



A.TREDS LIMITED

ANNUAL REPORT

FY 2022- 2023

NOTICE is hereby given that the Seventh Annual General Meeting of the Members of A. TREDs Limited will be held **on Thursday, 13th July, 2023 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**, deemed to be held at Axis House, 8th Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai 400 025 **at 5.30 P.M.** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2023 and the Reports of the Directors and the Auditors thereon; and
2. To appoint a director in place of Shri Aninda Chatterjee (DIN 01760865), who retires by rotation and being eligible, has offered himself for re-appointment.
3. To appoint a director in place of Shri Vinaya Varma (DIN 07527550), who retires by rotation and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and pass with or without modification(s), the following Resolution, as a **Special Resolution:**

APPROVAL OF REMUNERATION OF MANAGING DIRECTOR AND CEO FOR FY 2023-24

"RESOLVED THAT pursuant to the provisions of Sections 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including rules, notifications, any statutory modification, amendment or re-enactment thereof for the time being in force and as may be enacted from time to time) and Nomination and Remuneration Policy of the Company and on the recommendation of the Nomination and Remuneration Committee and Board and subject to the provisions of the Articles of Association of the Company, the approval of the members be and is hereby accorded for payment of remuneration for FY 2023-24 to Shri Prakash Sankaran (DIN: 08581871), who was re-appointed as Managing Director of the Company at the 9th Extra Ordinary General Meeting held on October 13, 2022, as set out in the Explanatory Statement.

RESOLVED FURTHER THAT where in any financial year during the tenure of the said Managing Director & CEO, the Company has no profits or profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration."

By Order of the Board
For A.TREDs Limited,

Sd/-
Meenakshi Agarwal
Company Secretary

Place: Mumbai
Date: 13.04.2023

Notes:

1. In view of the ongoing covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated 5th May, 2020 read with circular dated 8th April, 2020, 13th April, 2020 and 13th January, 2021, 5th May, 2022 and 28th December, 2022 ("Circulars") has permitted holding of Annual General Meeting ("AGM") through VC / OAVM. Accordingly, in compliance with the requirements of Companies Act, 2013 and the Circulars, the AGM is being held through VC / OAVM.
2. Pursuant to the provisions of the Circulars, since the AGM is being held through VC / OAVM, physical attendance of members has been dispensed away with. Hence, facility for appointment of proxy is not available for this meeting. Accordingly, attendance slip and proxy form do not form a part of this Notice.
3. Members attending the AGM through VC / OAVM shall be considered for the purpose of quorum as per Section 103 of the Companies Act, 2013.
4. Pursuant to the aforesaid circulars, Annual Report for FY 2022-23 alongwith the Notice is being sent to the Members only through electronic mode. Annual Report for FY 2022-23 and the Notice will also be available on the Company's website – www.invoicemart.com
5. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Registered Office of the Company a certified copy of the latest Board Resolution authorizing their representative to attend and vote at the Meeting on their behalf.
6. Since the meeting is held through VC / OAVM, route map for the venue of the Meeting is not attached herewith.
7. The relevant statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of item No. 4 of this Notice is annexed herewith.
8. The Members will receive an invite email with a link for Microsoft Teams at their registered email IDs. On clicking the link, the Members can join the AGM. Members seeking any information relating to joining the meeting may contact the Company Secretary at meenakshi.agarwal@invoicemart.com
9. Members who wish to seek any information with regard to the accounts or any other matter with respect to the matters to be placed at the AGM may write to the Company Secretary at meenakshi.agarwal@invoicemart.com

**By Order of the Board
For A.TREDS Limited,**

sd/-

**Meenakshi Agarwal
Company Secretary**

Place: Mumbai

ANNEXURE TO NOTICE - STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board at its meeting held on 11th November, 2019, had approved appointment of Shri Prakash Sankaran as a Director and MD & CEO of A.Treds Limited for a period of 3 years from joining the office which is expiring on 11th November 2022. Further in the 9th EGM held on 13th October, 2022, he was re-appointed for another term of 3 years from 12th November, 2022 to 11th November, 2025. All other terms and conditions of appointment remain the same as before.

Pursuant to the provisions of Sections 196 and 197 of the Companies Act, 2013 and Section II of Part II of Schedule V, where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, it may, without Central Government approval, pay remuneration to the managerial personnel not exceeding Rs. 84 lakh where the effective capital Rs. 5 crore and above but less than Rs. 100 crore, provided further that the remuneration in double of the above limits may be paid if a special resolution is passed in the General Meeting.

The Nomination and Remuneration Committee and the Board of Directors at their meetings held on 13th April, 2023 have approved a revised total remuneration of INR 177.8 cr for the financial year 2023-24.

In view of the aforesaid provisions of the Companies Act, 2013, it is proposed to obtain approval from the shareholders by passing a special resolution for payment of remuneration to Shri Prakash Sankaran in excess of the limits specified under Schedule V.

The Board recommends passing of the resolution as set out in Item No. 4 of this Notice.

Shri Prakash Sankaran is not related to any other Director of the Company.

Except for Shri Prakash Sankaran and his relatives, none of the other Directors or the Key Managerial Personnel of the Company and their relatives are in any way financially or otherwise concerned or interested in the passing of this Special Resolution.

