.60**

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	TOTAL
Gross carrying amount opening balance	10,208.64	78.91	7,993.33	18,280.88
Portfolio additions on account of BusinessCombination	-	-	1,55,839.00	1,55,839.00
Restated Balance as on April 01, 2022	**10,208.64**	**78.91**	**1,63,832.33**	**1,74,119.88**
New assets originated or purchased	4,422.07	-	-	4,422.07
Assets derecognised or repaid (excluding writeoffs and includes interestaccruals adjusted)	(8,998.20)	-	(3,666.72)	(12,664.92)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	(787.72)	-	787.72	-
Amounts written off	-	(78.91)	(3,241.06)	(3,319.97)
Gross carrying amount closing balance	**4,844.79**	**-**	**1,57,712.27**	**1,62,557.06**

Notes

to Consolidated Financial Statement as at 31st March 2025

(All amounts are INR, unless expressed otherwise)

5.5 Reconciliation of ECL balance is given below:

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2025			
	Stage 1	Stage 2	Stage 3	TOTAL
ECL Allowance - opening balance	**138.36**	**-**	**98,006.27**	**98,144.63**
New assets originated or purchased	143.52	-	148.40	291.92
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	(1.60)	-	1.60	-
Provision no longer required	(108.52)		(1,498.27)	(1,606.79)
ECL Allowance - closing balance	**171.77**	**-**	**96,658.00**	**96,829.76**

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	TOTAL
ECL Allowance - opening balance	**265.22**	**39.46**	**7,343.33**	**7,648.01**
Addition on account of business combination	-	-	96,133.00	96,133.00
New assets originated or purchased	47.73	-	560.61	608.34
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	(39.39)	-	39.39	-
Provision no longer required	(135.19)	(39.46)	(6,070.06)	(6,244.71)
ECL Allowance - closing balance	**138.36**	**-**	**98,006.27**	**98,144.63**

5.6 The table below summarises the gross carrying values and assosiated allowances for expected creedit loss (ECL) stage wise for loan portfolio:-

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025			
	Stage 1	Stage 2	Stage 3	TOTAL
Gross carrying amount	14,655.60	-	1,56,364.00	1,71,019.60
Allowance for ECL	171.77	-	96,658.00	96,829.76
Net carrying amount	14,483.83		59,706.00	74,189.84
ECL Coverage Ratio	1.17%	NA	61.82%	56.62%

(Amount in ₹ lakhs)

Particulars	As at 31st March 2024			
	Stage 1	Stage 2	Stage 3	TOTAL
Gross carrying amount	4,844.79	-	1,57,712.27	1,62,557.06
Allowance for ECL	138.36	-	98,006.27	98,144.63
ECL Coverage Ratio	2.86%	NA	62.14%	60.38%

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

6 Investment

(Amount in ₹ lakhs)

Sr. No.	Particulars	31st March 2025					31st March 2024				
		Amortised Cost	At Fair Value			TOTAL	Amortised Cost	At Fair Value			TOTAL
			Through OCI	Through P&L	Others (At Cost)			Through OCI	Through P&L	Others (At Cost)	
1	Mutual Funds	-	-	-	-	-	-	-	-	-	-
2	Government Securities	-	-	-	-	-	-	-	-	-	-
3	Others	-	-	-	-	-	-	-	-	-	-
4	Approved Securities	-	-	-	-	-	-	-	-	-	-
5	Debt Securities:	-	-	-	-	-	-	-	-	-	-
6	**Equity Instrument:**	-	-	**14,908.76**	**9.00**	**14,917.76**	-	-	**13,727.74**	**8.00**	**13,735.74**
c)	Trading In Equity	-	-	14,908.76	-	-	-	-	13,727.74	-	
d)	10,000 Equity Shares of Rs. 1 each fully paid of Reid & Taylor International Private Limited (earlier known as Krihaan Texchem Pvt. Ltd.)	-	-	-	1.00	-	-	-	-		-
e)	Equity shares of Blue Horizon Limited	-	-	-	3.00	-	-	-	-	3.00	-
f)	Equity Shares of Bilt Graphic Paper Products Limited	-	-	-	5.00	-	-	-	-	5.00	-
7	**Subsidiaries:**	-	-	-	-	-	-	-	-	-	-
b)	Equity Shares of Digjam Limited	-	-	-	1,500.00	-	-	-	-	1,800.00	-
	Less: Elimination (on Consolidation)	-	-	-	(1,500.00)	-	-	-	-	(1,800.00)	-
d)	Equity Shares of BILT	-	-	-	2,805.00	-	-	-	-	2,805.00	-
	Less: Elimination (on Consolidation)	-	-	-	(2,805.00)	-	-	-	-	(2,805.00)	-
e)	Equity Contribution in Preference Shares of BILT	-	-	-	45.12	-	-	-	-	45.12	-
	Less: Elimination (on Consolidation)	-	-	-	(45.12)	-	-	-	-	(45.12)	-
e)	Equity Share of Leguino (Refer Note 7.2)	-	-	-	1.00	-	-	-	-	1.00	-
	Less: Elimination (on Consolidation)	-	-	-	(1.00)	-	-	-	-	(1.00)	-
8	Assosiates (Accounted using Equity Method)	-	-	-	**4,57,980.00**	**4,57,980.00**	-	-	-	**4,57,981.00**	**4,57,981.00**
i)	Ballarpur Paper Holding Limited B.V	-	-	-	4,57,980.00	-	-	-	-	4,57,981.00	-
9	Joint Ventures	-	-	-	-	-	-	-	-	-	-
10	**Others:**	-	-	-	**4,229.68**	**4,229.68**	-	-	-	**4,229.68**	**4,229.68**
a)	Investment in Security Receipt	-	-	-	4,229.68	4,229.68				4,229.68	
	GROSS TOTAL	-	-	**14,908.76**	**4,62,218.68**	**4,77,127.44**	-	-	**13,727.74**	**4,62,218.68**	**4,75,946.42**
	Less : Impairment	-	-	-	-	(3.00)	-	-	-	-	(3.00)
	NET TOTAL	-	-	-	-	**4,77,124.44**	-	-	-	-	**4,75,943.42**
	- In India	-	-	**14,908.76**	**4,62,218.68**	**4,77,127.44**	-	-	**13,727.74**	**4,62,218.68**	**4,75,946.42**
	- Outside India	-	-	-	-	-	-	-	-	-	-
	Less : Allowance for Impairement	-	-	-	-3	**-3.00**	-	-	-	-3	**-3.00**
	TOTAL	-	-	**14,908.76**	**4,62,221.68**	**4,77,130.44**	-	-	**13,727.74**	**4,62,221.68**	**4,75,949.42**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

6.1 The dividends of Rs.51.31 lakhs (March 31, 2024: Rs.68.13 lakhs) received from investments in shares are recorded as dividend income.

6.2 The Parent had implemented the approved resolution plan of Ballarpur Industries Ltd (BILT) and had acquired 51% stake in BILT vide Corporate Insolvency Resolution Process during the previous financial year ended 31st March 2024. As per the resolution plan, the new management of BILT is under the process of commencing commercial operations and has forecasted cash flows for the future. As the investments made by the Parent are strategic and of long-term nature, the Parent has not tested for impairment of these investments.

6.3 During the financial year 2024-25, Reid & Taylor International Private Limited (erstwhile known as Krihaan Texchem Private Limited) issued additional 47,000 equity shares on 27th March 2025 and 58,000 equity shares on 28th March 2025. Pursuant to this issuance, the Company's shareholding in Reid & Taylor International Private Limited reduced from 100% as on 26th March 2025 to 8.7%, resulting in a loss of control in accordance with the principles laid down under Ind AS 110 – Consolidated Financial Statements. Consequently, Reid & Taylor International Private Limited has ceased to be a subsidiary of the Company with effect from 27th March 2025.

6.4 During the Financial year 2024-2025, the Parent partially divested its investment in DIGJAM Limited by selling 30,00,000 equity shares, representing a 15% stake, through the Offer for Sale (OFS) mechanism of the stock exchange. The OFS was undertaken by Parent in accordance with SEBI's "Comprehensive Framework on Offer for Sale (OFS) of Shares through Stock Exchange Mechanism" issued vide Circular No. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2023/10 dated January 10, 2023. The total consideration received from the sale amounted to ₹ 2165.84 lakhs, resulting in a profit of ₹ 2509.08 lakhs, which has been recognized in the Consolidated Statement of Profit and Loss under "Exceptional Item", as applicable.

7 Other financial assets

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Unsecured, considered good		
Interest Receivable from Related Party	1,10,834.00	1,10,834.00
Less: Expected credit loss	(1,07,409.00)	(1,07,409.00)
Advances to related party	429.00	429.00
Advances to others	22,790.00	22,790.00
Statutory Dues Recoverable from Financial Creditors (Refer note 7.1 below)	2,953.00	-
Interest Receivable	528.98	-
Bank deposits (with more than 12 months maturity)	538.49	2,029.36
Deposits	30.85	4,402.75
Interest Receivable from other party	-	65.44
Other Receivables	0.03	37.55
	30,695.35	**33,179.10**

7.1 'During the CIRP proceedings of one of the Subsidiaries, BILT, certain claims were belatedly filed and not admitted. These claims pertain to the statutory dues, which were required to be discharged by the Company pursuant to the NCLAT order dated 8 November 2023, 1 July 2024 and Supreme Court order dated 20 September 2024. The details of these claims are as under:
Actual Provident Fund Dues (For Shree Gopal Unit) – ₹955.46 lakhs
Actual Gratuity Dues (For Shree Gopal Unit) – ₹1124.81 Lakhs
Actual Gratuity Settlement (For Kamalapuram Unit) - Rs. 872.93 Lakhs

Accordingly, BILT has recognized a total liability of ₹29953.20 Lakhs towards such statutory obligations. and a corresponding recoverable from the assenting financial creditors, in line with the provisions of the clause 1 (vii) of the approved Resolution Plan, which stipulates that such statutory outflows are to be adjusted against funds allocated towards financial creditors at the time of settlement. (Refer note 46(f))

7.2 Reconciliation of impairment loss allowance on other financial assets

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Impairment loss allowance as at beginning of the year	**1,07,409**	**-**
Addition on account of Business Combination	-	1,07,409
Net increase/(decrease) during the year	-	-
Impairment loss allowance at the end of the year	**1,07,409**	**1,07,409**

Notes

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(All amounts are INR, unless expressed otherwise)

8 Inventories

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Raw Materials	4.36	1,003.79
Work in progress	3.24	2,707.38
Finished Goods	141.83	9,005.93
Stock-in-trade (trading goods)	1,001.64	3,901.45
Goods In transit	249.39	-
Stores and Spares	1,096.05	1,019.66
Provision for loss allowance on inventory	(1.77)	-
	2,494.74	**17,638.20**

8.1 One of the Subsidiary Company (BILT) has valued stores and spares at ₹1,166.83 lakhs as at 31st March, 2024. This valuation is subject to inherent limitations, given that certain inventory records and supporting documents are adopted as per the data provided by the RP/ previous management of BILT. Parent's Management believes that the carrying value of stores is appropriate as at the reporting date, based on the available information considering the provisioning taken in the book of accounts during the year.

8.2 During the previous financial year 2024-2025, one of the subsidiary's, BILT's management conducted an evaluation of the stores and spares and on best judgement basis have made provision of 10% of the total value of stores and spares to reflect this obsolescence. The write-off has been recognized in the financial results for the previous year ended 31st March 2024, in accordance with applicable accounting standards and amounts to Rs 129.64 lakhs.

8.3 Inventories are valued at cost or NRV whichever is lower.

9 Current tax Asset (Net)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Income Tax Advance	3,917.19	1,682.45
Tax Refund receivable	1.56	60.51
TDS Receivable	1,913.93	1,827.68
Less: Provision for Income Tax	(5,642.69)	(3,040.68)
	189.99	**529.95**

10 Deferred tax Asset/(Liability)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Deferred Tax Asset/(liability)	(1,146.22)	(2,123.01)
Deferred tax assets (net)	**(1,146.22)**	**(2,123.01)**

10.1 Deferred Tax Asset/(Liability)

(Amount in ₹ lakhs)

Particulars					31 March, 2025		
	Net balance on 31 March, 2025	Recognized in profit or loss	Recognized in OCI	Previous year Adjustments in DTA/ DTL	Net	Deferred tax asset	Deferred tax liability
- WDV of Assets	24.96	24.96			24.96	24.96	-
- Investment in Equity Shares (Trading) (ICDS VIII)	(838.24)	(838.24)			(838.24)	-	(838.24)
- Investment in BILT:-					-	-	-
- NCD for Cash	-	-			-	-	-
- NCD against loan	-	-			-	-	-

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

(Amount in ₹ lakhs)

Particulars					31 March, 2025		
	Net balance on 31 March, 2025	Recognized in profit or loss	Recognized in OCI	Previous year Adjustments in DTA/ DTL	Net	Deferred tax asset	Deferred tax liability
- Preference share against loan	-	-			-	-	-
- ROU Assets (net off Lease liability)	0.02	0.02			0.02	0.02	-
- Deposit (Rent)	0.00	0.00			0.00	0.00	-
- On Provision for Gratuity	1.97	(0.15)	2.12		1.97	1.97	-
- On Provision for compensated absences	0.54	0.54			0.54	0.54	-
- NCD Issued	(335.47)	(335.47)			(335.47)	-	(335.47)
Deferred Tax Assets/(Liabilities)	**(1,146.22)**	**(1,148.34)**	**2.12**	**-**	**(1,146.22)**	**27.49**	**(1,173.71)**
Net	**-**	**-**	**-**	**-**	**-**	**-**	**(1,146.22)**
Opening Deferred tax Assets/(liability)	**(2,304.46)**						
Deferred tax income/(expense) during the year	**1,158.24**						
Closing Deferred tax Assets/(liability)	**(1,146.22)**						

(Amount in ₹ lakhs)

Particulars					31 March, 2024		
	Net balance on 31 March, 2025	Recognized in profit or loss	Recognized in OCI	Previous year Adjustments in DTA/ DTL	Net	Deferred tax asset	Deferred tax liability
- WDV of Assets	(1,056.90)	(1,056.90)			(1,056.90)	-	(1,056.90)
- Investment in Equity Shares (Trading) (ICDS VIII)	(1,731.11)	(1,731.11)			(1,731.11)	-	(1,731.11)
- Investment in BILT:-	-				-	-	-
- NCD for Cash	(123.32)	(123.32)			(123.32)	-	(123.32)
- NCD against loan	(15.48)	(15.48)			(15.48)	-	(15.48)
- Preference share against loan	8.31	8.31			8.31	8.31	-
- ROU Assets (net off Lease liability)	(0.30)	(0.30)			(0.30)	-	(0.30)
- Deposit (Rent)	0.02	0.02			0.02	0.02	-
- On Provision for Gratuity	1.95	1.95	-		1.95	1.95	-
- On Provision for compensated absences	0.58	0.58			0.58	0.58	-
- On Provision (others)	143.61	143.61			143.61	143.61	-
- NCD Issued	(463.38)	(463.38)			(463.38)	-	(463.38)
- Business Losses and Unabsorbed depreciation	1,113.00	1,113.00			1,113.00	1,113.00	-
Deferred Tax Assets/(Liabilities)	**(2,123.01)**	**(2,123.01)**	**-**	**-**	**(2,123.01)**	**1,267.47**	**(3,390.48)**
Net	**-**	**-**	**-**	**-**	**-**	**-**	**(2,123.01)**
Opening Deferred tax Assets/(liability)	**(348.28)**						
Deferred tax income/(expense) during the year	**(1,774.73)**						
Closing Deferred tax Assets/(liability)	**(2,123.01)**						

10.2 For one of the subsidiary BILT, management has determined that it is not required to recognize Deferred Tax Asset (DTA) in the financial statements, as there is no certainty regarding sufficient taxable profits in the current quarter or expected in the foreseeable future to offset against carry forward business losses from previous years. As per Ind AS 12 "Income Taxes" a DTA can only be recognized if there is a reasonable certainty of future taxable profits against which these losses can be utilized.

10.3 Unrecognised deductible temporary differences, unused tax losses and unused tax credits on which deferred tax assets has not been recognised in one of the subsidiary, Digjam Ltd, in view of uncertainty that future taxable income will be available against the same.

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

Particulars	Accounting year					
	2024-25	2023-24	2022-23	2021-22	2020-21	Beyond 5 years
Tax losses:						
Unabsorbed depreciation	8.27	9.62	-	-		12,388.09
Business losses	2,322.58	620.60	-	-	-	13,237.33
Long term capital loss	826.02	-	-	-		-
Other Deductible temporary difference	-	-	-	-	-	-
Total	**3,156.87**	**630.22**	**-**	**-**	**-**	**25,625.42**

Note:

a. The Company has substantial unused tax losses and unused tax credits. The deferred tax assets relating to such deductible temporary differences, carry forward unused tax losses and carry forward unused tax credits is significantly higher then deferred tax liabilities on conservative approach, the Company has recognised deferred tax assets on unabsorbed depreciation and business losses to the extent of this deferred tax liabilities.

b. The company has not created any DTA in respect of capital losses of Rs 826.02 lakh (P.Y. Rs. Nil) as there is no reasonable certainty supported by continuing incidences of their recoverability in future.

11 Investment property

Mar-25 (Amount in ₹ lakhs)

PARTICULARS	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 01 April 2024	Adjustment	Additions	Sales/ Deduction	Balance as at 31 March 2025	Balance as at 01 April 2024	During the year	Adjustment	Sales/ Deduction	Balance as at 31 March 2025	Balance as at 31 March 2025	Balance as at 01 April 2024
Land	123.41	-	-	-	123.41	-	-	-	-	-	123.41	123.41
Building	441.32	1.00	-	-	440.32	110.12	31.36	-	-	141.48	298.84	331.20
TOTAL	**564.73**	**1.00**	**-**	**-**	**563.73**	**110.12**	**31.36**	**-**	**-**	**141.48**	**422.25**	**454.61**

Mar-24 (Amount in ₹ lakhs)

PARTICULARS	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 01 April 2023	Adjustment	Additions	Sales/ Deduction	Balance as at 31 March 2024	Balance as at 01 April 2023	During the year	Adjustment	Sales/ Deduction	Balance as at 31 March 2024	Balance as at 31 March 2024	Balance as at 01 April 2023
Land	123.41				123.41	-				-	123.41	123.41
Building	441.32				441.32	75.27	34.85			110.12	331.20	366.05
TOTAL	**564.73**	**-**	**-**	**-**	**564.73**	**75.27**	**34.85**	**-**	**-**	**110.12**	**454.61**	**489.46**

The Group has not revalued any of its property, plant and equipment during the year ended March 31, 2025 and year ended March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil

(i) Amounts recognised in Statement of Profit and Loss for Investment property

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income from investment property	-	-
Direct operating expenses arising from investment property that generated rental income during the year	-	-
Direct operating expenses arising from investment property that did not generate rental income during the year		
Profit from investment property before depreciation	-	-
Depreciation charge for the year	31.36	34.85
Profit from investment property after depreciation	**(31.36)**	**(34.85)**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

(ii) Contractual obligations

The Group has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Group.

(iii) Fair value

The fair value of the investment properties as on 31st March 2023 has been determined by an external independent property valuer, Having appropriate professional qualification and experience in the location and category of property being valued.

(iv) Pledged details

The group has not pledged its Investment Property.

12 Property Plant and Equipment

Mar-25 (Amount in ₹ lakhs)

	Gross Block					Accumulated Depreciation					Net Block	
PARTICULARS	Balance as at 1st April 2024	Additions	Deductions including de-recogntion on acccount of loss of control in subsidiary	Held for sale	Balance as at 31st March 2025	Balance as at 1st April 2024	Charge for the year	Deductions including de-recogntion on acccount of loss of control in subsidiary	Held for sale	Balance as at 31st March 2025	Balance as at 31st March 2025	Balance as at 31st March 2024
Electric Equipment	1,390.15	5.32	141.83	-	1,253.64	1,271.27	25.77	90.90	-	1,206.14	47.50	118.88
Computers & Servers	129.85	64.99	164.20	-	30.64	80.32	38.59	103.59	-	15.32	15.32	49.53
Vehicles	431.43	7.91	213.91	-	225.42	399.73	7.19	195.57	-	211.34	14.08	31.70
Land (incl. Revaluation)	69,974.57	-	6,182.12	5,318.53	58,473.93	4,756.00	-	-	-	4,756.00	53,717.93	65,218.57
Buildings (incl. Revaluation)	51,225.04	30.59	7,976.61	465.78	42,813.25	29,245.44	990.91	1,146.43	156.98	28,932.93	13,880.32	21,979.61
Plant and Equipment	2,10,719.64	447.12	32,833.41	359.17	1,77,974.18	1,80,344.94	3,562.68	11,973.79	292.67	1,71,641.16	6,333.02	30,374.70
Furniture and Fixtures	2,978.14	320.12	476.96	8.99	2,812.31	2,739.50	51.82	49.95	5.78	2,735.59	76.72	238.64
Office Equipments	161.32	45.91	83.02	38.58	85.62	109.45	18.83	34.42	21.49	72.37	13.25	51.86
Information Technology	177.19	-	-	-	177.19	176.24	0.60	-	-	176.84	0.35	0.94
Information Technology	62.00	-	-	-	62.00	52.00	1.64	-	-	53.64	8.36	10.00
TOTAL	**3,37,249.33**	**921.96**	**48,072.08**	**6,191.04**	**2,83,908.17**	**2,19,174.89**	**4,698.02**	**13,594.66**	**476.92**	**2,09,801.33**	**74,106.84**	**1,18,074.44**

Mar-24 (Amount in ₹ lakhs)

	Gross Block					Accumulated Depreciation					Net Block	
PARTICULARS	Balance as at 1st April 2023	Additions / Business Combination	Deductions	Held for sale	Balance as at 31st March 2024	Balance as at 1st April 2023	Charge for the year/ / Business Combination	Deductions	Held for sale	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 31st March 2023
Freehold land	-	53,628.00	-		53,628.00		4,756.00	-		4,756.00	48,872.00	-
Electric Equipment	1,389.46	0.69	-		1,390.15	1,216.35	54.92	-		1,271.27	118.88	173.11
Computers & Servers	84.80	45.05	-		129.85	41.98	38.33	-		80.32	49.53	42.82
Vehicles	186.34	245.09	-		431.43	158.14	241.58	-		399.73	31.70	28.19
Land (incl. Revaluation)	16,346.57	-	-		16,346.57	-	-	-		-	16,346.57	16,346.57
Buildings (incl. Revaluation)	24,157.06	27,067.99	-		51,225.04	5,489.48	23,755.96	-		29,245.44	21,979.61	18,667.58
Plant and Equipment	33,365.07	1,77,488.71	132.62		2,10,721.16	8,460.84	1,71,921.70	37.60		1,80,344.94	30,376.22	24,904.23
Furniture and Fixtures	1,831.24	1,146.90	-		2,978.14	1,645.84	1,093.66	-		2,739.50	238.64	185.40
Office Equipments	105.06	56.25	-		161.32	55.23	54.23	-		109.45	51.86	49.84
Information Technology	177.19	-	-		177.19	174.62	1.62	-		176.24	0.94	2.56
Railway Sidings, Trolley Lines, Tramway & tipping tups		62.00	-		62.00		52.00	-		52.00	10.00	-
TOTAL	**77,642.80**	**2,59,740.67**	**132.62**	**-**	**3,37,250.85**	**17,242.49**	**2,01,970.00**	**37.60**	**-**	**2,19,174.89**	**1,18,075.96**	**60,400.30**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

12.1 The Subsidiary Company BILT has leased certain Property, Plant & Equipment & Buildings on operating leases for which lease rental of Rs. 21 lacs (previous year Rs. 18 lacs) is recognised in the statement of profit & loss.

12.2 During the year or previous year, Property Plant and Equipment have not been tested for impairment.

12.3 The Company has not revalued any of its property, plant and equipment during the year ended March 31, 2025 and year ended March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil

13 Disclosure under Ind AS 116: Leases

i) Right of Use Assets (ROU)

Mar-25 (Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2024	Additions	Deductions	Balance as at 31 March 2025	Balance as at 1st April 2024	Charge for the year	Deductions	Balance as at 31 March 2025	Balance as at 31 March 2025	Balance as at 01st April 2024
Office Premise	26.87	12.73	3.82	35.78	21.98	12.74		34.72	1.06	4.89
Leasehold Building	788.29	1,188.22	1,976.50	-	89.23	251.82	341.05	-	-	699.05
TOTAL	**815.16**	**1,200.95**	**1,980.32**	**35.78**	**111.21**	**264.56**	**341.05**	**34.72**	**1.06**	**703.95**

Mar-24 (Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2023	Additions	Deductions	Balance as at 31st March 2024	Balance as at 1st April 2023	Charge for the year	Deductions	Balance as at 31st March 2024	Balance as at 31st March 2025	Balance as at 31st March 2024
Office Premises	26.87	12.73	3.82	35.78	21.98	12.74		34.72	1.06	4.89
Leasehold Building	788.29	1,188.22		1,976.50	89.23	251.82		341.05	1,635.45	699.05
TOTAL	**815.16**	**1,200.95**	**3.82**	**2,012.29**	**111.21**	**264.56**	**-**	**375.77**	**1,636.52**	**703.95**

The Company has not revalued any of its Right-of-use assets during the year ended March, 2025 and year ended March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

ii) Movement in lease liabilities

Mar-25 (Amount in ₹ lakhs)

PARTICULARS	Opening Balance as on 1st April 2024	Additions	Deletion	Cancellation	Gain/ (Loss) on remeasurement	Finance Cost	Payment of Lease Liability	Closing Balance as on 31st March 2025
Office Premises	3.71	12.73	–	2.58	–	0.95	13.68	1.13
Leasehold Building	687.18	–	(687.18)	–	–	–	–	-
TOTAL	**690.88**	**12.73**	**(687.18)**	**2.58**	**-**	**0.95**	**13.68**	**1.13**

Mar-24 (Amount in ₹ lakhs)

PARTICULARS	Opening Balance as on 1st April 2023	Additions	Deletion	Cancellation	Gain/ (Loss) on remeasurement	Finance Cost	Payment of Lease Liability	Closing Balance as on 31st March 2024
Office Premises	6.39	12.87	-	-	-	1.43	16.98	3.71
Leasehold Building	53.05	682.17	-	-	-	13.34	61.39	687.18
TOTAL	**59.45**	**695.04**	**-**	**-**	**-**	**14.77**	**78.37**	**690.88**

The Company has taken various office premises under lease. Certain agreements provide for cancellation by either party or certain agreements contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreements are ranging to 9 months. There are no restrictions imposed by lease arrangements.

Notes
to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

iii) Maturity Analysis of Lease Liabilities:

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Less than one month	1.13	1.13
Between one and three months	-	-
Between three months and one year	-	180.59
Between one and five years	-	509.16
Total lease liabilities	**1.13**	**690.88**

iv) Amount Recognised in Profit & Loss

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	(17.94)	(73.9)
Interest expense (included in finance costs)	1.43	(8.4)
Gain/(Loss) on remeasurement of lease liability	-	8.3

v) The total cash outflow for leases during the year

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Total cash outflow for Leases	**13.68**	**78.37**

14 Capital Work In Progress

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Capital Work In Progress (Including Pre-operative Expenditure Pending allocation / Capitalisation	8,346.08	2,058.49
	8,346.08	**2,058.49**

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Balance at the beginning and end of the year	2,058.49	1,973.95
Additions	8,520.81	1,600.52
Deletions	(335.38)	(1,515.99)
Derecognised due to loss of Control	(1,897.84)	-
Closing Balance	**8,346.08**	**2,058.49**

(a) Ageing schedule for Capital-work-in progress as on March 31, 2025

(Amount in ₹ lakhs)

PARTICULARS	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8,346.08	-	-	-	8,346.08
Projects temporarily suspended	-	-	-	-	-
TOTAL	**8,346.08**	**-**	**-**	**-**	**8,346.08**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

(a) Ageing schedule for Capital-work-in progress as on March 31, 2024

(Amount in ₹ lakhs)

PARTICULARS	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	164.19	-	-	-	164.19
Projects temporarily suspended	-	-	200	1,694	1,894
TOTAL	**164.19**	**-**	**199.97**	**1,694.33**	**2,058.49**

(c) Expected date of Completion lying capital work in progress which are delayed is as below:

Mar-25

(Amount in ₹ lakhs)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Manufacturing Unit	8,346.08	-	-	-
TOTAL	**8,346.08**	**-**	**-**	**-**

Mar-24

(Amount in ₹ lakhs)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Manufacturing Unit	379.65	3,305.70	-	-
TOTAL	**379.65**	**3,305.70**	**-**	**-**

15 Other Intangible Asset

Mar-25

(Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2023	Additions	Deductions	Balance as at 31st March 2024	Balance as at 1st April 2023	Charge for the year	Deductions	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 31st March 2023
Software- License	5.90	0.00	0.00	5.90	2.18	1.97	0.00	4.15	1.75	3.72
Software	50.46	543.69	563.59	30.56	21.86	8.23	13.05	17.03	13.53	28.60
TOTAL	**56.36**	**543.69**	**563.59**	**36.46**	**24.03**	**10.20**	**13.05**	**21.18**	**15.28**	**32.32**

Mar-24

(Amount in ₹ lakhs)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2023	Additions	Deductions	Balance as at 31st March 2024	Balance as at 1st April 2023	Charge for the year	Deductions	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 31st March 2023
Software- License	5.90			5.90	0.20	1.97		2.18	3.72	5.70
Software	34.02	16.44	-	50.46	16.02	5.84	-	21.86	28.60	18.00
TOTAL	**39.92**	**16.44**	**-**	**56.36**	**16.23**	**7.81**	**-**	**24.03**	**32.32**	**23.70**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

16 Other non-financial assets

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Prepaid Expenses	9.89	72.02
Capital Advances	2,666.74	1,924.80
Professional Tax Excess Paid	-	-
Input Tax Receivable - GST	63.56	40.58
Other receivable	17.90	14.63
Advances to suppliers	80.72	450.42
Less: Impairment on advances	-	(49.91)
Advances to employees	58.79	18.00
TDS on purchases	-	-
Deposit with Government Authority	2,119.12	2,073.35
Export Benefit Available	-	132.16
Licence Fees (MPCB)	15.65	15.65
Import / Export Certificate	-	-
Other non-financial asset	1.57	1.57
Less: Impairment provision	(17.22)	(17.22)
	5,016.72	**4,676.05**

17 Assets Classified as Held for Sale

During the financial year, the Board of Directors of a subsidiary, Digjam Limited, have resolved to dispose of the plant and machinery located at the Jamnagar plant. As a result, these assets have been classified as Non-current assets held for sale in accordance with Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations. As at March 31, 2025, the plant and machinery have been measured at the lower of their carrying amount and fair value less costs to sell. The assets are available for immediate sale, and management expects the sale to be completed within one year from the date of this classification. In compliance with Ind AS 105, no depreciation has been charged on these assets following their classification as held for sale.

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Leasehold Land (refer note 17.1)	-	5.00
Freehold Land (refer note 17.1 and 17.2)	54,827.55	55,792.53
Building (refer note 17.1)	308.80	583.80
Plant & Machinery	66.50	66.50
Furniture & Fixtures	3.21	3.21
Equipment & Fittings	17.09	17.09
TOTAL	**55,223.14**	**56,468.12**

17.1 Subsidiary, BILT has Land and Building amounting to ₹49,509.02 lakhs which has been classified as held for sale for more than a year, As per Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations, such classification is permitted when the sale is highly probable and expected to be completed within one year. Although the assets have been classified as held for sale for more than one year, the management continues to take active and adequate steps toward its sale. It is strongly believed that the sale is highly probable and is expected to be completed in the near future. As per the Resolution Plan, the BILT is actively pursuing the sale of these assets and hence is continuing these assets as non-current assets held for sale.

17.2 One of the Subsidiary Company, Digjam Ltd., has discontinued its operations at Jamnagar Plant and classified it as Non-Current Assets Held for Sale during the year ended March 31, 2025, the Board of Directors of the subsidiary approved the discontinuation of operations at its sole manufacturing facility located at Jamnagar, effective the same date. This decision is part of the Subsidiary's strategic initiative to rationalise operations, enhance resource efficiency and optimise its asset base. In accordance with Indian Accounting Standard (Ind AS) 105– Non-current Assets Held for Sale and Discontinued Operations, the results of the Jamnagar Plant have been presented as "Discontinued Operations" in the financial results for the year ended March 31, 2025. Corresponding figures for prior periods have been reclassified to reflect this presentation. Following the cessation of operations, the Digjam Ltd has assessed the recoverable amount of non-current assets

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associated with the discontinued unit at Jamnagar. Based on valuation performed by an Independent Registered Valuer the subsidiary has classified a carrying amount of Rs. 5,714.12 lakhs under "Non-Current Assets Held for Sale," which, in the view of the Subsidiary's Management, reflects the fair value less costs to sell in accordance with Ind AS 105. These Assets will be recovered principally through a sale transaction rather than through continued use.

17.3 During the previous year ended 31st March, 2024, the subsidiary BILT conducted a revaluation of its land located in Choudwar through an independent valuer. The carrying value of this land in the subsidiary's books amounted to Rs. 441 crores. However, the fair value determined through revaluation was Rs. 375 crores. Consequently, an impairment loss of Rs. 66 crores has been recognized in the subsidiary's books of accounts, reflecting the decrease in the asset's value in alignment with fair value standards.

18 Payables

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(I) Trade Payables	**1,985.50**	**4,698.42**
- Total outstanding dues of micro enterprises and small enterprises	15.45	219.76
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,970.04	3,109.65
Related party (Refer note 18.1)	-	66.00
Others (Refer note 18.1)	-	1,303.00
(II) Other Payables	**234.22**	**310.20**
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	234.22	310.20
	2,219.71	**5,008.61**

18.1 During the previous financial year 2023-24, one of the subsidiary companies, BILT, was in the process of identifying and confirming the status of its vendors to determine whether they qualify as Micro, Small, and Medium Enterprises (MSME) under the Micro, Small and Medium Enterprises Development Act, 2006. Due to pending confirmations from certain vendors, the subsidiary was unable to fully ascertain the outstanding dues, if any, payable to MSME vendors as of the reporting date. Consequently, the Group is unable to classify trade payables amounting to ₹1,369.00 lakhs between MSME and non-MSME vendors.

18.2 Trade Payables ageing schedule

(Amount in ₹ lakhs)

PARTICULARS	31st March 2025					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	8.97	6.08	-	-	-	15.05
(ii) Others	568.47	1,111.60	4.58	151.71	368.30	2,204.66
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
TOTAL	**577.44**	**1,117.68**	**4.58**	**151.71**	**368.30**	**2,219.71**

(Amount in ₹ lakhs)

PARTICULARS	31st March 2024					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	75.77	143.51	0.49	-	-	219.77
(ii) Others	464.59	2,761.85	261.53	115.91	1,185.00	4,788.88
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
TOTAL	**540.36**	**2,905.36**	**262.01**	**115.91**	**1,185.00**	**5,008.64**

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19 Debt Securities (at amortised cost)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Non-convertible debentures		
i) Secured	28,924.00	33,299.49
ii) Unsecured	46,675.39	40,075.94
Compulsary Redeemable Non-Convertible Preference shares (unsecured)	1,456.36	1,960.03
Zero Coupon Convertible bonds (unsecured)	12,500.00	12,500.00
Total (A)	**89,555.75**	**87,835.45**
Debt securities in India	77,055.75	75,335.45
Debt securities outside India	12,500.00	12,500.00
Total (B)	**89,555.75**	**87,835.45**

19.1 Details of Secured Non-Convertible Debentures :-

The 7% Secured Non-Convertible Debentures were issued to the financial creditors pursuant to the approved Resolution Plan of BILT, in three separate series allotted to three financial creditors, as detailed in Note 20(d). The debentures are secured as follows:

ISIN	No. of NCDs	Financial Creditor to whom issued	Terms	Face Value	Amount (INR)	Underline Security
INE294A07133	14,618	IDBI Bank Limited	1. Quarterly Payment of Interest @ 7% p.a. 2. Principle Amount is payable at the end of 3rd year from the date of issue	1,00,000	14,618	**1.** First charge over all the piece and parcels of immovable property i.e. Total lands admeasuring Ac569-14 guntas owned and under occupation of the Mortgagor Ballarpur Industries Limited, Unit: Kamalapuram, situated as Kamalapuram Village, Mandal Mangapet, District: Warangal with in limits of Kamalapuram Village. **2.** First charge over all that pieces of land situated at Yamunanagar and Jagadhri District Ambala in the State of Haryana measuring about 1009 Bighas.
INE294A07133	12,911	Suraksha Asset Reconstruction Ltd.	1. Quarterly Payment of Interest @ 7% p.a. 2. Principle Amount is payable at the end of 3rd year from the date of issue	1,00,000	12,911	**Immovable:** 1. Subservient charge over all piece of immovable property i.e. Total lands admeasuring Ac 569.14 guntas owned and under occupation of the Mortgagor BILT, Unit: Kamalapuram, situated as Kamatapuram Village, Mandal Mangapet, District: Warangal with in limits of Kamalapuram Village. 2. Subservient charge over all that pieces of land situated at Yamunanagar and Jagadhri District Ambala in the State of Haryana measuring about 1009 Bighas Note: The charge by way of mortgage is subservient to that of IDBI Bank Limited until IDBI cedes charge.