**By Order of the Board
For A.TREDS Limited**

Sd/-

Meenakshi Agarwal
Company Secretary
Place: Mumbai
Date: 13.04.2023

A.TREDS LIMITED

[CIN: U74999MH2016PLC281452]

Registered Office:

Axis House, C-2,

Wadia International Centre, Pandurang

Budhkar Marg,

Worli, Mumbai – 400025

Phone No. : 022 - 24252525

DIRECTORS' REPORT

Dear Members,

The Board of Directors have the pleasure of presenting the 7th Annual Report of the Company together with the Audited Statement of Accounts, Auditors' Report and the Report on the business and operations of the Company for the financial year ended 31st March 2023.

FINANCIAL PERFORMANCE:

The financial highlights for the year under review is as under:

(Amount in ₹)		
Particulars	2021-22	2022-23
Income from Operation (A)	15,65,61,993	31,71,59,792
Other Income (B)	35,29,137	52,76,449
Total Income (A+B)	16,00,91,130	32,24,36,241
Operating Expenses	17,87,96,910	24,15,39,704
Profit/(Loss) before Depreciation , provisions for tax	(1,87,05,780)	8,08,96,536
Depreciation	2,99,24,671	1,35,31,800
Provision for Tax	-	-
Profit / (Loss) After Tax	(4,86,30,451)	6,73,64,746
Appropriations	-	-
Balance carried to Balance Sheet	(4,86,30,451)	6,73,64,746

BUSINESS OVERVIEW AND FUTURE OUTLOOK

The company continues to maintain its **leadership position** amongst the TReDS exchanges with highest cumulative throughput for the **6th consecutive year** reflecting consistent growth of volumes on the platform. In FY23, the company facilitated financing of MSME invoices of ₹28,551crs which was the highest among all the TReDS platforms. Transaction volumes have scaled exponentially with participation from more than 19309 MSME sellers, 1306 Buyers, 56 Financiers; enabling discounting of 16,30,000+ MSME invoices, which show cases the growing adoption of TReDS model amongst MSMEs. The platform has got MSMEs registered across 870 cities which indicates the widening reach of the platform through its digital outreach.

FY23 has been a year of many milestones with monthly volumes growing and the company recording highest annual, quarterly and monthly throughput. During FY'23, Invoicemart recorded an income from operations of ₹31.72crs compared to ₹15.65cr in FY'22. This growth is largely attributed to increase in transaction revenues. FY23 closed at a profit after tax of ₹6.73 crs as compared to a Net loss of ₹4.86crs in FY'22.

During the year, the Company has been awarded by

1. Quantic for "Best Use of Cloud Services (Fintech) at the Technology Excellence Awards, 2022
2. Global SME Finance Awards 2022 an Honorable Mention as "Responsible Digital Innovator of the Year"
3. ETBFSI as "Best Payment Solution Providers (Technology Vendors)"
4. ASSOCHAM as the "Best Fintech Enabling MSME Financing" at the 9th MSME Excellence Awards

Over the last year, there have been several awareness building sessions on TReDS conducted by Govt, Regulator, various industry bodies, local trade associations etc. We have participated in many such events and also joined The Institute of Chartered Accountants of India at 20 cities as a part of their 75 city tour called MSME Yatra.

In Feb'23, RBI Governor in his Monetary Policy Speech stated that the following enablers will be allowed to give impetus to TReDS:

1. Insurance facility will now be permitted on TReDS and Insurance companies have now been allowed to participate as a “fourth participant” on TReDS apart from MSMEs, Buyers and Financiers
2. All entities/institutions eligible to undertake factoring business under the Factoring Regulation Act will be permitted to participate as Financier on TReDS
3. Secondary market operations will now be enabled on TReDS platforms

Invoicemart was also invited to represent TReDS at the 1st Payment System Operators Conference organized by Reserve Bank of India in Kochi.

Meanwhile, post our AWS migration, we are continuously making efforts to invest in cutting edge technology which can help us handle larger volumes and strengthen our processes and controls. We will increase our participation at important industry events to drive financial inclusion and reach out to more and more MSMEs, enabling better access to credit for MSMEs through the platform. The Company will continue to focus on granular business, maintain a diverse customer base, continue to develop/deepen relationship with important stakeholders and actively engage with various governments towards MSME payments in the respective states.

We have given below SWOT analysis of the Company:

Strengths and Opportunities:

- Highest number of Buyers and MSMEs
- Strong Compliance Culture
- With greater regulatory and government push many of the Corporates who are registered can become active and this can help volumes
- Enablers announced by RBI will help in expansion of the platform offerings within MSME space and on the marketplace.

Weakness and Threats:

- Slow adoption of TReDS among corporates
- Insufficient liquidity for financing on platform
- New players on TReDS

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

DIVIDEND:

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities, and therefore do not recommend payment of any dividend on shares for the financial year ended as on 31st March, 2023.

TRANSFER TO GENERAL RESERVE:

During the financial year under review, the Company transferred the net profits of the company amounting to ₹6.74cr to General Reserves.

SHARE CAPITAL:

During the year under review, there has been no fresh infusion of capital in the Company

The issued and paid-up equity share capital of the Company, as on 31st March 2023 stands at ₹45 cr and Non cumulative compulsorily convertible preference shares (NCCCPS) stands at ₹25 cr. The total paid up share capital of the company is ₹65 cr while Authorized Capital stands at ₹ 70cr.

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 occurred between the end of the Financial Year 2022-23 of the Company to which the Financial Statements relate and the date of this Report.