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ISIN	No. of NCDs	Financial Creditor to whom issued	Terms	Face Value	Amount (INR)	Underline Security
						Movable:
						First Pari-Pasu charge over all movable assets of Issuer
						Zero Coupon Bonds:
						First fixed/exclusive charge over zero-coupon convertible notes amounting US $ 39578948 purchased by the BILT from Avantha International Assets B.V.
INE294A07133	1,395	Life Insurance Corporation of India	1. Quarterly Payment of Interest @ 7% p.a. 2. Principle Amount is payable at the end of 3rd year from the date of issue	1,00,000	1,395	First Pari-Pasu charge over all movable fixed assets of Issuer including plant & Machinery both present and Future.
Total	**28924**				**28924**	

19.2 Details of Unsecured Non-Convertible Debenture:-

During the financial year the Company had made fresh issue of 2 series of unlisted Non-convertible Debenture

Mar-25

ISIN	No. of NCDs	Face Value	(Amount in ₹ lakhs)	Coupon rate	Terms of Payment
INE294A08776	194	10000000	19400.00	0%	The NCDs shall be redeemed on maturity at a value providing an internal rate of return (IRR) of 9% to the holders. Call Option:- At 3.5 years, 4 years and 4.5 years subject to completion of the redemption of entire NCDs and entire CRPS being allotted to assenting FC pursuant to the approved resolution plan.
INE294A08784	347289788	1	3472.90	0%	The NCDs shall be redeemed on maturity at a value providing an internal rate of return (IRR) of 9% to the holders. Call Option:- At 3.5 years, 4 years and 4.5 years subject to completion of the redemption of entire NCDs and entire CRPS being allotted to assenting FC pursuant to the approved resolution plan.
INE294A08792	55	10000000	5500.00	0%	The NCDs shall be redeemed on maturity at a value providing an internal rate of return (IRR) of 9% to the holders. Call Option:- At 3.5 years, 4 years and 4.5 years subject to completion of the redemption of entire NCDs and entire CRPS being allotted to assenting FC pursuant to the approved resolution plan.
INE294A04023	1872553	100	1456.36	0.01%	The CRPS Shall be redeemed at par at the end of 2 year. Early Redemption Option:- The CRPS shall be pre-maturely redeemed at the option of the entity by payment of net present value of the outstanding principle and interest to be calculated at a discount rate of 20% p.a.

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Mar-25

ISIN	No. of NCDs	Face Value	(Amount in ₹ lakhs)	Coupon rate	Terms of Payment
INE712W08037	36	10000000	3600.00	0%	The NCDs shall be redeemed on maturity at a value providing an internal rate of return (IRR) of 9% to the holders.
INE712W08029	81	10000000	8100.00	0%	The NCDs shall be redeemed on maturity at a value providing an internal rate of return (IRR) of 9% to the holders.

Mar-24

ISIN	No. of NCDs	Face Value	(Amount in ₹ lakhs)	Coupon rate	Terms of Payment
INE294A08776	126	10000000	12600.00	0%	The NCDs shall be redeemed on maturity at a value providing an internal rate of return (IRR) of 9% to the holders. Call Option:- At 3.5 years, 4 years and 4.5 years subject to completion of the redemption of entire NCDs and entire CRPS being allotted to assenting FC pursuant to the approved resolution plan.
INE294A08784	347289788	1	3472.90	0%	The NCDs shall be redeemed on maturity at a value providing an internal rate of return (IRR) of 9% to the holders. Call Option:- At 3.5 years, 4 years and 4.5 years subject to completion of the redemption of entire NCDs and entire CRPS being allotted to assenting FC pursuant to the approved resolution plan.
INE294A04023	1872553	100	1872.55	0.01%	The CRPS Shall be redeemed at par at the end of 2 year. Early Redemption Option:- The CRPS shall be prematurely redeemed at the option of the entity by payment of net present value of the outstanding principle and interest to be calculated at a discount rate of 20% p.a.
INE712W08037	62	10000000	6200.00	0%	The NCDs shall be redeemed on maturity at a value providing an internal rate of return (IRR) of 9% to the holders.
INE712W08029	100	10000000	10000.00	0%	The NCDs shall be redeemed on maturity at a value providing an internal rate of return (IRR) of 9% to the holders.

19.3 Maturity of Non-Convertible Debentures:-

Mar-25 (Amount in ₹ lakhs)

ROI	24-25	25-26	26-27	27-28	28-29	29-30
INE294A07133	-	-	28,924.00	-	-	-
INE294A08776*	-	-	-	-	29,849.30	-
INE294A08784*	-	-	-	-	5,343.48	-
INE294A08792*	-	-	-	-	-	8,462.43
INE712W08037*	-	-	6,480.00	-	-	-
INE712W08029*	-	-	-	-	-	18,630.00
INE294A04023	-	1,873.00	-	-	-	-
Total	**-**	**1,873.00**	**35,404.00**	**-**	**35,192.79**	**27,092.43**

* includes redemption premium

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Mar-24 (Amount in ₹ lakhs)

ROI	23-24	24-25	25-26	26-27	27-28	28-29	29-30
INE294A07133	-	-	-	31,534.00	-	-	-
INE294A08776*	-	-	-	-	-	19,386.66	-
INE294A08784*	-	-	-	-	-	5,343.48	-
INE712W08037*	-	-	-	11,160.00	-	-	-
INE712W08029*	-	-	-	-	-	-	23000
INE294A04023	-	-	1,873.00	-	-	-	-
Total	**-**	**-**	**1,873.00**	**42,694.00**	**-**	**24,730.15**	**23000**

* includes redemption premium

19.4 Details of Zero Coupon Bonds:-
In accordance with the Subscription and Participation Agreement signed between the Ballarpur International Holdings B.V.; Ballarpur Industries Limited and Avantha International Assets B.V. (AIA) (earlier held by JP Morgan Special Situations Asia Corporation), Ballarpur International Holdings B.V. has issued Zero Coupon Convertible bonds. The conversion rights under the agreement provides the right to a holder to convert them into Conversion Shares, in the ratio of a bond such that with a face value of Euro 50,054 will be converted into 50,054 shares at a par value of Euro 1.00 per share. The notes are yet to be converted.

19.5 The Group has satisfied all the covenants prescribed in terms of borrowings.

19.6 During the financial year 2023-24, the Subsidiary, BILT, based on the final approved resolution plan by the Hon'ble National Company Law Tribunal, Mumbai (NCLT) on 31st March 2023. have settled the outstanding borrowing of financial creditor as at 31st March 2023 amounting to ₹55,653 lakhs in a combination of equity shares of ₹413 lakhs, 7% Non-Convertible Debentures (NCDs) of ₹ 39,325 lakhs, and 0.01% Cumulative Redeemable Preference Shares (CRPS) of ₹ 4987 lakhs. The plan further allowed an option for financial creditors to opt for upfront cash in exchange for the equity shares, CRPS, and NCDs (upfront cash against CRPS and NCDs shall be at an amount calculated at discount rate of 20%).

Subsequent to the reporting date, in previous financial year 2023-24, some of the financial creditors exercised this option, resulting in a lower settlement payout of ₹53,249 lakhs in a combination of equity shares of ₹160 lakhs, 7% Non-Convertible Debentures (NCDs) of ₹ 32,625 lakhs, and 0.01% Cumulative Redeemable Preference Shares (CRPS) of ₹ 2,133 lakhs. The details of which are provided in the table below:-

Name of Bank / Financial Institution	Cash Payout	Equity Issued	7% NCD's	0.01% CRPS	Total
I. Assenting Financial Creditor					
IDBI Bank Ltd.	4,249.87	133.93	15,937.00	1,628.52	21,949.33
Suraksha Asset Reconstruction Company Limited (SARC)	4,463.09	-	14,076.00	188.23	18,727.32
Orbit Investment Securities Plc	1,097.31				1,097.31
Varanium India Opportunity	625.76				625.76
Finquest Financial Solutions Pvt. Ltd.	278.89	25.80	1,091.00	260.00	1,655.69
Kotak Mahindra Bank Ltd	489.01				489.01
Punjab National Bank (E-OBC)	463.20				463.20
LIC of India	449.85		1,521.00	55.80	2,026.66
HDFC Bank Ltd.	295.27				295.27
DBS Bank Ltd	233.82				233.82
Deutsche Bank	212.07				212.07
Indusind Bank Ltd.	206.62				206.62
The Hongkong and Shanghai Banking Corporation Ltd.	161.79				161.79
Federal Bank	148.97				148.97
Citi Bank	6.78				6.78
Total (A)	**13,382.29**	**159.73**	**32,625.00**	**2,132.55**	**48,299.57**

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Name of Bank / Financial Institution	Cash Payout	Equity Issused	7% NCD's	0.01% CRPS	Total
II. Dissenting Financial Creditor					
Phoenix ARC Pvt. Ltd.	1,262.75				1,262.75
Axis Bank Limited	2,567.18				2,567.18
Exim Bank	1,119.47				1,119.47
Total (B)	**4,949.40**	**-**	**-**	**-**	**4,949.40**
Total (A+B)	**18,331.69**	**159.73**	**32,625.00**	**2,132.55**	**53,248.97**

20 Borrowings (Other than Debt Securities - at amortised cost)

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Term loans		
(i) from banks	1,05,162.00	1,05,822.51
(ii) from other parties	27.11	7,432.09
(b) Loans from related parties	27,573.07	67,731.47
(c) Working Capital Loans	7,800.00	1,210.00
(d) Liability of Non-Convertible Redeemable Preference Share	2,706.21	2,706.21
Total (A)	**1,43,268.39**	**1,84,902.29**
Borrowings in India	38,106.39	79,740.29
Borrowings outside India	1,05,162.00	1,05,162.00
Total (B)	**1,43,268.39**	**1,84,902.29**
Secured	83,336.00	83,336.00
Unsecured	38,106.39	-
Total (B)	**1,21,442.39**	**83,336.00**

20.1 Details od Secured Borrowings from Bank

a) One of the Subsidiary, Ballarpur International Holdings B.V., has obtained short term facility from IndusInd Bank equivalent to USD 30 Million (rate of interest 4% plus LIBOR) on 12 July 2018 out of which USD 25 Million has been availed on same date. The facility is secured by the followings:

i) Assigning receivables of Ballarpur Paper Holding B.V. The facility become repayable as soon as the Ballarpur Paper Holding B.V. receives the proceed from sale of its investment in subsidiary SFI.

ii) Conversion of CCD held by Ballarpur Paper Holdings B.V. (the step-down subsidiary) into shares of Bilt Graphic paper products Limited (BGPPL) and buyback of shares by BGPPL. The proceeds from buyback will be used to repay the loan.

IndusInd Bank Limited has assigned the borrowing to Narya Holdtings Pte. Ltd.

b) Term loan of USD 20 million has been obtained from IDBI Bank Limited (rate of interest 4.8% + LIBOR) was secured by corporate guarantee of subsidiary company 'Ballarpur Industries Ltd'. The loan is repayable in three annual equal installments starts at the end of 4th, 5th and 6th year from the date of first utilisation i.e. starting from October 6, 2019. The Bank has invoked the Guarantee given by Ballarpur Industries Limited via letter dated 28.06.2019. Now, the loan was become payable to Ballarpur Industries Limited. Further based on the order of National Company Law tribunal, Mumbai Bench, BILT has settled the corporate guarantee given to the lender. Basis on the Order the Company has reinstated the loan as payable to lenders.

c) Term loan of Credit Agricole Bank USD 55 million has been (rate of interest 4.8% + LIBOR) is secured by way of pari-passu charge against pledge of Bilt Paper B.V.(an associate company) shares and corporate guarantee by subsidiary company 'Ballarpur Industries Ltd'. The loan is repayable in three equal installments starts from 48 months of agreement i.e. January 02, 2015. In the previous years the lender has issued reminders to the guarantor (BILT) for the recovery of certain defaults in payment of interest which the borrower has failed to pay. Since, the guarantor has failed to honor the reminders; the lender has accelerated the recovery of the outstanding loan, interest and other amount of dues payable to it. The Bank has invoked the Guarantee through letter dated 08 June 2018, Thereby, all the amounts standing to its credit in the books has been reclassified as under "Due to Related Party". The loan amount of 20 MN USD has been transferred from Axis Bank Limited, Hong Kong Branch to Varanium India Opportunity Limited on 27th April, 2018. The remaining amount of 35 MN USD loan has been assigned by Credit Agricole Corporate and Investment Bank to Orbit Investment Securities Services Plc. with effect from 17th May' 2019. Consequent to default in servicing of debt, the lenders invoked the share rights and voting rights in respect of BPBV's pledged shares held by The Company on 25 May 2018 and 25 June 2018, by Varanium India Opportunity Limited and Orbit Investment Securities Services Plc. respectively. Further based on the order of National Company Law tribunal, Mumbai Bench, BILT has settled the corporate guarantee given to the lender. Basis on the Order BIH B.V. has reinstated the loan as payable to lenders.

d) BIH BV had availed a term loan of USD 55 million from Credit Agricole Bank at an interest rate of 4.8% plus LIBOR, secured by a pari-passu charge on the pledge of Bilt Paper B.V. shares and a corporate guarantee by Ballarpur Industries Limited. The loan, originally repayable in three equal installments starting January 2015, was defaulted on interest payments, leading the lender to accelerate recovery and invoke the corporate guarantee on June 08, 2018.

Subsequently, USD 20 million was transferred to Varanium India Opportunity Limited on April 27, 2018, and the balance USD 35 million was assigned to Orbit Investment Securities Services Plc. on May 17, 2019. The lenders also invoked rights over pledged shares in May and June 2018.

Pursuant to the order of the National Company Law Tribunal, Mumbai Bench, BILT has settled the corporate guarantee, and accordingly, BIH BV has reinstated the loan as payable to the lenders.

20.2 The Group does not have details of the term loan from the bank amounting to ₹21,826 lakhs availed by Mirabelle Trading Pte Ltd., as the audited financial statements of the said entity are not available. Consequently, the Group is unable to provide the classification of this borrowing into secured or unsecured, or disclose other related details.

20.3 Rate of Interest on borrowings from other parties are unsecured and ranges upto 6.5%

20.4 The Subsidiary, Digjam Ltd has issued and alloted 7% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100, each, payable at par were alloted on March 19, 2021 having tenure of 7 years, but are not entitled to vote at the General Meeting of the Company unless dividend has been in arrears for minimum 2 years. For the purpose of determination/accrual of all rights (including the right of redemption), the date of allotment viz. March 19, 2021 is deemed to be the relevant date. The Preference Shares are non-participating and shall have preferential right to repayment in the case of winding up or repayment of capital of the amount of the Share Capital paid-up.

20.5 Unsecured loans are includes loan repayable on the demand, as per prescribed term and condition of the agreements.

20.6 There are no borrowings measured at FVTPL or designated at FVTPL.

21 Other Financial Liability

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Deposit Received from customers	-	141.81
Liability towards employee	223.69	492.06
Other Payable	12,466.44	12,856.13
Payable to Related party	30,983.00	30,983.00
Interest Payable	0.20	0.83
Provision for redemption Premium	4,163.15	
Interest Accrued on Borrowing	2,64,402.30	2,62,410.18
Security deposits	**212.27**	**-**
Payable for Capital Goods	402.87	9.00
Employee benefits Liability	-	-
Salary Payable	**-**	**5.35**
Bank book overdrawn	6.00	6.00
	3,12,859.92	**3,06,904.38**

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22 Provisions

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
- Gratuity	755.09	2,520.03
- Compensated absences	34.71	150.16
Provisions for taxation	-	-
NPA Provisions	525.00	-
Standard Assets	171.78	1,873.27
Provisioin for TDS On Interest	-	138.37
Other provision	96,133.00	-
Provision for expenses	10.82	3.15
Provision for Bonus	-	67.89
Others	104.28	98,557.07
Provision for sales return	-	4.35
	97,734.69	**1,03,314.29**

23 Other non- financial liabilities

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Advance from Customers	121.52	677.51
Advance from Others	38,144.00	38,208.00
Statutory liabilities	1,694.74	2,466.86
Gratuity (Funded)	0.45	-
Advance received towards sale of land	405.00	-
Other non-financial liability	80.49	300.96
	40,446.21	**41,672.34**

24 Equity share capital

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Authorized Equity shares		
32,000,000 (31 March 2021: 32,000,000) Equity Shares of Rs.10 each	3,200	3,200
1% Redeemable Optionally Convertible Cumulative Preference Shares of Rs.100000/- Each	1,000	1,000
	4,200	4,200
Issued, Subscribed and fully Paid up Equity Shares		
31,900,000 (31 March 2021: 31,900,000) Equity Shares of Rs.10 each	3,190	3,190
	3,190	**3,190**

(a) Reconciliation of number of shares

Particulars	As at 31st March 2025		As at 31st March 2024	
	No of shares	Rupees (in lakhs)	No of shares	Rupees (in lakhs)
Balance at the beginning of the year				
Equity Shares	3,19,00,000	3,190.00	31900000	3190
Add: Shares Issued during the year	**-**	**-**	**-**	**-**
Equity Shares	-	-	-	-
Balance at the end of the year	**-**		**-**	**-**
Equity Shares	3,19,00,000.00	3,190.00	31900000	3190

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(b) Reconciliation of Equity Share Capital

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(A) Balance at the beginning of the current reporting period	3,190.00	3,190.00
(B) Changes in Equity Share Capital due to prior period errors	-	-
(C) Restated balance at the beginning of the current reporting period (A+B)	**3,190.00**	**3,190.00**
(D) Changes in equity share capital during the current year	-	-
(E) Balance at the end of the current reporting period (C+D)	**3,190.00**	**3,190.00**

(c) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date were Nil (March 31, 2024: Nil).

(e) Shares held by holding / ultimate holding company / or their subsidiaries / associates and its nominees

The Company does not have any holding company or ultimate holding company. Further, none of the subsidiaries or associates hold any shares in the Company, either directly or through their nominees.