ANNUAL RETURN:

In accordance with the Companies (Amendment) Act, 2017, read with Section 134(3) of the Companies Act, 2013, the Annual Return, under Section 92 (3) of the Companies Act, 2013, can be accessed on the website of the Company at <https://www.invoicemart.com/disclosure>.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

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

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OF THE COMPANIES ACT, 2013:

There was no occurrence of fraud pursuant to Section 143 (12) of The Companies Act, 2013. This is also being supported by the report of the auditors of the company as no fraud has been reported in their Report for the Financial Year ended 31st March, 2023.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATIONS, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT:

The Audit Report for FY 2022-23, does not contain any qualification, reservation or adverse remark.

RISK MANAGEMENT POLICY:

The Company has formulated a Risk Management Policy to identify and mitigate the risks. Major risks identified by the management are: Strategic & Business Environment Risk, Participants Risk, Operational Risk, Information Security & IT Risk, Financial And Capital Erosion Risk, People Risk, Legal

and Reputational risk. Mitigation measures against each kind of risk has been strategized which is tracked on an ongoing basis and presented before Risk Management Committee in every meeting.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The provisions of the Companies Act 2013 relating to Corporate Social Responsibility will become applicable to your company from FY23-24 due to net profit earned more than ₹5cr.

However, pursuant to the provisions of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the MCA clarifications, the Company is not required to constitute the CSR Committee of the Board as there is no amount required to be spent by your company on CSR during the year in terms of Section 135(5) of the Companies Act, 2013.

SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, from time to time.

INTERNAL FINANCIAL CONTROLS:

The Internal financial controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls. These internal financial controls help in safeguarding of assets, prevention and detection of frauds and/or errors, maintaining the accuracy and completeness of the accounting and financial records. These controls help in the timely preparation of transparent, complete and accurate financial information and statements as per the laid down accounting standards and principles.

WHISTLEBLOWER POLICY:

The company has formulated a Whistleblower Policy to ensure highest degree of transparency, integrity, accountability. No complaints were received under Whistleblower during the year under review.

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

The Company is committed to providing a safe and conducive work environment to its employees and has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COST AUDIT:

The Cost Audit was not applicable to the Company during the year under review.

BOARD OF DIRECTORS:

During the year under review:

- i. Shri Himadri Chatterjee (DIN: 07455079), Director of the Company, resigned from the Board of Directors of the Company with effect from close of business hours on 31st May, 2022. The Board of Directors placed on record their warm appreciation for valuable contribution made by him during his tenure as a Non Executive Director.

- ii. Appointment of Shri Aninda Chatterjee (DIN: 01760865) was regularized in the 6th Annual General Meeting held on 14th July, 2022, who is also liable to rotation.
- iii. Pursuant to recommendation of the NRC, Shri Munish Sharda (DIN: 06796060) was appointed as an Additional Non Executive Director of the Company with effect from 20th July, 2022 and his appointment was regularized in the Extra Ordinary General Meeting held on 13th October, 2022 with effect from the same date. He is liable to retire by rotation.
- iv. The Members at the 9th Extra Ordinary General Meeting of the Company held on 13th October, 2022, had approved the re-appointment of Shri Prakash Sankaran (DIN: 08581871) as a Managing Director and Chief Executive officer of the Company for a further period of three years with effect from 12th November, 2022 till 11th November, 2025.

During the year, no other changes took place in the composition of the Board of Directors of the Company and the composition of the Board of Directors is in compliance with the applicable norms.

In accordance with the provisions of the Companies Act, 2013 and the relevant rules made thereunder, Shri Vinaya Varma (DIN 07527550) and Shri Aninda Chattejee (DIN 01760865) shall retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment as Directors of the Company.

Resolution(s) in respect of appointment / re-appointment of the Directors, as aforesaid, have been included in the Notice convening the 7th Annual General Meeting of the Company.

The Board has formed an opinion that the Independent Directors who have been appointed / re-appointed, have the integrity, expertise and experience (including proficiency), which is beneficial to the business interest of the Company.

DECLARATION OF INDEPENDENCE:

Both the Independent Directors of the Company have given their respective declarations stating that they meet the criteria prescribed for independence under the applicable laws and in the opinion of the Board, the Independent Directors meet the said criteria.

KEY MANAGERIAL PERSONNEL:

Shri Prakash Sankaran, Managing Director & CEO and Smt Meenakshi Agarwal, Company Secretary, are the Key Managerial Personnel of the Company, as defined in Section 2(51) of the Companies Act, 2013.

During the year, Shri Vijay Dube, Chief Financial Officer resigned from his position w.e.f. 16th December, 2022. No other changes took place in the composition of the Key Managerial Personnel of the Company.

PARTICULARS OF MEETINGS:

During the year, the number of Board and Committee Meetings convened are as follows:

Sr. No.	Type of Meeting	Number of meetings
1	Board Meeting	4
2	Audit Committee Meeting	4
3	Nomination & Remuneration Committee Meeting	2
4	Risk Management Committee Meeting	3
5	Meeting of Independent Directors	1
6	General Meeting (including Extra – Ordinary General Meeting)	1

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

BOARD MEETING:

The Board comprises of eight (8) members, of which two (2) are Independent Directors and five (5) are Non-Executive Directors. During the financial year 2022-23, the Board met seven (4) times on 19th April, 2022, 13th July, 2022, 13th October, 2022 and 12th January, 2023.