(e) Shareholding of Promoters

Promoter & Promoter Group	Relationship	Shares held at the end of the year		% Change during the year
		No. of Shares	% of Total Shares	
As at March 31, 2025				
Minal Patel	Promoter	2,06,25,421	64.66%	32.33%
Hardik Patel	Promoter	1,03,12,711	32.33%	0.00%
As at March 31, 2024				
Hardik Patel				
Minal Patel	Promoter	2,06,25,421	64.66%	32.33%
Ruchit Patel	Promoter	1,03,12,711	32.33%	0.00%
Ruchit Patel	Promoter	-	0.00%	-32.33%

(i) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(j) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

Notes
to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

25 Other Equity & Non-Controlling Interest

(Amount in ₹ lakhs)

Particulars	Attributable to Shareholders of the company						Non-controlling Interest			
	Statutory Reserve (Note 1) (Other Reserves)	Securities Premium (Note 2)	Retained Earnings (Note 3)	Capital Reserve	Other Comprehensive Income (Note 4)	Total	Equity Share Capital	Retained Earnings (Note 3)	Other Comprehensive Income (Note 4)	Total
Balance at the Beginning of the year 01 April 2023	**2,857.94**	**13,349.60**	**(3,312.29)**	**10,164.66**	**25.84**	**23,085.74**	**200.00**	**133.53**	**6.43**	**339.96**
Total Comprehensive Income for the year	-	-	(5,742.34)	-	37,941.20	32,198.86	-	(15,927.17)	(125.05)	(16,052.22)
Transfer to Statutory Reserve under Section 45-IC of RBI Act	-	-	-	-	-	-	-	-	-	-
Gain on bargain purchase	-	-	(38,789.80)	38,789.80	-	-	-	-	-	-
Closing Balance at the end of current financial year -31st March 2024	**2,857.94**	**13,349.60**	**(46,074.80)**	**48,954.45**	**37,967.04**	**57,054.22**	**2,895.00**	**1,42,893.06**	**(118.62)**	**1,45,669.44**
Balance at the Beginning of the year 01 April 2024	**2,857.94**	**13,349.60**	**(46,074.80)**	**48,954.45**	**37,967.04**	**57,054.22**	**2,895.00**	**1,42,893.06**	**(118.62)**	**1,45,669.44**
Total Comprehensive Income for the year	-	-	(5,358.75)	(35.80)	-	(5,394.55)	-	(2,961.17)	-	(2,961.17)
Transfer to Statutory Reserve under Section 45-IC of RBI Act	2,345.52	-	(2,345.52)	-	-	-	-	-	-	-
Unrealised gain on sale of inventories	-	-	-	-	-	-	-	-	-	-
Closing Balance at the end of current financial year -31st March 2025	**5,203.46**	**13,349.60**	**(53,812.23)**	**49,745.00**	**37,950.58**	**52,436.40**	**3,195.00**	**1,39,321.81**	**(117.34)**	**1,42,399.47**

Notes :

Nature and Purpose of Reserves

1. **Statutory Reserve**

   In terms of Section 45-IC of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year. The above requirement is to give intrinsic strength to the balance sheets of the companies. This reserve could be used for purposes as stipulated by the Reserve Bank of India from time to time.

2. **Securities Premium**

   Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

3. **Retained Earnings**

   Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to investors.

4. **Other Comprehensive Income (OCI)**

   Other Comprehensive Income refers to items of income and expenses that are not recognised as a part of the profit and loss account. However, the entity may transfer those amounts recognised in other comprehensive income within equity. The gain/loss on actuarial valuation of gratuity liability is considered in other comprehensive income.

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

25.2 (a) Details of non-wholly owned subsidiaries that have material non-controlling interest

(Amount in ₹ lakhs)

Name of Subsidiary		Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interest		Profit / (Loss) allocated to minority interests	
			31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024
(i)	Ballarpur Industries Limited	India	49.00%	49.00%	(3,274.27)	(12,375.93)
(ii)	Digjam Limited	India	25.00%	90.00%	(261.02)	(1,100.75)
(iii)	BILT Paper B.V.	Netherlands	80.73%	80.73%	-	1,340.88

(b) Summarized financial information in respect of subsidiaries that have material non-controlling interest

Summarized statement of profit and loss

(Amount in ₹ lakhs)

Particulars	Ballarpur Industries Limited		Digjam Limited		BILT Paper B.V.	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Revenue	2,063.12	1,842.00	1,839.92	2,412.22	-	13,297.00
Profit / loss for the year	(6,675.69)	(25,257.00)	(1,060.49)	(1,206.86)	-	(60.00)
Other comprehensive income	(6.50)	-	16.40	(16.20)	-	1,721.00
Total comprehensive income	(6,682.19)	(25,257.00)	(1,044.09)	(1,223.06)	-	1,661.00
Profit / (loss) allocated to non-controlling interest	(3,274.27)	(12,375.93)	(261.02)	(1,100.75)	-	1,134.01
Dividend to non-controlling interest	-	-				

Summarized balance sheet

(Amount in ₹ lakhs)

Particulars	Ballarpur Industries Limited		Digjam Limited		BILT Paper B.V.	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Financial assets	4,932.56	7,409.00	818.93	1,225.81	4,73,334.00	4,73,334.00
Non-financial assets	1,20,247.90	1,12,352.00	7,265.36	7,115.14	-	-
Financial liabilities	76,108.41	63,450.00	5,16,584.49	6,316.30	2,01,199.00	2,01,199.00
Non-financial liabilities	2,912.42	4,291.00	293.31	440.82	-	-
Net Equity	46,159.63	52,020.00	539.60	1,583.83	2,72,135.00	2,72,135.00

Summarized statement of cash flows

(Amount in ₹ lakhs)

Particulars	Ballarpur Industries Limited		Digjam Limited		BILT Paper B.V.	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Cash flow from operating activities	(3,453.38)	(7,040.67)	(1,875.82)	(462.01)	-	-
Cash flow from investing activities	(7,312.12)	(425.20)	739.18	3,631.38	-	-
Cash flow from financing activities	8,384.55	7,733.75	749.10	(2,604.32)	-	-
Total cash flow	**(2,380.95)**	**267.88**	**(387.54)**	**565.06**	**-**	**-**

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 26th June, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 26th June, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 26th June, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 26th June, 2025

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

26 Interest Income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Interest on loans	2,365.16	12,625.05
Interest on FDR	761.25	258.52
Other Interest Income	11.47	28.41
	3,137.88	**12,911.98**

27 Dividend Income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Dividend on Investment	51.31	68.13
	51.31	**68.13**

28 Net Gain on Fair Value Changes

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss:		
(i) On trading portfolio	-	-
- Investments	(539.29)	5,480.09
- Derivatives	-	-
- Others	-	325.00
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others	-	-
Profit on sale of Investment	(0.75)	(0.75)
(C) Total Net Gain/(Loss) on fair value change	**(540.04)**	**5,804.34**
Fair Value Change:		
- Realised	-	-
- Unrealised	-	-
(D) Total Net Gain/(Loss) on Fair Value Changes	**-**	**-**

29 Sale of Product

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Paper	-	-
Revenue from service rendered	-	-
Sale of Goods	47,762.01	43,025.26
Sale of Paper (including coated)	-	820.00
	47,762.01	**43,845.26**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

30 Other Operating Income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Gain in part on realisation of Stressed asset	291.07	508.22
Profit on sale of Shares and Securities	2,735.52	6,007.91
Processing fees	4.00	-
Prepayment charges	3.31	-
Export Incentive,etc.	204.89	304.05
Revenue from service rendered	3.12	-
Sales Of Waste & Scrap Material	628.21	235.92
Other Operating Income	-	24.90
	3,870.12	**7,081.00**

31 Other Income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Interest Income (others)	125.91	-
Interest on Deposit (Leased Asset)	15.57	0.85
Miscellaneous Income	7.73	-
Exchange Gain (Net)	96.41	93.34
Profit on sale of Property, Plant and Equipment	2.65	564.02
Excess Liabilities/Provisions Written Back (Net)	7.62	-
Miscellaneous Income	3.90	19.90
Other Non operating Income (Net of Expenses)	73.70	286.44
Gain on ealry prepayment of loan to subsidiary	(0.00)	-
Interest on Income Tax refund	0.78	1.51
Gain on disposal of Property, plant and equipment	-	-
Gain on fair value of Pref Share	0.33	-
Gain on Derecognition of FL	1,467.80	0.47
	1,802.41	**966.52**

32 Finance Costs

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Interest (other than debt securities)	577.08	4,942.82
Interest on Working Capital Loans/Short term Borrowings	91.41	268.70
Interest expense - Related party	-	6,197.87
Interest on Lease Liability	107.36	14.77
Preference Dividend	185.91	-
Other Interest	18.52	5.78
Unwinding Interest on Borrowing	110.84	103.59
Debenture Premium Cost	5,282.86	1,879.48
	6,373.98	**13,413.02**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

33 Impairment on financial instruments

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
A) On Financial instruments measured at amortised cost		
Loans	**(1,314.86)**	**(5,636.37)**
Provision for Expected Credit loss	(1,314.86)	(5,636.37)
Contingent Provision against Standard Assets	-	-
Bad Debts	-	-
Investments	-	-
Others	-	10,873.71
	(1,314.86)	**5,237.34**

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

Mar'25 (Amount in ₹ lakhs)

Particulars	General approach			Simplified Approach	Total
	Stage 1- Collective	Stage 2- Collective	Stage 3- Collective		
Loans and advances to customers measured at amortised cost	33.41	-	(1,348.27)		**(1,314.86)**
Investments	-	-	-	-	-
Others	-	-	-	-	-
Total	**33.41**	**-**	**(1,348.27)**	**-**	**(1,314.86)**

Mar'24 (Amount in ₹ lakhs)

Particulars	General approach			Simplified Approach	Total
	Stage 1- Collective	Stage 2- Collective	Stage 3- Collective		
Loans and advances to customers measured at amortised cost	(126.85)	(39.46)	(5,470.06)		**(5,636.37)**
Investments	-	-	-	-	-
Others	-	-	-	-	-
Total	**(126.85)**	**(39.46)**	**(5,470.06)**	**-**	**(5,636.37)**

34 Cost of Material Consumed

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Cost of materials consumed	16,243.58	16,550.30
Opening Stock	-	91.00
Add: Purchases	-	403.74
	16,243.58	**17,045.04**

35 Purchases of Stock-in-Trade

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Cloth	-	32.75
Fabrics	211.21	-
Other purchases	-	379.97
Krihaan's Purchases	6,006.86	3,546.72
	6,218.07	**3,959.44**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

36 Changes in inventories

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Finished Goods	(1,644.99)	(3,664.43)
Work-in-progress	(165.09)	1,019.64
Finished Goods Including Stock-in-Trade	957.90	242.17
Finished Goods Including Stock-in-Trade(at the end of year)	(1,251.03)	-
	(2,103.22)	**(2,402.62)**

37 Employee benefit expenses

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Salaries, bonus and commission	7,218.76	6,900.47
Contribution to Provident and other funds	571.99	876.26
Staff welfare expenses	407.08	328.28
Gratuity Expense & leave encashment	208.89	131.38
Employee Creditor Under IBC	-	19.97
Other Expenses	-	4.83
	8,406.71	**8,261.19**

38 Other expenses

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Audit Fees (Refer Note A)	88.88	43.89
Conference Expenses	650.52	400.95
CSR Expenditure (Refer Note B)	84.50	27.10
Manufacturing Expenses	10,441.52	9,514.35
Legal & Professional Fees	1,380.27	1,290.32
Stores and spares	29.95	-
Printing & Stationery	44.76	40.26
ROC Filing fees	1.20	0.38
Conveyance Expenses	9.81	42.35
Office Expenses	92.66	11.69
Membership and Subscription fee	2.68	-
Other Expenses	35.95	63.59
Provision for Doubtful Debts	-	43.60
Profession Tax	0.03	0.03
Penalty	-	1.20
GST credit on RCM	68.28	47.27
Security Charges	339.58	63.42
Power & Fuel	374.71	207.58
Packing charges	582.80	112.59
Repairs and maintenance expenses	33.22	176.36
Repairs to building	117.76	25.00
Repairs to machinery	130.05	41.00
Rent	12.62	4.62
Insurance Expenses	94.49	115.18
Transportation for employees	-	12.01
Advertisement and publicity expenses	598.56	235.93

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Loss on disposal of Fixed Assets	-	0.01
Lease Expenses (short term)	22.88	19.53
Freight & Forwarding	213.28	31.03
Miscellaneous Expenses	220.31	414.58
Stores and Spares consumed	-	92.59
Electricity Expenses	23.46	4.21
Processing Expenses	-	16.50
Directors Fees	16.25	15.90
Rates & Taxes	278.59	189.00
Brokerage, Rebate, Discount & Commission	139.34	103.31
Sundry Deposits written off	-	17.22
Bank Charges	24.01	25.47
Gst Expenses	0.85	6.00
Agency Commission	1,038.78	1,188.14
Sebi Fees	-	0.24
Travelling, Communication And Conveyance	532.03	429.76
Provision for stores and spares obsolesence	-	26.00
Demat Account Expnses	0.03	0.10
Interest For Deferment of advanced tax	-	31.85
Interest On Tds	0.41	2.85
Writeoff	221.44	3,240.78
Power and Fuel	-	260.21
Share issue expenses	-	2.50
Interest on late payment GST	0.08	-
Interest on Advance tax	74.10	-
Rent	1.69	6.00
Loss on cancellation of Lease	1.24	-
Impairment of Assets	64.45	-
Logistic and Warehousing charges	50.53	-
Property Taxes	189.37	-
Provision for Debtors	11.25	-
Office and other expenses	-	283.21
Interest for Default of advance Tax	-	34.70
Other manufacturing expenses	36.23	-
House keeping & Gardening	50.97	-
Inventory written off [includes write down of inventory]	24.66	-
Balances written off (net)	8.84	-
Loss on sale of Property, plant and equipment (net)	1.34	-
	18,461.19	**18,962.36**

Note A:- Payment to Auditors:

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
As auditors	85.63	10.00
For taxation matters	3.25	-
Reimbursement of expenses	-	0.19
	88.88	**10.19**

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

Note B : CSR

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
i) Amount required to be spent by the company during the year	84.34	27.10
ii) Amount of expenditure incurred	84.50	27.10
iii) Shortfall at the end of the year	-	-
iv) Nature of Activity :-	Contribution made to a Non-Profit organisation set up with an objective of providing relief to the poor, promoting education, offering medical relief, preserving monuments or places and objects of artistic or historic interest, and advancing other objects of general public utility.	Contribution made to a Non-Profit organisation set up with an objective of developing the down trotted especially dalits, schduled caste, schduled tribes, minorities, BPL's and other backward communities, welfare of women, youth and child development through education, economic environment, skill, education, health and cultural programs.

39 Tax Expenses

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Current tax expense		
Current tax for the year	2,436.45	1,240.16
Tax of earlier year	293.94	-
Deffered tax		
Net Deffered tax (income) /expense	(517.28)	2,413.47
Previous Year Tax expense	-	-
	2,213.10	**3,653.63**

40. Statement of other comprehensive income

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
I Continued operation		
(i) Items that will not be reclassified to profit or loss	-	-
Remeasurements of the defined benefit plans	(39.36)	(22.46)
Equity Instruments through Other Comprehensive Income	-	-
Others (Specify nature)	**(39.36)**	**(22.46)**
(ii) Income tax relating to items that will not be reclassified to profit or loss	8.44	1.58
	8.44	**1.58**
(i) Items that will be reclassified to profit or loss	-	-
Discontinued operation		
(i) Items that will not be reclassified to profit or loss	-	-
Remeasurements of the defined benefit plans	15.75	-
Equity Instruments through Other Comprehensive Income	-	-
Others (Specify nature)	-	-
	15.75	**(22.46)**
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
	-	**1.58**
(i) Items that will be reclassified to profit or loss	-	-
Other Comprehensive Income	**(30.93)**	**(20.88)**

43 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Notes

to Consolidated Financial Statement as at 31st March 2025
(All amounts are INR, unless expressed otherwise)

Diluted EPS is calculated by dividing the net profit for the year attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Net profit after tax as per Statement of profit and loss (in lakhs) (A)	(5,359.61)	(5,742.34)
Weighted average number of equity shares for calculating basic EPS (in lakhs) (B)	319.00	319.00
Weighted average number of equity shares for calculating diluted EPS (in lakhs) (C)	319.00	319.00
Basic earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (B)	(16.80)	(18.00)
Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	(16.80)	(18.00)

44 Investment in Subsidiaries AND Associates

The Parent has invested in the following entities:

(Amount in ₹ lakhs)

Name of the entity	Relationship	Country of incorporation	Principal place of business	Principal activities	% Equity interest	
					As at 31st March 2025	As at 31st March 2024
Reid & Taylor International Private Limited (erstwhile known as Krihaan Texchem Private Limited)*	Subsidiary (upto 27-3-25)	India	India	Textile	NA	100%
Digjam Limited	Subsidiary	India	India	Textile	75%	90%
Ballarpur Industries Limited	Subsidiary	India	India	Textile	51%	51%
Amartaru Hospitality Pvt Ltd (Erstwhile known as Legguino India Pvt. Ltd.)	Subsidiary	India	India	Textile	100%	100%

45 Contingent Liabilities:

(Amount in ₹ lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Claim against company not acknowledged as debt	-	-
Guarantees excluding financial guarantees	-	-
In respect of Income Tax demands where company has filed appeal before various authorities	6,724.28	1,869.74
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
(i) Property, plant and equipment	143.64	74.65
(ii) Others	-	147.98
Total:	**6,867.93**	**2,092.37**

45.1 As per approved resolution plan of one of the Subsidiary, Digjam Ltd., the contingent liabilities and commitments, claims and obligations, stand extinguished and accordingly no outflow of economic benefits is expected in respect thereof. The Resolution plan, among other matters provide that upon the approval of this Resolution Plan by the National Company Law Tribunal (NCLT) and settlement and receipt of the payment towards the CIRP Costs and by the operational creditors as envisaged in terms of this plan, all the liabilities demands, damages, penalties, loss, claims of any nature whatsoever (whether admitted/verified/submitted/rejected or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future) including any liabilities, losses, penalties or damages arising out of non-compliances, to which DIgjam is or may be subject to and which pertains to the period on or before the Closing Date (i.e. November 22, 2020) and are remaining as on that date shall stand extinguished, abated and settled in perpetuity without any further act or deed. The Resolution plan further provides that implementation of resolution plan will not affect the rights of Digjam Ltd. to recover any amount due to the subsidiary and there shall be no set off of any such amount recoverable by the subsidiary against any liability discharged or extinguished.

Notes

to Consolidated financial statements for the period ended 31st March 2025
(All amounts are INR, unless expressed otherwise)

46 Employee benefits plans:

(a) Defined Contribution Plans:

(Amount in ₹ lakhs)

Particulars	As on March, 2025	As on March, 2024
Employer's Contribution to Provident Fund	269.08	260.16
Employer’s contribution to superannuation fund	-	2.30
Employer’s contribution to pension scheme	13.64	2.51
Employer's Contribution to ESIC	7.56	68.64

A. Gratuity

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement whichever is earlier. The benefits vest after five years of continuous service.