Name of the Director	Date and attendance of the meeting				Attendance
	19.04.2022	13.07.2022	13.10.2022	12.01.2023	(in %)
Shri Rajiv Anand	Present	Present	Present	Absent	75%
Shri Rakesh Makhija	Present	Present	Present	Present	100%
Shri Dipak Kumar Banerjee	Present	Present	Present	Present	100%
Shri Himadri Chatterjee (Resigned w.e.f. 31 st May, 2022)	Present	-	-	-	100%
Shri Vinaya Varma	Present	Present	Present	Present	100%
Shri Prakash Sankaran	Present	Present	Present	Present	100%
Shri Neeraj Gambhir	Present	Present	Present	Present	100%
Shri Aninda Chatterjee	Present	Present	Present	Present	100%
Shri Munish Sharda (Appointed w.e.f. 20.07.2022)	-	-	Present	Present	100%

The Company and its Board has constituted a set of independent, qualified and focused Committees of the Board constituting Directors of the Company. These Board Committees have specific terms of reference/scope to focus effectively. Currently the Board has three (3) committees i.e. Audit Committee, Nomination & Remuneration Committee and Risk Management Committee.

AUDIT COMMITTEE:

The Audit Committee comprises of three (3) members, of which two (2) are Independent Directors. During the financial year 2022-23, the Committee held four (4) meetings on 19th April, 2022, 13th July, 2022, 13th October, 2022 and 12th January, 2023:

Name of the Director	Date and attendance of the meeting				% of attendance
	19.04.2022	13.07.2022	13.10.2022	12.01.2023	
Shri Rakesh Makhija	Present	Present	Present	Present	100%
Shri Dipak Kumar Banerjee	Present	Present	Present	Present	100%
Shri Neeraj Gambhir	Present	Present	Present	Present	100%

NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee comprises of Four (4) members, of which two (2) are Independent Directors. During the financial year 2022-23 the Committee held two (2) meetings on 19th April, 2022 and 13th October, 2022:

Name of the Director	Date and attendance of the meeting		% of attendance
	19.04.2022	13.10.2022	
Shri Dipak Kumar Banerjee	Present	Present	100%
Shri Rakesh Makhija	Present	Present	100%
Shri Himadri Chatterjee	Present	-	100%
Shri Aninda Chatterjee	Present	Present	100%
Shri Munish Sharda	-	Present	100%

RISK MANAGEMENT COMMITTEE:

The Risk Management Committee comprises of Four (4) members, of which two (2) are Independent Directors. During the financial year 2022-23, the Committee held three (3) meetings on 13th July, 2022, 13th October, 2022 and 12th January, 2023:

Name of the Director	Date and attendance of the meeting			% of attendance
	13.07.2022	13.10.2022	12.01.2023	
Shri Rakesh Makhija	Present	Present	Present	100%
Shri Dipak Kumar Banerjee	Present	Present	Present	100%
Shri Munish Sharda	-	Present	Present	100%
Shri Neeraj Gambhir	Present	Present	Present	100%

BOARD EVALUATION:

The performance evaluation of Board, its Committees, Chairperson and Individual Directors was done in accordance with the relevant provisions of the Companies Act, 2013, the relevant Rules made thereunder.

The Nomination and Remuneration Committee is the nodal agency for conducting the said performance evaluation. The Nomination and Remuneration Committee approved the manner for conducting the said performance evaluation, determined the criteria for the same and appointed an Independent external agency to administer the same.

The process was carried out by feedback survey from each Directors covering Board functioning such as composition of Board and its Committees, experiences, competencies, governance issues etc. Separate process was carried out to evaluate the performance of individual Directors which included the Chairperson of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc. The Directors evaluation results reflected the overall engagement of the Board and its Committee with the Company.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposit pursuant to Section 73 and Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOWS:

Information as per Section 134(3)(m) of the Act relating to the Conservation of Energy and Technology Absorption is not given since the Company is not engaged in any manufacturing activity.

During the year under review, the Company has not earned or spent any foreign exchange.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186:

The company has not made any Loans, Guarantees or Investments covered under Section 186 of the Act hence information as per Section 134(3)(g) of the Companies Act, 2013 is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SUB – SECTION (1) OF SECTION 188:

Information as per Section 134(3)(h) of the Act relating to the particulars of Contracts or Arrangements with Related Parties under Sub - Section (1) of Section 188 is as mentioned below:-

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

All Related Party Transactions are placed before the Audit Committee/Board of Directors. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and repetitive in nature. The transactions entered pursuant to the omnibus approval so granted are audited and a statement giving details of all Related Party Transactions are placed before the Audit Committee half yearly.

None of the Directors have any pecuniary relationship or transactions vis-à-vis the Company. Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC – 2 is enclosed herewith as **Annexure – A** to this report.

PARTICULARS OF EMPLOYEES AS REQUIRED UNDER COMPANIES ACT, 2013 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Information as required under the section 197(12) of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, in accordance with the provisions of Section 136 (1) of the Act, the annual report excluding the aforesaid information, is being sent to the members of the Company and others entitled thereto. The said information is also available for inspection by the members at the Registered Office of the Company during business hours of the Company up to the date of the ensuing Annual General Meeting.