The Company has a defined benefit plan for post-employment benefits in the form of Gratuity. Gratuity Benefits liabilities of the company are Unfunded.The Company accounts for gratuity based on an actuarial valuation which is carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method. Since the liabilities are unfunded, there is no Asset-Liability Matching strategy deviced for plan.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amount recognised in the Company’s financial statement as at the balance sheet date :

A. Change in present value of obligations

(Amount in ₹ lakhs)

Particulars	As on March, 2025	As on March, 2024
Liability at the beginning of the year	1,532.64	923.46
Adjusted through retained earnings	-	-
Transfer in/ (out) obligation	-	-
Current service cost	43.46	911.36
Interest cost	94.03	68.25
Actuarial losses / (gain)	(29.73)	15.96
Past service cost	-	-
Benefits paid	(660.84)	(386.39)
De-recognition due to loss of control	(213.40)	-
Liability at the end of the year	**766.17**	**1,532.64**

B. Movement in the fair value of plan assets are as follows :

(Amount in ₹ lakhs)

Particulars	Gratuity	
	As on March, 2025	As on March, 2024
Plan assets at the beginning of the year, at fair value	135.62	276.98
Interest Income	8.97	20.46
Return on plan assets excluding interest income	(4.70)	(6.48)
Contribution from the employer	401.00	225.00
Benefits paid	(529.83)	(380.34)
Fair value of plan assets at the end of the year	11.06	135.62

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(All amounts are INR, unless expressed otherwise)

C. Net Benefit Obligation:-

(Amount in ₹ lakhs)

	As on March, 2025	As on March, 2024
Present value of benefit obligation at the end of the year	(766.17)	(1,532.64)
Fair value of plan assets at the end of the year	11.06	135.62
Liability as per NCLT Order of BILT*		(1,123.00)
Net Liability arising from defined benefit obligation	**(755.10)**	**(2,520.02)**

* Based on the information and data available, the subsidiary, BILT, has recognised an additional gratuity liability amounting to ₹1123 Lakhs pertaining to the pre-CIRP period. As per the approved resolution plan, any liability relating to the pre-CIRP period is recoverable from the financial creditors. The Company is in the process of recovering the excess amount paid towards such pre-CIRP liability from the financial creditors in the coming years. (refer note 7.1)

(Amount in ₹ lakhs)

Particulars	As on March, 2025	As on March, 2024
D. Expense recognized in the statement of profit and loss		
Current service cost	43.46	88.48
Interest cost	94.03	9.31
Past Service Cost	-	-
Net gratuity expense	137.49	97.80
E. Remeasurements recognized in the OCI		
Actuarial (gain) / loss arising from		
- experience adjustments	(43.49)	(15.50)
- actuarial assumptions	13.76	(14.41)

F. Actuarial Assumptions

(Amount in ₹ lakhs)

Particulars	31 March 2025			31 March 2024			
	FFSPL	Digjam Ltd.	BILT	FFSPL	Digjam Ltd.	BILT	Krihaan
Discount Rate	6.60%	6.72%	7.19%	7.15%	7.21%	7.19%	6.85%
Salary escalation rate	7.00%	6.00%	5.00%	7.00%	6.00%	5.00%	6.00%
Attrition Rate - Age (Years)							
25 & below	20.00%	3.00%	0.50%	20.00%	1.00%	0.50%	10.00%
25-30	20.00%	3.00%	0.50%	20.00%	1.00%	0.50%	8.00%
30-35	20.00%	3.00%	2.00%	20.00%	1.00%	2.00%	8.00%
35-44	20.00%	3.00%	2.00%	20.00%	1.00%	2.00%	6.00%
45-55	20.00%	3.00%	1.00%	20.00%	1.00%	1.00%	4.00%
55 & above	20.00%	3.00%	1.00%	20.00%	1.00%	1.00%	2.00%
Mortality rate	Indian Assured Life Mortality (2012-14) Ultimate	Indian Assured Life Mortality (2012-14) Ultimate	Indian Assured Life Mortality (2012-14) Ultimate	Indian Assured Life Mortality (2012-14) Ultimate	Indian Assured Life Mortality (2012-14) Ultimate	Indian Assured Life Mortality (2012-14) Ultimate	Indian Assured Life Mortality (2006-08) Ultimate
Retirement Age	60 Years	60 Years	60 Years	60 Years	60 Years	60 Years	60 Years

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Assumptions regarding future mortality experience are set in accordance with published statistics and mortality tables. The defined benefit plan expose the company to actuarial risks, such as longevity and Interest rate risk. The weighted average duration of the defined benefit obligation was 4.69 years (31 March 2024: 3.38 years).

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

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The sensitivity of the defined benefit obligation to changes in weighted principal assumption are as below :

Gratuity

Particulars	As on March, 2025		As on March, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (100 / 50 bps movement)	(24.95)	44.84	150.50	296.52
Employee Turnover (100 /50 bps movement)	36.45	(32.64)	256.62	186.16
Salary escalation rate (100 /50 bps movement)	12.77	11.49	265.48	176.32

Sensitivity of significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligations by 100 basis points, keeping all the other actuarial assumptions constant. Although the analysis does not take into account of the full distribution of cash flows expected under the plan, if does provide an appproximation of the sensitivity of the assumption shown.

B. Compensated absences

(Amount in ₹ lakhs)

Particulars	As on March, 2025	As on March, 2024
A. Change in present value of obligations		
Liability at the beginning of the year	149.95	135.10
Adjusted through retained earnings	-	-
Transfer in/ (out) obligation	-	-
Current service cost	218.17	37.19
Interest cost	0.11	61.70
Actuarial losses / (gain)	(0.86)	(24.67)
Past service cost	-	-
Benefits paid	(29.01)	(59.37)
De-recognised due to loss of control	(303.64)	-
Liability at the end of the year	**34.71**	**149.94**

47 Maturity Analysis of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

(Amount in ₹ lakhs)

Particulars	As at 31 March 2025			As at 31 March 2024		
	Contractual cash flows			Contractual cash flows		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial liabilities						
Trade Payables	1,985.49	-	1,985.49	4,698.42		4,698.42
Borrowings	1,33,303.02	9,965.38	1,43,268.39	1,84,339.20	563.09	1,84,902.29
Debt securities	12,500.00	77,055.75	89,555.75	14,262.00	73,573.45	87,835.45
Lease Liability	1.13		1.13	181.72	509.16	690.88
Other financial liabilities	3,12,859.92		3,12,859.92	3,06,904.38	-	3,06,904.38

48 Capital Management

The group maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the group.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the group ensures to maintain a healthy CRAR at all the times. Refer note 54.1 for the group's Capital ratios.

The primary objectives of the group's capital management policy are to ensure that the group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

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The group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board. The group has complied with the notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards.

49 Related Party disclosures as per Ind AS 24:

Promotors
Minal Patel
Hardik Patel
Ruchit Patel

Director & Key Managerial Personnel (KMP)	**Nature of relationship**
Hardik B. Patel	Managing Director
Ruchit B Patel	Director
Parashiva Murthy B S	Director
Dhiren S. Shah	Independent Director
Kalyani Sharma	Independent Director
Sri Duraiswamy Gunaseela Rajan	Independent Director (Digjam Limited)
Ms. Sudha Bhushan	Independent Director (Digjam Limited)
Sri Panchapakesan Swaminathan	Independent Director (Digjam Limited)
Sri Ajay Agarwal	Non-Executive Non-Independent Directors
Sri Duraiswamy Gunaseela Rajan	Independent Directors
Ms. Sudha Bhushan	Independent Directors
Sri Panchapakesan Swaminathan	Independent Directors
Ms. Sonali Chheda	Company Secretary & Compliance Officer (from August 1, 2023 to November 13, 2024)
Sri Mohit Dubey	Company Secretary & Compliance Officer (from 14th November 2024 to 30th April , 2025)
R. R. Vederah (upto 12 June 2023)	
Padmakumar Nair (w.e.f. 15 October 2019 upto 12 June 2023)	
Yashashree Gurjar (w.e.f. 15 October 2019 upto 12 June 2023)	
Neehar Aggarwal (CEO) (upto 30 June 2023)	
Bina Dinesh Trivedi (w.e.f 08 September 2023 upto 13 June 2024)	Non Executive Independent Director
Shaukat Hasanali Merchant (W.e.f 08 September 23 upto 13 June 2024)	Non Executive Independent Director
Yeddala Kesava Reddy (w.e.f. 10 June 2024)	Additional Director and Wholetime Director, designated as 'Executive Director
Ruchit Bharat Patel (w.e.f 08 September 2023 upto 10 June 2024)	Non Executive Non Independent Director
D.G. Rajan (W.e.f 12 June 2023 upto 13 June 2024)	Non Executive Independent Director
Parashiva Murthy B S (w.e.f 12 June 2023)	Non Executive Non Independent Director
Hardik B. Patel (w.e.f 12 June 2023)	Whole Time Director & CFO
Punit A. Bajaj (w.e.f 01 July 2023)	Company Secretary
Anuj Jain	Resolution Professional
Kulandaipaian Thangaraju (w.e.f. 31 July 2024)	Non Executive Independent Director
Panchapakesan Swaminathan (w.e.f. 31 July 2024)	Non Executive Independent Director
Runel Saxena (w.e.f. 23 September 2024)	Non Executive Women Independent Director
Relative of Key Managerial Personnel (KMP)	**Nature of relationship**
Minal B Patel	Director's Relative
Shweta H. Patel	Director's Relative
C.L. Agarwal	Director's Relative

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to Consolidated financial statements for the period ended 31st March 2025
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Other Related Parties	Nature of relationship
Finquest Properties Private Limited	Common Control
PAT Financial Consultants Pvt Ltd	Common Control
Finquest Securities Private Limited	Common Control
Nirmal Realty Pvt Ltd	Common Control
Unideep Properties Pvt Ltd	Common Control
Sukhwant Properties Private Limited	Common Control
Fidelity Multitrade Pvt Ltd	Common Control
Pasha Finance Pvt Ltd	Common Control
Shree Digvijaya Woollen Mills Limited Employees Gratuity Fund	Post-employment benefit funds
Biltech Building Elements Limited (upto 12.6.23)	Common Control
Avantha Holdings Limited (upto 12.6.23)	Common Control
Avantha Realty Limited (upto 12.6.23)	Common Control
Varun Prakashan Private Limited (upto 12.6.23)	Common Control
BILT Industrial Packaging Company Limited (upto 12.6.23)	Common Control
Karam Chand Thapar & Bros. Ltd-PF Trust (upto 12.6.23)	Common Control
Arizona Printers & Packers Private Limited (upto 12.6.23)	Common Control
Avantha Power and Infrastructure Limited (upto 12.6.23)	Common Control
Global Green Company Limited (upto 12.6.23)	Common Control
UHL Power Company Limited (upto 12.6.23)	Common Control
Newquest Insurance Broking Services Limited (upto 12.6.23)	Common Control
Diggers Properties Private Limited	Common Control
Ajay Agarwal and others HUF	Common Control
Fidelity Multitrade Pvt. Ltd.	Common Control
Pat Financial Consultants Pvt Ltd.	Common Control
Estate of Bharat Patel	Common Control
JCT Limited (upto 12.6.23)	
Members of Monitoring Committee	
Mr. Anuj Jain	
IDBI Bank	

Transactions with Related Parties of Expense Nature

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Sitting Fees		
Sri D. G. Rajan	-	0.75
Sri P Swaminathan	-	0.70
Ms. Sudha Bhushan	-	0.85
Parashiva Murthy B S	2.90	3.00
Kalyani Sharma	1.20	1.50
Total	**4.10**	**6.80**

Travelling Expenses

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Sri Ajay Agarwal	-	0.05
Total	**-**	**2.18**

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Remuneration

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Sri Vinayak Hoskote Rao#		24.75
Sri Satish Shah#	-	-
Sri Punit A. Bajaj#	14.39	12.97
Hardik Patel	18.00	18.00
Sonali Chheda		0.69
Sri Ajay Agarwal	137.22	132.37
Total	**169.61**	**188.78**

Professional & Consultancy Fees

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Ajay Agarwal and others HUF	23.25	19.25
Ajay Agarwal	19.00	19.50
Diggers Properties Private Limited	18.39	8.50

Reid & Taylor International Pvt. Ltd.

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Reid & Taylor International Pvt. Ltd.	3.16	-

Debenture Premium Cost Accured on NCDs Issued

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Hardik Patel	709.82	284.70
Total	1,013.47	412.18

Interest on Non Convertible Debentures

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Minal B Patel	75.94	412.18

Purchases of Raw Material

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Reid & Taylor International Pvt. Ltd.	196.93	-

Sales of Goods

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Reid & Taylor International Pvt. Ltd.	23.72	-

Sales of Asset

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Reid & Taylor International Pvt. Ltd.	79.86	-

Notes

to Consolidated financial statements for the period ended 31st March 2025
(All amounts are INR, unless expressed otherwise)

Contribution to post employment benefit fund

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Shree Digvijaya Woollen Mills Limited Employees Gratuity Fund	406.36	225.00
Karam Chand Thapar & Bros. Ltd-PF Trust	-	53.65
Total	**406.36**	**278.65**

Lease Rent

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Finquest Securities Pvt Ltd	-	3.72
Hardik Patel	1.43	3.00
Minal Patel	6.00	22.09
Bilt Graphic Paper Products Limited	18.00	3.72
Total	**1.43**	**3.72**

Reimbursement Expenses

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Finquest Securities Pvt Ltd	6.76	7.58
Total	**6.76**	**7.58**

Sale of Investment

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Shweta H. Patel	-	19.47
Hardik Patel	-	3,185.23
Total	**-**	**3,204.70**

Transactions with Related Parties of Capital Nature
Loan From Directors (Unsecured)

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Hardik B. Patel	2,754.33	127.38
Minal Patel	6,440.57	6,420.57
Total	**9,194.90**	**6,547.96**

Loan From Other Related Parties (Unsecured)

(Amount in ₹ lakhs)

Particulars	For the year ended 31st, March 2025	For the year ended 31st, March 2024
Ruchit Patel	245.00	7,175.00
Minal B Patel	250.00	19,830.57
Finquest ARC Pvt. Ltd.	0.05	18.95
Bharat B. Patel		1,519.34
Fidelity Multitrade Pvt Ltd	-	1,685.00
Reid & Taylor International Pvt. Ltd.	3,668.36	
Total	**495.05**	**30,228.86**

Notes

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(All amounts are INR, unless expressed otherwise)

Non- Convertible Debenture - Issused

(Amount in ₹ lakhs)

Particulars	**For the year ended 31st, March 2025**	**For the year ended 31st, March 2024**
Minal B Patel	2,200.00	-
Hardik Patel	2,000.00	-

Non- Convertible Debenture - Repaid

(Amount in ₹ lakhs)

Particulars	**For the year ended 31st, March 2025**	**For the year ended 31st, March 2024**
Minal B Patel	2,000.00	-

Outstanding Payable Balances at the end of financial year
a) Contrbution

(Amount in ₹ lakhs)

Particulars	**For the year ended 31st, March 2025**	**For the year ended 31st, March 2024**
Shree Digvijaya Woollen Mills Limited Employees Gratuity Fund	0.45	371.89
Total	**0.45**	**371.89**

Outstanding Receivable Balances at the end of financial year

(Amount in ₹ lakhs)

Particulars	**For the year ended 31st, March 2025**	**For the year ended 31st, March 2024**
Bilt Graphic Paper Products Limited	-	20.40
Total	**-**	**81.33**

Amount Received as loan from Related Party

(Amount in ₹ lakhs)

Particulars	**Mar-22**	**Mar-21**
Fidelity Multitrade Pvt. Ltd.	2,96,616	1,685
Hardik Bharat Patel	14,821	24,654
Ruchit Bharat Patel	2,360	2,645
Bharat Patel	-	2,031
Minal Patel	22,903	27,279
Pat Financial Consultants Pvt Ltd	-	1,875
Ajay Agarwal	-	50
Reid & Taylor International Pvt. Ltd.	927	-
Total	**1,36,90,416**	**2,86,81,150**

Loans repaid to related parties

(Amount in ₹ lakhs)

Particulars	**Jan-00**	**Jan-00**
Fidelity Multitrade Pvt. Ltd.	-	-
Hardik Bharat Patel	14,697	16,883
Ruchi Bharat Patel	203	1,101
Fidelity Multitrade Pvt. Ltd.	-	1,685
Pat Financial Consultants Pvt Ltd	-	
Minal Patel	29,045	14,175
Ajay Agarwal		50
Reid & Taylor International Pvt. Ltd.	460	
Total	**44,405**	**39,053**

The remuneration exclude gratuity funded through LIC, and leave obligation for which contribution/provision are not separately identified. There was no other transaction with them during the aforesaid period.

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Terms and conditions of transactions with related parties

(i) All the transactions with related parties entered during the year were in the ordinary course of business.

(ii) All the balances due to and due from related parties are unsecured. All the balances due to and due from related parties are interest free other than interest bearing loans.

(iii) For the previous financial year ended 31 March 2024, the Subsidiary Company BILT has not recognized any provision for Expected credit loss of receivables relating to amounts due from related parties. This assessment was undertaken each financial year examining the financial position of the related party and the market in which the related party operates. The said assessment has not been carried out in current financial year as the receivables from related parties were written off.

50 Discontinued Operations

"Discontinuation of Operations at Jamnagar Plant and Classification of Non-Current Assets Held for Sale During the year ended March 31, 2025, the Board of Directors of the one of the Subsidiary i.e. Digjam, approved the discontinuation of operations at its sole manufacturing facility located at Jamnagar, effective the same date. This decision is part of the Subsidiary's strategic initiative to rationalise operations, enhance resource efficiency and optimise its asset base. In accordance with Indian Accounting Standard (Ind AS) 105 – Non-current Assets Held for Sale and Discontinued Operations, the results of the Jamnagar Plant have been presented as "Discontinued Operations" in the financial statement for the year ended March 31, 2025. Corresponding figures for prior periods have been reclassified to reflect this presentation. Following the cessation of operations, Digjam Ltd. has assessed the recoverable amount of Non-Current assets associated with the discontinued unit at Jamnagar. Based on valuation performed by an Independent Registered Valuer Digjam Ltd has classified a carrying amount of Rs. 5,714.12 lakhs under "Non-Current Assets Held for Sale," which, in the view of the management, reflects the fair value less costs to sell in accordance with Ind AS 105. These Assets will be recovered principally through a sale transaction rather than through continued use."

a) The results of Discontinued Division unit for the year are presented below :

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
INCOME		
Sale of Products	132.93	2,037.94
Other Income	771.05	121.68
Total	**903.98**	**2,159.62**
EXPENSES		
Cost of Materials Consumed	-	494.74
Purchase of Stock-in-Trade	66.56	139.13
Changes in Inventories (of Finished Goods, Work-in-Progress and Stock-in-Trade)	80.60	849.22
Employees Benefits Expense	1,451.68	1,399.79
Finance Costs	120.69	-
Depreciation and Amortisation Expense	55.30	66.82
Other Expenses	387.55	697.92
Total	**2,162.38**	**3,647.62**
Profit/(Loss) before Exceptional Items and Tax	**(1,258.40)**	**(1,488.00)**
Exceptional Items		(632.32)
Profit/(Loss) before Tax	**(1,258.40)**	**(855.68)**
Tax Expense		
Current Tax	-	-
Deferred Tax	-	-
Total	**-**	-
Profit/(Loss) After Tax	**(1,258.40)**	**(855.68)**
Other Comprehensive Income/(Loss) from Discontinued operations		
Items that will not be reclassified to profit or (loss)		
Remeasurement of the defined benefit plans	**15.75**	**(16.00)**
Income tax relating to items that will not be reclassified to profit or (loss)	-	-
Total Other Comprehensive Income/(Loss) for the period from Discontinued operations	**15.75**	**(16.00)**
Total Comprehensive (Loss) for the period	**(1,242.65)**	**(871.68)**

Notes

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b) The major class of assets of Discontinued Division are as follows.