Any member interested in obtaining a copy thereof, may write to the Company Secretary of the Company at its Registered Office

POLICY OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Company has a Nomination and Remuneration Policy formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto as amended from time to time. The policy shall apply to all Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Policy laid down the roles of the Committee, criteria for appointment of Directors, Key Managerial Personnel and Senior Management and parameters for determining the remuneration of Directors, Key Managerial Personnel, and Senior Managerial Personnel of the Company. Nomination and Remuneration policy of the company has also been uploaded on the website and can be accessed with this weblink: https://www.invoicemart.com/Upload/pdf/NRC_Policy.pdf.

EMPLOYEE STOCK OPTION PLAN (ESOP)

Axis bank (Bank) has issued Employee Stock Options (ESOS) to employees of A.Treds Ltd. in the month of April, 2021 & April 2022 under ESOP scheme –Grant XXVII of Axis Bank Ltd. The objective of the said ESOS is to enhance employee motivation, enable employees to participate, directly or indirectly, in the long-term growth and financial success of the Company, to act as a retention mechanism by enabling employee participation in the business of the Company as its active stakeholder and to usher an 'owner-manager' culture and to achieve greater synergy between the Company and the Bank.

RBI has issued clarification for all private banks on 30th August, 2021, to value all share-linked instruments under Fair value method using Black-Scholes model. Above clarification applies for all share linked instruments issued on or after 1st April 2021. Pursuant to the above, the Bank has recommended allocation of ESOP charges to all subsidiaries, for options issued to subsidiary employees post 1st April 2021.

In terms of the said ESOS, Bank has issued sum of 44,100 options to eligible employees of your company at ₹725.90/- per option in FY2022-23. The price of the said ESOP has been calculated as

per the Black-Scholes Method which has been certified by an independent valuer. The eligibility and number of stock options to be granted to such eligible employees is determined on the basis of the outcome of their performance evaluation. The said stock options were granted subject to standard vesting and other conditions as set out in the respective ESOS of the Bank.

As of 31st March, 2023, 1650 stock options were exercised out of 7290 vested options (pertaining to FY21) and all other options remain unexercised.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to sub-section (5) of Section 134 of the Act, the Board of Directors of the Company hereby state and confirm that:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- II. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- III. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV. the Directors had prepared the annual accounts on a going concern basis.
- V. 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.
- VI. the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.

AUDITORS:

STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company has appointed M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, Mumbai (301003E/E300005) as the Statutory Auditors of the Company to hold office upto the conclusion of 10th Annual General Meeting.

INTERNAL CUM CONCURRENT AUDITORS:

The Board of Directors had appointed M/s. RVA & Associates LLP, Chartered Accountants, Mumbai (Firm Registration No: 115003W), as the Internal cum Concurrent Auditors of the Company to undertake the Internal cum Concurrent Audit of the Company for the financial year under review.

SECRETARIAL AUDITORS:

The Company had appointed M/s. Martinho Ferrao & Associates, Company Secretaries, Mumbai as the Secretarial Auditors of the Company to undertake the Secretarial Audit of the Company for the financial year under review.

The secretarial audit of the Company was conducted in respect of the matters as prescribed in the said Rules and set out in the Secretarial Audit Report, for the financial year 2022-23.

There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor of the Company, in its report.

OTHERS

1. The Balance Sheet and Statement of Profit and Loss for the period under review are revised as per the new format of Schedule III as notified by the Ministry of Corporate Affairs.
2. No application has been made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.
3. No Loan has been taken from any bank or financial institution and hence there are no details of valuation which is required to be disclosed pursuant to Rule 8(5)(xii) of the Companies (Accounts) Amendment Rules, 2023.

ACKNOWLEDGEMENTS:

Your Directors would like to express their gratitude for all the guidance and co-operation received from Axis Bank Limited and Mjunction Services Limited. Your Directors would like to place on record their gratitude to the esteemed Clients, Advisors, Ministry of Corporate Affairs, Central, State and Local Government Departments and regulators for their continued support and cooperation.

The Directors also express their warm appreciation to all the employees of the Company for their diligence and contribution.

For and on behalf of the Board of Directors

Sd/-

Rajiv Anand
Chairperson (DIN: 02541753)

Sd/-

Prakash Sankaran
Managing Director & CEO (DIN: 08581871)

Place: Mumbai

Date: 13.04.2023

ANNEXURE- A
FORM AOC - 2

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

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

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

a)	Name (s) of the related party and nature of relationship	:	NIL
b)	Nature of contracts/arrangements/transactions	:	NIL
c)	Duration of the contracts / arrangements / transactions	:	NIL
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	NIL
e)	Justification for entering into such contracts or arrangements or transactions	:	NIL
f)	Date (s) of approval by the Board	:	NIL
g)	Amount paid as advances, if any	:	NIL
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	:	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name (s) of the related party and nature of relationship	:	1. Axis Bank Limited (Common director /Holding Company) 2. Mjunction Services Limited (Investing Company)
b)	Nature of contracts/arrangements/transactions	:	1. Fixed Deposit & Interest from Fixed Deposit

			Operating Income (Transaction fees & Onboarding fees) Reimbursement of Expenses (Deputation Cost, Rent, Software Expenses (RAC charges), Preliminary Expenses, ESOP cost, Miscellaneous Expenses (Mediclaime & GLT Insurance), NACH charges, file processing charges)
c)	Duration of the contracts / arrangements / transactions	:	1) Continuous 2) Continuous
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	As per Financial Statements
e)	Date (s) of approval by the Board, if any	:	23 rd January, 2017
f)	Amount paid as advances, if any	:	NIL