Particulars	Year ended March 31, 2025
ASSETS	
Land	**5,318.53**
Building	**308.80**
Plant & Machinery	**66.50**
Furniture & Fixtures	**3.21**
Equipment & Fittings	**17.09**
Non-Current Asset held for Sale	**5,714.12**

c) The net cash flows of Textile Division are as follows.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net Cash flow from Operating activities	(2,384.47)	(462.01)
Net Cash flow from Investing activities	761.86	3,631.38
Net Cash flow from Financing activities	(5,165.48)	(2,604.32)
Net Cash generated from discontinued operation	(6,788.09)	565.06

51 Financial instruments-fair value and risk management

A. Valuation Model

1) Accounting classification and fair values

As at 31 March 2025 (Amount in ₹ lakhs)

	FVTPL	Amortised Cost	Others (at cost)	Total
Financial Assets				
Cash and cash equivalents	-	11,286.50	-	11,286.50
Bank Balance other than (a) above	-	4,351.88		4,351.88
Loans and advances	-	1,71,024.68	-	1,71,024.68
Investments	14,908.76	-	4,62,221.68	4,77,130.44
Trade receivables	-	44,956.93	-	44,956.93
Other Receivables	-	2.00	-	2.00
Other financial assets	-	30,695.35	-	30,695.35
Financial Liabilities				
Payables	-	2,219.70	-	2,219.70
Borrowings (other than debt securities)	-	1,43,268.39	-	1,43,268.39
Debt securities				-
- Non-Convertible Debentures		75,599.39		75,599.39
- Compulsorily Convertible Debentures		1,456.36		1,456.36
- Zero Coupon Bonds		12,500.00		12,500.00
Other financial liabilities		3,12,859.92		3,12,859.92

As at 31 March 2024 (Amount in ₹ lakhs)

	FVTPL	Amortised Cost	Others (at cost)	Total
Financial Assets				
Cash and cash equivalents	-	12,405.75	-	12,405.75
Bank Balance other than (a) above	-	7,111.85		7,111.85
Loans and advances	-	1,62,584.59	-	1,62,584.59

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(All amounts are INR, unless expressed otherwise)

As at 31 March 2024 (Amount in ₹ lakhs)

	FVTPL	Amortised Cost	Others (at cost)	Total
Investments	13,727.74	-	4,62,218.68	4,75,946.42
Trade receivables	-	-	52,214.68	52,214.68
Other Receivables	-	-	2.00	2.00
Other financial assets	-	-	33,179.10	33,179.10
Financial Liabilities				
Payables	-	5,008.61		5,008.61
Borrowings (other than debt securities)	-	1,84,902.29		1,84,902.29
Debt securities	-	-		-
- Non-Convertible Debentures	-	73,375.43	-	73,375.43
- Compulsorily Convertible Debentures		1,960.03		1,960.03
- Zero Coupon Bonds		12,500.00		12,500.00
Other financial liabilities	-	3,06,904.38		3,06,904.38

2) Fair value hierarchy

Financial instruments measured at amortised cost for which fair values are disclosed

The table below summarizes the carrying amounts and fair values of those financial assets and liabilities not presented at fair value compared to carrying amounts shown in the consoldiated financial statement.

As at 31 March 2025 (Amount in ₹ lakhs)

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Assets					
Cash and cash equivalents	11,286.50	-	-	11,286.50	11,286.50
Bank Balance other than (a) above	4,351.88	-	-	4,351.88	4,351.88
Loans and advances	1,71,024.68	-	-	1,71,024.68	1,71,024.68
Investments	14,908.76	-	4,62,221.68	4,77,130.44	4,77,130.44
Trade receivables	-	-	44,956.93	44,956.93	44,956.93
Other receivables	-	-	2.00	2.00	2.00
Other financial assets	-	-	30,695.35	30,695.35	30,695.35
Financial Liabilities					
Payables	-	-	2,219.70	2,219.70	2,219.70
Borrowings (other than debt securities)	-	-	1,43,268.39	1,43,268.39	1,43,268.39
Debt securities					
- Non-Convertible Debentures	-		75,599.39	75,599.39	75,599.39
- Compulsorily Convertible Debentures	-	-	1,456.36	-	-
- Zero Coupon Bonds	-	-	12,500.00	-	-
Lease Liabilities	-	-	-	-	-
Other financial liabilities	-	-	3,12,859.92	3,12,859.92	3,12,859.92

As at 31 March 2024 (Amount in ₹ lakhs)

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Assets					
Cash and cash equivalents	12,405.75	-	-	12,405.75	12,405.75
Bank Balance other than (a) above	7,111.85	-	-	7,111.85	7,111.85
Loans and advances	1,62,584.59	-	-	1,62,584.59	18,317.69
Investments	13,727.74	-	4,62,221.68	4,75,949.42	4,75,949.42

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As at 31 March 2024 (Amount in ₹ lakhs)

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Trade receivables	-	-	52,214.68	52,214.68	52,214.68
Other receivables	-		2.00	2.00	2.00
Other financial assets	-	-	33,179.10	33,179.10	1,484.66
Liabilities					
Payables	-	-	-	-	-
Borrowings (other than debt securities)	-	1,84,902.29	-	1,84,902.29	1,84,902.29
Debt securities	-	-	-	-	-
- Non-Convertible Debentures	-	-	73,375.43	73,375.43	73,375.43
- Compulsorily Convertible Debentures	-	-	1,960.03	1,960.03	1,960.03
- Zero Coupon Bonds	-	-	12,500.00	12,500.00	12,500.00
Other financial liabilities	-	-	3,06,904.38	3,06,904.38	3,06,904.38

Short-term financial assets and liabilities

Short-term financial assets and liabilities For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the fair value are a reasonable approximation of their carrying cost. Such instruments include: cash & bank balances, short term borrowings and trade receivables & trade payables without a specific maturity. Such amounts have been classified as Level 1 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans and advances

The fair values of loans and advances are estimated by discounted cash flow models. For fixed rate loans, the fair value represents the discounted value of the expected future cashflow. For floating rate interest loans, the discounted value of the expected cash flows represents the carrying amount of the loans.

Borrowing & Debt Securities

Non-convertible debentures have been valued based on amortized cost.

52 Financial Risk Management

"The Group has exposure to the following risks from financial instruments:

- Credit risk
- Liquidity risk
- Market risk (currency risk)"

This note presents information about the Group's objectives, policies and processes for measuring and managing risk.

"Risk management framework:

The Board has the overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Group's activities"

A. Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Credit risk management approach

The group performs necessary due diligence on dealers viz. financial analysis, background checks, CIBIL, grading etc to arrive at sanctioning of limit. The group follows the grading tool used by the group globally where certain qualitative and quantitative factors are considered to arrive at grading which helps in ascertaining the probability of default 'PD' of a particular client. This is used for decision making on limit sanction and precautions to be undertaken for a said client.

ii) Expected credit loss

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The group measures ECL based out of a probability based outcome using a multiple scenario approach such as Best Case, Base Case & Worst Case and assigning weightages to each of the scenario.

Definition of Default

The group's definition of default is aligned with regulatory guidelines issued by RBI and internal credit risk management practices.

The group considers a financial asset to be in default when:

-the borrower is unlikely to pay its credit obligations to the group in full, without recourse to actions such as realising security (if any is held); or

-the financial asset is 90 days or more past due

-identified by the management as such

The group's internal rating and PD estimation process

Probability of default (PD) is a key risk parameter in the ECL calculations. It is defined as the likelihood that a counterparty will not be able to meet its debt obligations in the future. A 12 months marginal PD is applied for all Stage 1 assets and a lifetime PD is applied for all Stage 2 and Stage 3 assets.

The group uses historical data to arrive at PDs which is based on rating Internal Rating Transition matrix and Roll Rate Estimation basis for its loans portfolios.

For arriving at PDs the group also takes into account relevant macro-economic factors both current and forecasted and use statistical model to arrive at the forecasted PDs.

The group combines exposures that exhibit similar behaviour into pools based on identified risk drivers so that counterparties are behaviourally homogenous within pools and heterogeneous across pools. To do so, the group relies on industry practices and expert judgement.

Exposure at Default

Exposure at default (EAD) is estimation of the extent that the group is exposed to borrower in the event of default. EAD is arrived at take into account any expected changes in the exposure after the assessment date.

EAD in the case of facilities with no limits will be the outstanding exposure which will be calculated as principal + Due interest + Interest accrued but not due (as on reporting date). To calculate the EAD for a Stage 1 loan, the group assesses the possible default events within 12 months for the calculation of the 12mECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

The group determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. The Ind AS 109 PDs are then assigned to each economic scenario based on the outcome of group's models.

Loss Given Default (LGD)

Loss given default (LGD) is defined as the forecasted economic loss in case of default. LGD computation is based on the group's losses on defaulted accounts after consideration of recovery percentages. LGD computation is independent of the assessment of credit quality and thus applied uniformly across all stages.

The group computes LGD taking into account the value of collaterals and experience of past recovery from the defaulted cases. The recoveries are adjusted with time period delay and direct cost involved. Under Ind AS 109, LGD rates are estimated for the Stage 1, Stage 2 and Stage 3 segment of each asset class. These are repeated for each economic scenario as appropriate.

When assessing forward-looking information, the expectation is based on multiple scenarios. Examples of key inputs involve changes in, collateral values including property prices for mortgages, payment status or other factors that are indicative of losses.

Significant increase in Credit Risk (SICR)

The group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. At each reporting date, the group assesses whether the credit risk on a financial instrument has increased significantly since its initial recognition. To make the assessment, group considers available quantitative and qualitative information and also considers the group's historical experience and expert credit assessment.

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Besides, the group also recognized SICR based on factors such as internal rating of borrowers, ssector or segment collectively assessed to have SICR, high risk events/attributes of client (bankruptcy etc.)

Write off

Financial assets are written off when there is no realistic prospect of recovery. This is generally the case when the group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with group's procedures for recovery of amounts due.

52 Financial Risk Management

Financial instruments – Financial risk management (continued)

B. Liquidity risk

"Liquidity risk is the risk that the group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing of amounts of cash flows, which is inherent to the nature of group's operations. Liquidity risk could lead to situations where the group needs to raise funds and/or assets need to be liquidated under unfavorable market conditions. Measuring and managing liquidity needs are vital for effective operation of the group by assuring the ability to meet its liabilities as they become due.

The liquidity risk can be either:

(i) institution specific or

(ii) market specific.

i. Liquidity risk management

"Liquidity has to be tracked through maturity or cash flow mismatches. For measuring and managing net funding requirements, the use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates is adopted as a standard tool commonly referred to as Structural Liquidity. The Maturity Profile, are used for measuring the future cash flows of the group in different time buckets. The time buckets distributed considered are as per RBI guidelines and monitored by Asset Liability management Committee (ALCO) .

- The Statement of Structural Liquidity is prepared by placing all cash inflows and outflows in the maturity ladder according to the expected timing of cash flows. A maturing liability will be a cash outflow while a maturing asset will be a cash inflow.
- The group strives to manage the negative gap (i.e. where outflows exceed inflows) in the particular time-bucket and cumulative gap up to selected maturity period should not exceed the prudential limits approved by the Board . The prudential limits for individual time buckets are based on a percentage of outflows of each time-bucket and the limit for the cumulative gaps are based on the percentage of cumulative gap to cumulative cash outflows up to the period.
- To manage the liquidity risk the group also has lines of credit from various banks including backstop facilities in the form of committed lines measured in the form of ""no of day these back stop lines will fund the unforeseen liquidity event" of potential and unexpected business disruption due to unforeseen liquidity distress and cover debt capital market exposure. This is monitored as "Days until alternative funding" by the group.
- In order to enable the group to monitor its short-term liquidity on a dynamic basis over a time horizon spanning from 1 day to 6 months, short-term liquidity profiles is estimated on the basis of business projections and other commitments for planning purposes which is effectively used as a predictive tool for its future ALM requirements."

ii. Maturity Analysis of financial liabilities

Please refer note no. 47 for maturity analysis.

C. Market risk (Currency 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 price. Markets risk comprises three types of risk: currency risk, interest rate risk and other risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes loans and borrowings, deposits, FVTOCI investments and derivative financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Market risk - Foreign Exchange

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group operates internationally and a portion of its business is transacted in several currencies and therefore the group is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies.

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(i) Market risk - Foreign Exchange

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group operates internationally and a portion of its business is transacted in several currencies and therefore the group is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies.

The carrying amount of the group's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows :

As at 31 March 2025 (Amount in ₹ lakhs)

Currencies	Liabilities		Assets	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
US Dollar (USD)	-	2.93	-	4.52
EURO	-	0.41	-	2.83
British Pound (GBP)	-	-	-	0.17
CHF	-	-	-	-

Foreign Currency Exposure :

Foreign currency exposure as at March 31, 2024	USD	EURO	GBP	JPY	CHF
Trade Receivables	3.51	2.40	0.17	-	-
Trade Receivables (Advance)	-	-	-	-	-
Loans & Other Receivables	-	-	-	-	-
Trade Payables	2.93	0.41	-	-	-
Trade Payables (Advance)	1.01	0.43	-	-	-

Particulars of un-hedged foreign currency asset/liability as at Balance Sheet date

(Amount in ₹ lakhs)

Currency	Nature	As at March 31, 2025		As at March 31, 2024	
		Amount in foreign Currency	Amount in Rupees	Amount in foreign Currency	Amount in Rupees
USD	Asset	-	-	4.52	367.44
GBP	Asset	-	-	0.17	17.57
EURO	Asset	-	-	2.83	249.17
CHF	Asset	-	-	0.00	0.00
USD	Liability	-	-	2.93	238.20
GBP	Liability	-	-	0.00	0.00
EURO	Liability	-	-	0.41	36.53

During the current financial year, the Parent Company lost control over its subsidiary, which was previously exposed to foreign currency risk. Accordingly, there is no foreign currency risk in the current year.

Currency Risk is not material, as the group's primary business activities are within India and does not have significant exposure in foreign currency except to the extend as stated above with respect to foreign currency exposure.

(ii) Market risk - Interest Rate

Interest rate risk is the risk that fair value or future value cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's fund requirements is funded by Loans from other party. The management is responsible for the monitoring of the group's interest rate position. Various variables are considered by the management in structuring the group's borrowings to achieve a reasonable, competitive, cost of funding.

52 Financial Risk Management (continued)

D. Interest rate risk

"Interest rate risk is defined as the adverse impact of the interest rates movements on the financial condition of the company. The immediate impact of changes in interest rates is on the company earnings by changing its Net Interest Income (NII). A long-term impact of changing

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interest rates is on company's Market Value of Equity (MVE) or Net Worth as the economic value of the assets, liabilities and off-balance sheet positions get affected due to variation in market interest rates. The interest rate risk when viewed from these two perspectives is known as 'earnings perspective' and 'economic value perspective', respectively.

Sources of Risk

a. Repricing risk: The Company encounters interest rate risk in several ways, the primary form of interest rate risk arises from timing differences in the maturity (for fixed rate) and repricing (for floating rate) of the company's assets, liabilities positions.

b. Yield curve risk: Repricing mismatches can also expose the company to changes in the slope and shape of the yield curve. Yield curve risk arises when unanticipated shifts of the yield curve have adverse effects on the company's income or underlying economic value.

c. Basis risk: Basis risk arises from imperfect correlation in the adjustment of the rates earned and paid on different instruments with otherwise similar repricing characteristics.

i. Interest rate risk management

The GAP Analysis approach is be followed to measure the interest rate risk:

The GAP or mismatch risk is measured by calculating gaps over different time intervals as at a given date. Gap analysis measures mismatches between rate sensitive liabilities and rate sensitive assets. An asset or liability is normally classified as rate sensitive if:

- within the time interval under consideration, there is a cash flow;
- the interest rate resets/reprices contractually during the interval;
- it is contractually pre-payable or withdrawable before the stated maturities;
- It is dependent on the changes in the Bank Rate by RBI or market products."

The Gap report is be generated by grouping rate sensitive liabilities, assets and off-balance sheet positions into time buckets according to residual maturity or next re-pricing period, whichever is earlier. All investments, advances, deposits, borrowings, purchased funds, etc. that mature/re-price within a specified time-frame are interest rate sensitive. Similarly, any principal repayment of loan is also rate sensitive if the company expects to receive it within the time horizon. This includes final principal repayment and interim instalments. Certain assets and liabilities carry floating rates of interest that vary with a reference rate and hence, these items get re-priced at pre-determined intervals. Such assets and liabilities are rate sensitive at the time of re-pricing.

"The Company measures its interest rate exposure to reduce the risk of loss due to interest rate exposure through the following:

1. Set and monitor the threshold levels of KRI on monthly basis
2. Monitor Interest rate sensitivity as prescribed by RBI under IRS return
3. Analyze earnings at risk caused by an upward shift in the yield curve (100 bps parallel shift)
4. Computes and monitors Square hedge rate

Management draws comfort from the fact that most of the assets and liabilities of the company create natural interest rate hedge for the company to an extent.

ii. Exposure to interest rate risk

The exposure of the Company to interest rate risk as at 31 March 2025, 31 March 2024 are as below:

(Amount in ₹ lakhs)

Particulars	31 March 2025	31 March 2024
Interest bearing assets		
Loans (A)	44,956.93	52,214.68
Interest bearing liabilities		
Borrowings (B)	1,43,268.39	1,84,902.29
Variable rate borrowings		
Fixed rate borrowings	1,43,268.39	1,84,902.29
Net exposure (A-B)	**(98,311.47)**	**(1,32,687.61)**

Since the Parent provides loan to Customer at fixed interest rate also all the borrowing of Parent and other entity within the Group are at fixed rate hence there is no interest rate risk to the Group on loan exposure & borrowings.