For A.TREDS Limited

Sd/-

Rajiv Anand
Chairman (DIN: 02541753)

Sd/-

Prakash Sankaran
Managing Director & CEO (DIN: 08581871)

Place: Mumbai

Date: 13th April, 2023

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,

The Members,

A.TREDS LIMITED

Axis House, C-2 Wadia International Centre,

P B Marg, Worli, Mumbai 400025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **A.TREDS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

We have examined the papers, minute books, forms, returns filed and other records maintained by the Company provided to us through electronic mode for the financial year ended on 31st March, 2023. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion the Company has, during the audit period covering the financial year **ended on 31st March, 2023**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on **31st March, 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - **Not applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder- **Not Applicable**



- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are **not applicable** to the Company: -
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) We have also examined the compliances of the provisions of the following other laws applicable specifically to the Company wherein we have also relied on the compliance certificates issued by the head of the respective departments in addition to the checks carried out by us:
- 1) RBI Guidelines
 - 2) Payment and Settlement System Act, 2007
 - 3) Factoring Regulation Act, 2011
 - 4) Prevention of Money Laundering, 2002
 - 5) The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006
 - 6) Information Technology Act, 2000

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(SS-1 & SS-2)**
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges. **(Not applicable as it is an unlisted Company)**



Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and its authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that:

1. The Board of Directors of the Company as on the date of this report is duly constituted with proper balance of Executive, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All the decisions of the Board and Committees thereof were carried out with requisite majority;

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

We further report that there are following major events in the Company during the period under review:

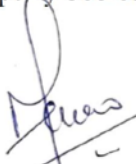
1. Resolutions passed in Sixth Annual General Meeting of the Company held on 14th July, 2022, for below mentioned matters:
 - a. Re-appointment of Shri Neeraj Gambhir (DIN 0257375) as a director.
 - b. Re-appointment of Shri Rajiv Anand (DIN 02541753) as a director.
 - c. Re-appointment of S.R. Batliboi & Co. LLP (FRN: 301003E/ E300005) as Statutory Auditor of the Company.
 - d. Appointment of Shri Aninda Chatterjee (DIN 01760865) as a Non-Executive Director.
 - e. Approval of remuneration of Managing Director & CEO for the financial year commencing on 1st April, 2022 upto 31st March, 2023



2. Resolutions passed in Ninth Extra Ordinary General Meeting of the Company held on 13th October, 2022, for below mentioned matters:
- Appointment of Shri Munish Sharda (DIN 06796060) as a Non-Executive Director.
 - Re-appointment of Shri Prakash Sankaran (DIN 08581871) as the Managing Director & Chief Executive Officer of the Company.

For Martinho Ferrao & Associates

Company Secretaries



Martinho Ferrao

Proprietor

F.C.S. No. 6221 C. P. No. 5676

UDIN: F006221E000125670

Place: Mumbai

Date: 18th April 2023

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

‘Annexure A’

To,
The Members,
A.TREDS LIMITED

Our report is to be read along with this letter.

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

For Martinho Ferrao & Associates
Company Secretaries


Martinho Ferrao
Proprietor

F.C.S. No. 6221 C. P. No. 5676
UDIN : F006221E000125670



Place: Mumbai
Date: 18th April 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of A.Treds Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of A.Treds Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2021



specified under section 133 of the Act. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2021 specified under section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;



- 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jitendra H. Ranawat

Partner

Membership Number: 103380

UDIN: 23103380BGXLLZ7001

Place of Signature: Mumbai

Date: April 13, 2023



Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our reports of even date

Re: A.Treds Limited ("the company")

In terms of the explanation sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, 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.

(i)(a)(B): The Company has maintained proper records showing full particulars of intangibles assets.

(i)(b): Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(i)(c): There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(i)(d): The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(i)(e): There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a): The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(ii)(b): The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii)(a): During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(iii)(b): During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(iii)(c): The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(iii)(d): The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.



(iii)(e): There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(iii)(f): The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv): There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v): The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi): The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii)(a): The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to custom duty and excise duty are not applicable to the company.

(vii)(b): There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute. The provisions relating to custom duty and excise duty are not applicable to the company.

(viii): The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a): The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(ix)(b): The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix)(c): The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(ix)(d): The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(ix)(e): The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.



(ix)(f): The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x)(a): The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x)(b): The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a): No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(xi)(b): During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi)(c): As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii)(a): The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xii)(b): The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(xii)(c): The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii): Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv)(a): The Company has an internal audit system commensurate with the size and nature of its business.

(xiv)(b): The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv): The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a): The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi)(b): The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.



(xvi)(c): The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi)(d): There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii): The Company has not incurred cash losses in the current financial year. In the immediately preceding financial year the company had incurred cash losses amounting to Rs. 16,946,023.