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53 Disclosure under the MSME Act 2006

Based on the intimation received by the respective Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(Amount in ₹ lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
The principal amount remaining unpaid to supplier as at the end of the year	15.45	219.76
The interest due thereon remaining unpaid to supplier as at the end of the year	2.89	3.99
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	2.89	3.99
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

54 Events after reporting date

There have been no events after the reporting date.

55 Items of income and expenditure of exceptional nature

(Amount in ₹ lakhs)

Sr No.	Particulars	For the year ended	
		31-Mar-25	31-Mar-24
1	Write off of Deferred Tax assets	-	(11,924.00)
2	Impairment of Land (Classified under PPE)*	(1,244.73)	-
3	Impairment of Land (Classified under non-current asset held for sale)#	-	(6,600.00)
4	Other assets/liabilities write off	-	(1,449.00)
5	Sale of Webiste Domain	836.00	-
6	Profit on disposal of Non-current Assets Held for Sales		632.32
7	Loss on deconsolidation of subsidiary	(5,802.71)	-
8	Profit on sale of Stake in Subsidiary	2,509.08	-
Total		**(3,702.36)**	**(19,340.68)**

* One of the subsidiary company BILT has revalued its land located at Jagadhari District Yamunanagar Haryana and based on the revised assessment as per the current market conditions, the impairment has been carried out.

During the previous year ended 31st March, 2024, the Company carried out an impairment assessment of its land classified under non-current asset held for sale where indicators of impairment were identified. Based on the assessment, the Company had recognised an impairment loss of ₹ 6,600/- which is recorded under exceptional item in the statement of Profit & Loss.

56 Segment Reporting

a) "The Parent Company and its subsidiaries (together known as 'the Group'), and along with its associate companies s (together known as 'the Group') is primarily engaged in the business of providing financing through loans to retail and corporate borrowers in India, manufacturing of paper and textiles, retail sale of garments, and hospitality services. The group's operating segments consist of "Financing Activity", "Investment Activity", "Sale of Goods" and "Others". All other activities of the group revolve around the main businesses. This in the context of Ind AS 108 – operating segments reporting are considered to constitute reportable segment. The Chief Operating Decision Maker (CODM) of the group is the Board of Directors. Operating segment disclosures are consistent with the information reviewed by the CODM."

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Consolidated Segmentwise Revenue, Results, Assets And Liabilities for the Year Ended 31st March 2025

(Amount in ₹ lakhs)

Sr. No.	Particulars	Year Ended	
		31st March 2025	31st March 2024
		(Audited)	(Audited)
I.	**Segment Revenue (Sales / Revenue from Operations)**		
(a)	Lending	2,675.01	13,161.67
(b)	Investing	3,008.04	11,813.91
(c)	Sale of Goods	48,595.11	44,385.23
	Total Segment Revenue	**54,278.16**	**69,360.81**
II.	**Segment Results [Profit / (loss) before Interest and tax for the period / year from each Segment]**		
(a)	Lending	3,412.79	13,855.21
(b)	Investing	3,008.04	11,813.91
(c)	Sale of Goods	17,212.36	16,156.43
	Total	**23,633.19**	**41,825.55**
(c)	Less: Finance Costs	(5,796.90)	(8,470.19)
(d)	Add: Unallocable Income	1,805.53	1,316.43
(e)	Less: Other Un-allocable expenses)	(20,788.72)	(33,366.44)
(f)	Add: Gain/(Loss) on De-recognition of Subsidiary	-	-
(g)	Add: Share in Profit & loss of Associate and JV	-	19.45
(h)	Add: Exceptional Item	(3,702.36)	(19,340.68)
	Profit / (loss) before tax for the period / year	**(4,849.25)**	**(18,015.89)**
III.	**Segment Assets**		
(a)	Lending	1,71,024.68	1,62,584.59
(b)	Investing	4,77,546.69	4,76,398.03
(c)	Sale of Goods	47,451.66	69,852.88
(d)	Unallocated	1,89,234.85	2,29,529.43
	Total Assets	**8,85,257.88**	**9,38,364.92**
IV.	**Segment Liabilities**		
(a)	Lending	(409.02)	(217.71)
(b)	Investing	(2.35)	-
(c)	Sale of Goods	(1,979.43)	(4,786.55)
(d)	Unallocated	6,89,622.81	7,37,455.51
	Total Liabilities	**6,87,232.01**	**7,32,451.26**

The Operating Segments have been identified on the basis of the business activities and these segments are reviewed by the Chief Operating Decision Maker to make decisions about the resources to be allocated and assess performance and for which discrete financial information is available.

b) Information about geographical areas

(Amount in ₹ lakhs)

Particulars	Year Ended	
	31st March 2025	31st March 2024
Segment Revenue*		
In India	54,278.16	55,663.81
Rest of the world	-	13,697.00
Total	**54,278.16**	**69,360.81**

* Based on location of Customers

c) Information about major customers

No single external customer contributes 10% or more to the revenues of the Group for the financial years ended March 31, 2025 and March 31, 2024.

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57 Breach of covenant

The Parent Compnay does not have sufficient details to comment on whether all the entities present in the Group has neither defaulted or breached any of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2025 and March 31, 2024.

58 Divergence in Asset Classification and Provisioning

a) Additional provisioning requirements in excess of 5 percent

No such requirement present as at 31st March 2025 and 31st March 2024

b) Aditional Gross NPAs in excess of 5%

No such requirement present as at 31st March 2025 and 31st March 2024

59 Whistle-blower Complaints

There were no whistle blower complaints received by the Group during the financial year ended March 31, 2025 and March 31, 2024.

60 The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

61 The Parent does not have sufficient detail to determine whether, the borrowings taken by the Group have been utilized only for the purpose for which it was obtained

62 Except for the matter stated in note no. 3.1, there were no amounts which were required to be transferred to the Investor Education and Protection Fund

63 The Parent, Digjam Ltd., Amartaru Hospitality Pvt. Ltd., Legguino India Pvt Ltd and BILT incorporated in India have used accounting softwares for maintaining their respective books of account for the year ended 31 March 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except for the instances mentioned below. Additionally, the audit trail of prior year has been preserved by the Parent and above referred subsidiaries, associates and joint ventures entities as per the statutory requirements for record retention.

The Parent's one of the Subsidiary, Digjam Ltd., has migrated to a new accounting software (SAB Infotech) with effect from October 01, 2024, to maintain its books of accounts, following the transition from an earlier system during the first six months of the year. The said accounting software has a feature of recording audit trail (edit log), which was fully enabled from October 01, 2024, and operated after that for all relevant transactions recorded in the software. The audit trail functionality is available for the changes made through application interface; however, it does not have the feature to capture direct data changes if any made at the date base level. Except for the previous periods and the period for the first six months from April 1,2024 where the audit trail feature was not enabled for the accounting software and its databases, the Company has preserved the audit trail in accordance with statutory record retention requirements.

64 The National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE) Ltd have imposed fines on one of the subsidiary BILT for delays in compliance pertaining to various regulations under the Listing Regulations. According to the Listing Regulations, a penalty of ₹5,000 per day per stock exchange is imposed for the non-adoption of financial results. The BILT has filed an Interlocutory Application (IA) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench seeking an extension/ exemption for statutory filings which includes the quarterly and yearly financial statements for the period ended 31st March, 2025. The aforesaid IA is currently pending with the NCLT for which the BILT is hopeful of obtaining relief. Given that the non-compliance is ongoing and the matter is sub judice, the BILT has not made any provision in the books of accounts towards the said penalties, as the amount is currently not ascertainable.

65 NCLT

One of the Subsidiary Company BILT was admitted to corporate insolvency resolution by an order dated January 17, 2020 passed by the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") vide order dated 17th January, 2020 under the Insolvency and Bankruptcy Code, 2016 ("IBC"). The Parent has acquired BILT on an "as-is where-is" basis, pursuant to a resolution plan approved by the Hon'ble NCLT vide order dated 31st March 2023. The closing date in terms of the Resolution Plan occurred on 12th June 2023 ("Closing Date") and a new board of Directors have been appointed vide resolution dated 12th June 2023 as part of implementation of Resolution Plan.

In order to meet statutory compliance requirements, the current directors of the subsidiary company are required to approve the accounts of the company for the year ended 31st March 2024. The said accounts pertain to the monitoring committee period as per the resolution plan who has exercised the powers of board of directors till the date of its dissolution i.e.; 25th October 2023. The monitoring committee comprised of the erstwhile Resolution Professional, one representative from the secured financial creditors and one representative from Parent Company. The current directors and key managerial personnel of the subsidiary did not have full control during the period covered by the said accounts either in the management of the subsidiary or perusing or scrutinizing the accounts. However, the financial accounts of the Subsidiary for the said period are required to be signed and filed in order to fulfil various compliances and hence the director are signing the said financial statements in good faith for the period where their role was limited and with the sole objective of fulfilling statutory

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compliances without incurring any responsibility or liability for the same or any part thereof, as per Clause 4.9.2, 4.17.4 & such other terms of the approved Resolution Plan.

The current directors and key managerial personnel have, in this regard, relied solely and exclusively on the books, papers, records and other information, documents, clarifications, representations, communications, notices &/or certifications (collectively, "Books & Records") handed over and furnished to them by RP acting for and on behalf of the Monitoring Committee and/or the respective subsidiaries/ associates. The current directors and key managerial personnel have approved and/or signed the financial statement on the assumption that the Books and Records provided to them:

i. are genuine, correct and accurate;

ii. are complete;

iii. have been prepared and maintained in accordance with the applicable accounting standards, policies and conventions; and

iv. are not in any way fraudulent or misleading.

With respect to the consolidated financial statements for the subsidiary for the year ended 31st March 2024, the same is being signed by Mr. Hardik B Patel (Whole Time Director & Chairman), Mr. BSP Murthy (Non-Executive Director) and Mr. Punit A. Bajaj, Company Secretary of the Parent company (collectively Signatories), solely for the purpose of ensuring compliance by the company with applicable laws & subject to following disclaimers:

i. The Signatories are signing the financial statements in good faith without admitting any liability and accordingly, no suit, prosecution or other legal proceeding shall lie against him/ them for any action before the Closing Date;

ii. No statement, fact, information (whether current or historical) or opinion contained herein pertaining to the period prior to the Closing Date should be construed as a representation or warranty, express or implied, of the Signatories and the Signatories have assumed the same to be correct while signing the financial statements in good faith in order to cure/regularize the non-compliance of the Company with respect to its filing requirements under the Companies Act, 2013 which is required for implementation of the Resolution Plan;

iii. The Signatories, while signing the financial statements for the quarter and year ended 31st March 2024 (The said accounts pertain to the monitoring committee period upto 25th October 2023 as per the resolution plan) which pertains to the tenure prior to their date of appointment in the Company, have assumed that such information and data relating to period prior to the Closing Date are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the annual return and that they give true and fair view of the position of the Company as of the dates and period indicated therein. Accordingly, the Signatories are not making any representations regarding accuracy, veracity or completeness of the data or information in the said financial statements relating to the period prior to the Closing Date.

The Signatories further disclaim all responsibility relating to period prior to Closing Date as to matters regarding;

1 recording, disclosing & dissemination of matters set out in, & record keeping & preservation of, the books & records;

2 matters that requires specific disclosure in the subject accounts, including (without limitation) identification of related parties & related party transactions; and

3 matters concerning maintenance of internal controls, systems & processes; the Signatories relied upon the accounts & financial statements of all the subsidiaries & related parties being duly & properly prepared, verified & approved in accordance with the applicable laws including the relevant accounting standard, for the purpose of consolidation of such financial statements & preparation of the Subject Accounts.

66 Group Information

The above consolidated financial financial statement of the Group include financial statements of the Company and its Subsidiaries (together called "Group") and its Associates:

a. Parent:

"Finquest Financial Solutions Pvt. Ltd. ('the Parent') incorporated under the provisions of Companies Act, 1956. Its debt securities are listed on BSE Limited. The Company's main business is financing by way of loans for retail and corporate borrowers in India. The company is classified under Base Layer NBFC (erstwhile known as Non-Deposit taking Systematically-Important Non-Banking Financial Company ('NBFC')) holding a Certificate of Registration from the Reserve Bank of India ("RBI") under Reserve Bank of India Act, 1934. The registration details are as follows:"

b. Subsidiaries:

(i). Ballarpur Industries Limited (BILT)

Ballarpur lndustries Limited ("BlLT') is a public Limited Company incorporated and domiciled in lndia with its registered office

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in Mumbai, Maharashtra, India. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and is engaged in the business of manufacturing and selling of writing and printing paper, The manufacturing operations of the Company are spread over two units namely Shreegopal (Haryana) and Kamalapuram (Telangana). The functional and presentation currency of the Company is Indian rupee (INR) which is the currency of the primary economic environment in which the company operates.

(ii). Digjam Ltd.

DIGJAM Limited was incorporated as a Company limited by shares on June 17, 2015 under the Companies Act, 2013 as a wholly owned subsidiary of erstwhile Digjam Limited. A Scheme of Amalgamation ("the Scheme") u/s 391 to 394 of the Companies Act, 1956 and the corresponding provisions of the Companies Act, 2013 as applicable, between erstwhile Digjam Limited (the "Amalgamating Company") with the Company (the "Amalgamated Company") was sanctioned by the Hon'ble High Court of Gujarat vide Order dated February 17, 2016. The said Scheme became effective on March 17, 2016 upon fiiling of the certifiied copy of the Order with the Registrar of Companies, Gujarat and pursuant thereto, the entire business and undertaking of the Amalgamating Company stands transferred to and vested in the Company as going concern without any further act, instrument, deed as and from the Appointed Date under the Scheme i.e. close of business on June 30, 2015. The name of the Company was changed to 'Digjam Limited' w.e.f March 23, 2016 in terms of the Scheme of Amalgamation. The Company is engaged in the business of trading in all kinds of textiles and manufacturing of high quality woolen/worst

(iii). Reid & Taylor International Pvt Ltd (Formerly known as 'Krihaan Texchem Pvt Ltd') (upto 27th March 2025)

Reid and Taylor International Private Limited is a private limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is primarily engaged in the business of Textile manufacturing, job work services and trading activities

(iv). Amartaru Hospitality Pvt. Ltd. (Formerly known as 'Leggiuno India Pvt. Ltd.')

Amartaru Hospitality Pvt. Ltd. is a private limited company incorporated on 26-07-2022. The Company is primarily engaged in the business segment of "Textiles". The Company is a private limited Company incorporated and domiciled in India and has its registered office at Mumbai, India.

(v). Genesis Resorts Pvt. Ltd.

Genesis Resorts Pvt. Ltd. is a private limited company incorporated on 10-09-2012. The Company is into the operation of a four star hotel in Vile Parle, near Mumbai International Airport in the state of Maharashtra.The Company is a private limited Company incorporated and domiciled in India and has its registered office at Mumbai, India.

c. Step-down Subsidiaries:

(i). Avantha Agritech Limited

This is a company incorporated under Indian laws which is a subsidiary of BILT and currently has no operations as per information available with BILT. Despite repeated requests for the financial statements, no financial statements have been provided by this company since FY 2020-21and hence the above consolidated financial statements are prepared without considering financials of this subsidiary and since there are no operations in this company the opening balances of balance sheet was carried forwarded in year ended 31st March 2024 and 31st March 2025.

(ii). Ballarpur International Holdings B.V.

BIHBV is a company incorporated under the laws of Netherlands and is a subsidiary of BILT. Despite repeated requests for audited financial statements for the year ended 31st March 2024, only the unsigned unaudited figures have been made available for this company for the year ended 31st March 2024 and hence the consolidation for the year ended 31st March 2024 has been done basis such unsigned and unaudited figures. And the same as been carried forward to 31st March 2025.

(iii). Ballarpur Specialty Paper Holdings B.V.

This is a company incorporated under the laws of Netherlands which is a subsidiary of BILT. Despite several requests for audited financial statements for the year ended 31st March 2024 they have provided only unsigned unaudited financial statements basis which the accounts have been consolidated. And the same figures has been carries forwards to 31st March 2025.

(iv). Mirabelle Trading Pte. Ltd

This is a company incorporated under the laws of Singapore which is a subsidiary of BIHBV. An application has been filed by ICICI Bank against this company for recovery of debt. Currently, as per information available with BILT there are no other operations in this company other than debt recovery. Despite repeated requests for audited financial statements, no financial statements have been provided by this company since FY 2020-21 and hence above financial statements results have been consolidated without considering results of the subsidiary. Since there are no operations in this company the opening balance of balance sheet was carried forward for the year ended 31st March 2024 and 31st March 2025.

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(v). BILT General Trading FZE

This company is incorporated under the laws of UAE and is a subsidiary of BSPH. Despite repeated requests financial statements have not been provided since FY 2019-20. As per information available with BILT, the company has no operations and the new management of BILT has no intention of reviving the operations. The financial statements have not been provided for the year ended 31st March 2024 and 31st March 2025 and hence above financial statements results have been consolidated without considering results of this subsidiary. Since there are no operations only the opening balance of balance sheet is being carried forward for the year ended 31st March 2024 and 31st March 2025.

(vi). BILT Paper B.V

For BPBV, despite repeated requests for audited financial statements, only unsigned unaudited financial statements have been provided for the year ended 31st March 2024 basis which the accounts have been consolidated. And the same has been carried forward to 31st March 2025.

(vii). RNT Garments Pvt Ltd (upto 27th March 2025)

RNT Garments Private Limited is a private limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is primarily engaged in the business of Textile manufacturing.

d. Associate of Step-down subsidiary

(i). Ballarpur Paper Holdings B.V.

BPHBV is a step-down subsidiary of BILT and a wholly owned subsidiary of BPBV, based in the Netherlands. 70% of the shares of BPHBV have been pledged to EC Holdings Pte. Ltd. and EISAF II Pte. Ltd. by BPBV and the voting rights attached to the pledged shares has been transferred to the EC Holdings Pte. Ltd. and EISAF II Pte. Ltd. in February 2021, by virtue of which EC Holdings Pte. Ltd. and EISAF II Pte. Ltd. has voting rights in BPHBV to the extent of 70%. There is no shareholders agreement, or any similar document made available to BILT in respect of the shareholding of BPHBV which would govern the interse rights between shareholders and management of BPHBV. In view thereof since February 2021, BPHBV is treated as an associate company.