(xviii): There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix): On the basis of the financial ratios disclosed in note 25 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a): The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

(xx)(b): The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Jitendra H. Ranawat**

Partner

Membership Number: 103380

UDIN: 23103380BGXLLZ7001

Place of Signature: Mumbai

Date: April 13, 2023



Annexure '2' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our reports of even date

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

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

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and



fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Jitendra H. Ranawat**

Partner

Membership Number: 103380

UDIN: 23103380BGXLLZ7001

Place of Signature: Mumbai

Date: April 13, 2023



A. TREDs LIMITED

(A Joint Venture of Axis Bank Limited & Mjunction Services Limited)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023

A.TREDS LIMITED**Balance sheet as at 31 March 2023**

Particulars	Notes	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
I. EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3	650,000,000	650,000,000
Reserves and surplus	4	(480,383,526)	(547,748,262)
Non-current liabilities			
Long term provisions	5	7,666,692	7,645,277
Other non current liabilities	6	1,343,451	2,068,780
Current liabilities			
Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	7	1,638,907	313,052
-Total outstanding dues of creditors other than micro enterprises and small enterprises	7	23,031,627	14,066,710
Other current liabilities	8	68,670,496	43,292,591
Short term provisions	5	11,229,159	10,161,690
Total		283,196,806	179,799,838
II. ASSETS			
Non-current assets			
Plant, property and equipments & Intangible assets	9		
Plant, property and equipments		8,611,917	9,497,666
Intangible assets		44,310,753	11,397,211
Capital work-in-progress		5,014,409	12,231,797
Long term loans and advances	10	15,157,716	28,433,579
Other non current assets	11	1,534,375	1,334,375
Trade receivables	12	522,654	302,307
Current assets			
Short term loans and advances	10	11,518,485	5,524,945
Cash and bank balances	12	175,129,868	99,071,710
Trade receivables	13	21,396,629	12,006,248
Total		283,196,806	179,799,838

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants

Rajiv Anand
Director

DIN No: 02541753

Prakash Sankaran
Managing Director & CEO
DIN: 08581871

per Jitendra H. Ranawat

Partner

Membership No. :- 103380

Place : Mumbai

Date : 13 April 2023

Meenakshi Agarwal
Company Secretary

A. TRED'S LIMITED**Statement of Profit and Loss for the year ended 31 March 2023**

Particulars	Notes	For the Year ended 31 March 2023 (Amount in Rs)	For the Year ended 31 March 2022 (Amount in Rs)
Revenue from operations	14	317,159,792	156,561,993
Other income	15	5,276,449	3,529,137
Total income		322,436,241	160,091,130
Expenses:			
Employee benefit expense	16	158,485,542	129,634,612
Depreciation and amortization expense	9	13,531,800	29,924,671
Other expenses	17	83,054,163	49,162,298
Total expenses		255,071,505	208,721,581
Profit/(Loss) before tax		67,364,736	(48,630,451)
Tax expense:			
Current tax		-	-
Total Tax		-	-
Profit/(Loss) after tax		67,364,736	(48,630,451)
Earnings per equity share : Nominal value of share Rs.10/- (31 March 2022: Rs.10)			
Basic		1.50	(1.08)
Diluted		1.04	(0.75)

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants



per Jitendra H. Ranawat

Partner

Membership No. :- 103380

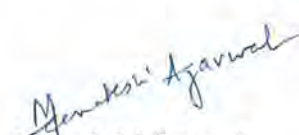
Place : Mumbai

Date : 13 April 2023



 Rajiv Anand
 Director
 DIN No: 02541753


 Prakash Sankaran
 Managing Director & CEO
 DIN: 08581871


 Meenakshi Agarwal
 Company Secretary

A.TREDS LIMITED
Cash flow statement for the year ended 31 March 2023

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
	(Amount in Rs.)	(Amount in Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before taxation	67,364,736	(48,630,451)
Adjustments for :		
Depreciation and amortization expenses	13,531,800	29,924,671
Lease equilization	(270,655)	46,642
Provision for Gratuity	975,276	1,259,888
Provision for Compensated absences	(6,621)	453,227
Interest on income tax refund	(558,001)	(103,173)
Interest income on fixed deposit	(4,708,098)	(3,039,947)
Operating Profit before working capital changes	76,328,437	(20,089,143)
Increase/ (Decrease) in Provisions	120,229	637,119
Increase/ (Decrease) in Other current liabilities	25,377,905	24,156,168
Increase/ (Decrease) in Other non current liabilities	(454,674)	(305,142)
(Increase)/ Decrease in Trade receivable	(9,610,728)	(3,522,370)
Increase/ (Decrease) in Trade payables	10,290,772	3,376,484
(Increase)/ Decrease in Non-current loans and advances	14,810,344	9,222,054
(Increase)/ Decrease in Current loan and advances	(5,993,540)	1,554,450
(Increase)/ Decrease in Other non current assets	(200,000)	-
Cash generated from Operating activities	110,668,744	15,029,620
Direct taxed paid (net of refund)	(976,479)	(1,436,255)
Net cash used in Operating activities	109,692,265	13,593,365
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(38,342,205)	(20,598,927)
Interest received	4,708,098	3,039,947
Net cash used in Investing activities	(33,634,107)	(17,558,980)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of shares	-	-
Net cash from/ (used in) Financing activities	-	-
Net (Decrease)/ Increase in cash and cash equivalents during the year	76,058,158	(3,965,615)
Cash and cash equivalents at the beginning of the year	99,071,710	103,037,325
Cash and cash equivalents at the end of the year	175,129,868	99,071,710

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
	(Amount in Rs.)	(Amount in Rs.)
Cash in hand	4,537	6,828
Cheque in transit	-	-
Balances with banks:		
— On current accounts	32,699,186	14,645,534
— Deposits with original maturity of less than 3 months	48,693,322	84,419,348
— Deposits with original maturity of more than 3 months	93,732,823	-
Total	175,129,868	99,071,710

Notes

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set ut in the Accounting Standard (AS 3) - 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013, read together with rule 7 of Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

2 Cash and Cash equivalents in the balance sheet comprises of cash in hand, current account with bank and fixed deposit with bank

Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements.