BPHBV is a company incorporated under the laws of Netherlands. Despite repeated requests for audited financial statements, only the unsigned and unaudited financial statements have been provided for the year ended 31st March 2024 basis which accounts have been consolidated.

e. Subsidiaries of Associates

(i). BILT Graphic Paper Product Limited

(ii). Sabah Forest Industries Sdn. Bhd.

SFI is a step-down subsidiary of BILT and a subsidiary of BPHBV where BPHBV holds 98.08% stake and 1.92% is held by Sabah Government which is a State in Malaysia. SFI has been in liquidation since the year 2019 and no records of the same are available with BILT. BILT has been unable to establish contact with the liquidator. Since SFI is under liquidation, BILT has no intent of reviving the operations. No financial statements have been provided since FY 2021-22 and hence financial statements/quarterly results have been consolidated without considering results of this subsidiary. Since there are no operations and company is under liquidation opening balance has been carried forward for the year ended 31st March 2024.

67 Corporate Insolvency Resolution Process ("CIRP") initiated against the Subsidiary Company BILT

a) The National Company Law Tribunal ("NCLT"), Mumbai bench, vide its order dated 17th January 2020 ("Insolvency Commencement Order") had initiated Corporate Insolvency Resolution Process ("CIRP") against the Parent. Hon'ble NCLT vide its order dated 27th May 2020 had appointed Mr. Anuj Jain (IBBI/IPA-001/IP-P00142/2017-2018 /10306) as resolution professional of the Parent. The powers of the board vested with RP during the Resolution Process. During the Corporate Insolvency Resolution (CIR) Process (i.e. between 27th May 2020 and 31st March 2023) the RP was entrusted with the management of the affairs of the Parent. The resolution plan was approved in accordance with Section 31 of the Insolvency and Bankruptcy Code, on 31st March 2023 with Finquest Financial Solutions Private Limited being the successful Resolution Applicant and all necessary statutory and regulatory approvals have been obtained. The Monitoring Committee, at their Closing Meeting held on 23rd November 2023, inter alia, reconstituted the Board of Directors of the Parent ("Reconstituted Board") and upon conclusion of this Meeting, the Monitoring Committee stood dissolved.

The reconstituted Board of Directors of the Parent is submitting this Financial Statement in compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations").

The Reconstituted Board is not to be considered responsible to discharge fiduciary duties with respect to the oversight on financial and operational health of the Parent and performance of the management for the period prior to its reconstitution date i.e. 23rd November 2023.

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68 Going Concern

a) Going Concern at Ballarpur Industries Limited

Post takeover, the Parent has raised funds by way of issuance of Non-Convertible Debentures (NCDs). Further the Company envisages sale of old inventory & assets held for sale in order to generate appropriate cash flows. Pursuant to write back of the old liabilities in financial year 2022-23, financial position has been restored to solvency through the implementation of the resolution plan which the company is confident to adhere to. Based on the aforesaid plans, the Management believes that the Company will generate sufficient cash flows to meet its obligations and, accordingly, the financial statements do not include any adjustments that might result from the outcome of this uncertainty. Thus, the accompanying financial statements have been prepared assuming that the Company will continue as a going concern.

b) Going Concern at Digjam Limited

For the year ended March 31, 2025, the Digjam Ltd incurred a total comprehensive loss of Rs. 1,044.08 lakhs. As of that date, the Digjam's Ltd current liabilities exceeded its current assets by Rs. 502.64 lakhs. However, the Digjam Ltd continues to maintain a positive net worth. Despite the working capital deficit and the discontinuation of its primary manufacturing operations, the financial statements have been prepared on a going concern basis, reflecting the subsidiary management's confidence in the Digjam's Ltd ability to implement operational and financial strategies, including realisation of assets held for sale and restructuring of cost base.

c) Going Concern at Ballarpur International Holdings B.V. (BIH)

During the year ended 31st March 2024 the Company has total comprehensive loss of Rs. 10,653 lakhs (As at 31st March 2023 total comprehensive loss of Rs. 11,688 lakhs). As at 31st March 2024 the accumulated losses (including other comprehensive loss) of Rs. 1,35,544 lakhs (As at 31st March 2023 Rs. 1,24,892 lakhs) which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 1,82,870 lakhs (As at 31st March, 2023 Rs. 1,70,525 lakhs). The management of the subsidiary believes that negative working capital would not cause economic difficulties. In view of the management's expectation the financial statements have been prepared on a going concern basis.

d) Going Concern at Ballarpur Specialty Paper Holdings B.V. (BSPH)

During the year ended 31st March 2024 the Company has total comprehensive loss of Rs. 68 lakhs (As at 31st March 2023 total comprehensive loss of Rs. 66 lakhs). As at 31st March 2024, the company has accumulated losses (including other comprehensive loss) of Rs. 445 lakhs (As at 31st March 2023 Rs. 377 lakhs) which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 432 lakhs (As at 31st March 2023 Rs. 364 lakhs). As the management of subsidiary believes that negative working capital would not cause economic difficulties. In view of the management's expectation the financial statements have been prepared on a going concern basis.

e) Going Concern at Bilt Paper B.V (BPBV)

During the year ended 31st March 2024 the Company has total comprehensive profit of Rs. 1,661 lakhs (As at 31st March 2023 total comprehensive profit of Rs. 12,423 lakhs). As at 31st March 2024, the accumulated losses (including other comprehensive loss) of the Company were Rs. 1,37,115 lakhs (Previous year Rs. 1,05,645 lakhs) which have fully eroded the networth of the company and the Company's current liabilities exceeded it's current assets by Rs. 2,01,193 lakhs (Previous year Rs. 1,65,429 lakhs). As the management of subsidiary believes that negative working capital would not cause economic difficulties. In view of the management's expectation the financial statements have been prepared on a going concern basis.

f) Digjam Limited

"One of the Subsidiary Company Digjam Ltd. has incurred a net loss of Rs. 284 lakhs and Rs. 1,223 lakhs during the quarter and year ended March 31, 2024 respectively and, as of that date, the Company's current liabilities exceeded its total current assets by Rs. 649 lakhs. At present, no production is being carried out at the sole Manufacturing facility of the Company located at Jamnagar. The Company's ability to continue as a going concern is dependent on, optimisation of various operational costs, liquidating the non-core assets, strategizing the operational way ahead which inter alia includes discontinuing operations at the above plant. Pending the outcome of the above matters, these financial results have been prepared on the assumption of a Going Concern basis as a continuing operations, reflecting the management's confidence in the Company's future prospects."

69 "One of the foreign step-down subsidiary Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") in 2019-20 as BGT does not carry on any operations and there is no intention to carry on the business in future also the license of BGT was expired.The financial statements of BGT, have not been available since the financial year 2019–20. Accordingly, the Consolidated Financial Statements for the year ended 31st March 2025 have been prepared without incorporating the financials of this entity. Further, in the absence of updated financial information, the opening balances as at 31st March 2019 have been carried forward and included in the Consolidated Balance Sheet as at 31st March, 2025."

70 "Two step-down subsidiaries, Avantha Agritech Ltd and Mirabelle Trading Pte Ltd, have not provided their financial statements since the financial year 2020–21. Accordingly, the Consolidated Financial Statements for the year ended 31st March 2025 have been prepared without incorporating the financials of these entities.

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Further, in the absence of updated financial information, the opening balances as at 31st March 2020 have been carried forward and included in the Consolidated Balance Sheet as at 31st March 2025."

71 In one of the step-down subsidiary Bilt Paper B.V., certain Balances of Bank, Related Parties and other Parties shown in other Payables are subject to reconciliation/ confirmation. The consequential impact of confirmation/reconciliation/ adjustment of such Balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the loss (including other comprehensive loss), other equity, assets, and liabilities as on the balance sheet date.

72 Restatement of Consolidated Financial Statement for the previous year ended 31st March 2024: -

In the Consolidated Financial Statements of Parent for the previous year ended March 31, 2024, the financial statements of its subsidiary BILT were not included in the consolidation, as they were not available at the time of preparation and approval of the consolidated financial statements.

Subsequently, the consolidated financial statements of BILT for the previous year ended March 31, 2024 have become available. Accordingly, the Parent has restated the comparative figures for the previous year ended March 31, 2024 in these consolidated financial statements in accordance with the requirements of IND AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

The restatement has been made retrospectively, and the impact of the inclusion of BILT on the previously reported consolidated figures is as follows:

(Amount in ₹ lakhs)

S. No	Particulars	31st March 2024 (Previously Reported)	Increase/ (decrease)	31st March 2024 (Restated)
1	**Total Income**	58,477.41	12,199.82	70,677.23
2	Profit Before Tax	14,445.64	(32,461.55)	(18,015.91)
3	Profit for the period	10,792.01	(32,461.55)	(21,669.54)
4	Other Comprehensive Income	(20.88)	37,837.04	37,816.15
5	Total Assets	1,44,622.47	7,93,742.45	9,38,364.92
6	Total Liabilities	99,197.68	6,33,253.58	7,32,451.26
7	Total Equity	45,424.79	1,60,488.87	2,05,913.66
8	Earnings for equity share (in Rs.)			
	Basic	33.83	(51.83)	(18.00)
	Diluted	33.83	(51.83)	(18.00)

73 For the purpose of preparing the Consolidated Financial Statements for the year ended 31st March 2025:

a) The Consolidated Financial Statements of one of the subsidiaries, BILT, are not available. However, its Standalone Financial Statements for the year ended 31st March 2025 are available and have been considered for consolidation.

b) In the absence of the financial statements of BILT's subsidiaries and step-down subsidiaries — Ballarpur International Holdings B.V., Ballarpur Speciality Paper Holdings B.V. & BILT Paper B.V. for the year ended 31st March 2025, the balance sheet items as at 31st March 2024 have been carried forward and considered for the current year.

c) "Further, the financial statements of the associate Ballarpur Paper Holdings B.V. are not available for the year ended 31st March 2025. Accordingly, the share of profit/loss from this associate has not been considered in the Consolidated Financial Statements for the current year. Hence, due to the above reasons, the figures for the year ended 31st March 2025 are not comparable with the figures for the year ended 31st March 2024."

74 The Consolidated Financial Statements for the year ended 31st March 2025 include the financial information of certain step-down subsidiaries and an associate, for which audited financial statements as at and for the year ended 31st March 2025 were not available.

Specifically:

i) The financial statements of the step-down subsidiary Ballarpur International Holdings B.V. have neither been audited nor certified by its management for the year ended 31st March 2024.

ii) The financial statements of two step-down subsidiaries, Ballarpur Speciality Paper Holdings B.V. and Bilt Paper B.V., and one associate, Ballarpur Paper Holdings B.V., were not audited by their respective auditors but were certified by their managements as at 31st March 2024.

"In the absence of updated financial statements for the year ended 31st March 2025, the balances as at 31st March 2024 have been carried forward and included in the Consolidated Financial Statements for the year ended 31st March 2025. The Consolidation of these entities has been carried out based on unaudited and/or management-certified financial information, as applicable. Due to the lack of audit and certification for some of these entities, the potential impact, if any, of adjustments arising from audit or updated financials on the Consolidated Financial Statements for the current year could not be determined."

75 (i) Subsidiary (""BILT"")

The confirmations and reconciliation of certain secured and unsecured loans, balances with banks, trade receivables, due to / from related parties, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present. Further, Accounting in books of account has not been done vendor wise and customer wise."

(ii) Ballarpur International Holdings B.V. (BIH BV)

(a) Certain Balances with Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also auditor has not received direct confirmation thereof. The consequential impact of confirmation/reconciliation/adjustment of such Balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the loss (including other comprehensive loss), other equity, assets, and liabilities as on the balance sheet date."

(b) The company has no employees and hence incurred no wages, related social security or pension charges during the year under audit.

(c) Impairment has been triggered in one of the group entity (Sabah forest Industries). Accordingly, the Company has also assessed its recoverability against the investments in Bilt Paper B.V. and Mirabelle Trading Pte Ltd, hence the impairment loss of USD 2,423 Lakhs (INR 1,77,797 Lakhs) and USD 0.14 Lakhs (INR 11 Lakhs) respectively has been provided for. Based on impairment assessment for the current year the Company has reversed USD 1,450 Lakhs against impairment of Bilt Paper B.V.

(iii) Ballarpur Speciality Paper Holdings B.V. (BSPH BV)

(a) Certain Balances with Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also auditor has not received direct confirmation thereof. The consequential impact of confirmation/reconciliation/adjustment of such balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the profits (including other comprehensive profits), other equity, assets, and liabilities as on the balance sheet date."

(b) The company has no employees and hence incurred no wages, related social security or pension charges during the year under audit.

(iv) Bilt Paper B.V. (BPBV)

(a) Certain Balances with Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also auditor has not received direct confirmation thereof. The consequential impact of confirmation/reconciliation/adjustment of such Balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the loss (including other comprehensive loss), other equity, assets, and liabilities as on the balance sheet date."

(b) The company has no employees and hence incurred no wages, related social security or pension charges during the year under audit.

(c) Impairment has been triggered in one of the step-down subsidiary (Sabah Forest Industries Sdn Bhd) of the Company. Accordingly, the company also assessed its recoverability against the investments in Ballarpur Paper Holdings B.V., hence the impairment loss of USD 2,270 Lakhs has been provided for. The Company has reassessed the impairment accordingly has taken reversal of the same.

76 Additional regulatory information required by Schedule III of the Act:

(a) Title deeds of immovable properties not held in name of the group

The title deeds of all the immovable properties as disclosed in notes to the financial statements, are held in the name of the Group.

(b) Valuation of Investment Property

Refer note no. 11 on valuation of investment property.

(c) Valuation of Property Plant and Equipment (including Right-of-Use Assets):

The Group has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.

(d) Valuation of Intangible Assets:

The Group has not revalued its intangible assets during the current or previous year.

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(e) Loans or Advances in the nautre of Loans granted to Promoters, Directors, Key Managerial Personnel and Related Parties

No loans or advances in the nature of loans are granted to related parties which are repayable on demand or without specifying the terms or period of repayment.

(f) Capital Work in Progress (CWIP):

Refer note no. 14 to the consolidated financial statements.

(g) Intangible Asset Under Development:

There are no intangible asset under development during the current or previous year

(h) Details of benami property held:

No benami property is held by the Group accordingly no proceedings are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(j) Willful defaulter:

The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(k) Relationship with struck off companies:

The Group has no transactions except for those mentioned below, with the companies struck off under the Act or Companies Act, 1956.

Name of struck off group	Nature of transaction	Balance outstanding as on 31st March, 2025	Balance outstanding as on 31st March, 2024	Relationship with struck off companies
Leo Textile Spare India Pvt Ltd	Payable	0.1	0	Trade Payable

(h) Registration of charges or satisfaction with Registrar of Companies:

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(i) Compliance with number of layers of companies:

The Group has complied with the number of layers prescribed under the Act.

(j) Compliance with approved scheme(s) of arrangements:

No Entities in the Group have entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(k) Utilisation of borrowed funds and share premium:

(a) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries."

(b) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(l) Undisclosed income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(m) Details of crypto currency or virtual currency:

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

Notes

to Consolidated financial statements for the period ended 31st March 2025
(All amounts are INR, unless expressed otherwise)

77 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the Entity	Share in Net Assets		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As at 31 March 2025		As at 31 March 2025		As at 31 March 2025		As at 31 March 2025	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit & Loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Parent Entity:								
Finquest Financial Solution Pvt. Ltd.	19.44%	38,504.64	-71.15%	5,920.60	-10.45%	1.59	-71.04%	5,922.18
Indian Subsidiaries:								
Reid & Taylor International Private Limited (erstwhile known as Krihaan Texchem Private Limited) (100%)	0.00%	-	0.35%	(29.40)	175.69%	(26.67)	0.67%	(56.07)
RNT Garments Limited (100%)			1.45%	(120.83)		-	1.45%	(120.83)
Digjam Ltd. (75%)	0.27%	539.60	12.75%	(1,060.49)	-108.06%	16.40	13%	(1,044.09)
Legguino India Pvt. Ltd. (100%)	0.20%	404.77	-5.26%	437.27	0.00%	-	-5%	437.27
Genesis Resorts Pvt Ltd. (100%)	4.49%	8,895.70	19.62%	(1,632.75)	0.00%	-	20%	(1,632.75)
Ballarpur Industries Limited (51%)	23.31%	46,159.63	80.23%	(6,675.69)	42.82%	(6.50)	80%	(6,682.19)
Avantha Agritech Limited	-0.46%	(910.00)	0.00%	-	0.00%	-	0%	-
Foreign Subsidaries:						-		
Ballarpur International Holdings B.V	-31.32%	(62,030.00)	0.00%	-	0.00%	-	0%	-
Ballarpur Speciality Paper Holdings B.V.	-0.22%	(433.00)	0.00%	-	0.00%	-	0%	-
Bilt Paper B.V.	137.42%	2,72,133.00	0.00%	-	0.00%	-	0%	-
Mirabelle Trading Pte Ltd.	-0.14%	(279.00)	0.00%	-	0.00%	-	0%	-
Bilt General Trading FZE	0.08%	150.00	0.00%	-	0.00%	-	0%	-
Foreign Associates (Investment as per the Equity Method)								
Ballarpur Paper Holdings B.V.	0.00%	-	0.00%	-	0.00%	-	0%	-

Notes
to Consolidated financial statements for the period ended 31st March 2025
(All amounts are INR, unless expressed otherwise)

Name of the Entity	Share in Net Assets		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As at 31 March 2025		As at 31 March 2025		As at 31 March 2025		As at 31 March 2025	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit & Loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Non-Controlling Interest for all Subsidiaries and associates	**71.91%**	**1,42,399.47**	35.59%	**(2,961.17)**	-8.43%	1.28	36%	(2,959.88)
Inter Company Elimination Adjustments	**-124.99%**	**(2,47,508.95)**	26.42%	**(2,198.31)**	8.43%	**(1.28)**	26%	**(2,199.58)**
Total	**100.00%**	**1,98,025.87**	**100.00%**	**(8,320.77)**	**100.00%**	**(15.18)**	**100.00%**	**(8,335.95)**

78 Figures for the previous period/year have been regrouped/reclassified wherever necessary, to make them comparable with the current period's presentation.

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration No. 101048W

Raman Hangekar
Partner
Membership No. 030615

Place: Mumbai
Date: 26th June, 2025

For and on Behalf of Board of Directors of
Finquest Financial Solutions Private Limited

Himali Trivedi
Company Secretary
Membership No. A32336

Place: Mumbai
Date: 26th June, 2025

Hardik B. Patel
MD&CEO
DIN: 00590663

Place: Mumbai
Date: 26th June, 2025

B S P Murthy
Director
DIN: 00011584

Place: Mumbai
Date: 26th June, 2025

Finquest Financial Solutions Pvt. Ltd.
(A part of Finquest Group)

CIN: U74140MH2004PTC146715

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