As per our report of even date

21

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Jitendra H. Ranawat
Partner
Membership No. :- 103380

Place : Mumbai
Date : 13 April 2023

For and on behalf of the Board of Directors

Rajiv Anand
Director
DIN No: 02541753

Prakash Sankaran
Managing Director & CEO
DIN: 08581871

Meenakshi Agarwal
Company Secretary



A. TRED'S LIMITED

Notes to financial statements for the year ended 31 March 2023

3. Share capital

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Authorized share capital		
5,00,00,000 (31 March 2022 : 5,00,00,000) Equity Shares of Rs.10 each.	50,00,00,000	50,00,00,000
2,00,00,000 (31 March 2022 : 2,00,00,000) 9.69% Non-Cumulative Compulsorily Convertible Preference Shares of Rs.10 each	20,00,00,000	20,00,00,000
Issued, subscribed and fully paid-up shares share capital		
4,50,00,000 (31 March 2022: 4,50,00,000) Equity Shares of Rs. 10/- each	45,00,00,000	45,00,00,000
2,00,00,000 (31 March 2022 : 2,00,00,000) 9.69% Non-Cumulative Compulsorily Convertible Preference Shares of Rs.10 each	20,00,00,000	20,00,00,000
Total issued & subscribed share capital	65,00,00,000	65,00,00,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**Equity shares**

	31 March 2023		31 March 2022	
	Nos	(Amount in Rs.)	Nos	(Amount in Rs.)
At the beginning of the Year	4,50,00,000	45,00,00,000	4,50,00,000	45,00,00,000
Add: Issued during the Year	-	-	-	-
Outstanding at the end of the Year	4,50,00,000	45,00,00,000	4,50,00,000	45,00,00,000

Preference shares

	31 March 2023		31 March 2022	
	Nos	(Amount in Rs.)	Nos	(Amount in Rs.)
At the beginning of the Year	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Add: Issued during the Year	-	-	-	-
Outstanding at the end of the Year	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000

(b) Terms/ rights attached to equity shares and preference shares**Equity shares**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

The Company has only one class of 9.69% Non-Cumulative Compulsorily Convertible Preference Shares having face value of Rs.10 per share. The shares will be convertible into equity shares at a date not later than 10 years from the date of allotment. The shares will be convertible at the option of the Company in the ratio 1:1



A. TRED'S LIMITED

Notes to financial statements for the year ended 31 March 2023

(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Axis Bank Limited, the holding company and its nominees 3,01,50,000 (31 March 2022: 3,01,50,000 shares) equity shares of Rs.10/- each	30,15,00,000	30,15,00,000
Axis Bank Limited, the holding company 1,34,00,000 (31 March 2022: 1,34,00,000) 9.69% non cumulative compulsory convertible pref shares of Rs.10/- each	13,40,00,000	13,40,00,000

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31 March 2023		31 March 2022	
	Nos	%	Nos	%
Axis Bank Limited, the holding company and its nominees 3,01,50,000 (31 March 2022 : 3,01,50,000 shares) equity shares of Rs.10/- each	3,01,50,000	67%	3,01,50,000	67%
Mjunction Services Limited 1,48,50,000 (31 March 2022 : 1,48,50,000 shares) equity shares of Rs.10/- each	1,48,50,000	33%	1,48,50,000	33%
Axis Bank Limited, the holding company and its nominees 1,34,00,000 (31 March 2022 : 1,34,00,000) 9.69% non cumulative compulsory convertible pref shares of Rs.10/- each	1,34,00,000	67%	1,34,00,000	67%
Mjunction Services Limited 66,00,000 (31 March 2022 : 66,00,000) 9.69% non cumulative compulsory convertible pref shares of Rs.10/- each	66,00,000	33%	66,00,000	33%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) Details of shares held by promoters

	31 March 2023	31 March 2022
Promoters Name		
Axis Bank Limited		
Equity Shares	3,01,50,000	3,01,50,000
Preference Shares	1,34,00,000	1,34,00,000
% of total shares	67%	67%
% change during the year	-	-
Mjunction Services Ltd		
Equity Shares	1,48,50,000	1,48,50,000
Preference Shares	66,00,000	66,00,000
% of total shares	33%	33%
% change during the year	-	-

4. Reserves & Surplus

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Surplus/ (deficit) in the statement of profit and loss	(54,77,48,262)	(49,91,17,811)
Profit/(Loss) for the year	6,73,64,736	(4,86,30,451)
Net deficit in the statement of profit & loss	(48,03,83,526)	(54,77,48,262)
Total Reserves & surplus	(48,03,83,526)	(54,77,48,262)



A. TRED'S LIMITED

Notes to financial statements for the year ended 31 March 2023

5. Provisions

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Long Term		
Provision for gratuity	4,789,963	4,736,994
Provision for compensated absences	2,876,729	2,908,283
Total Long Term	7,666,692	7,645,277
Short Term		
Provision for bonus	10,210,953	9,070,704
Provision for gratuity	265,677	363,390
Provision for compensated absences	752,529	727,596
Total Short Term	11,229,159	10,161,690

6. Other non current liabilities

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Other non current liabilities	1,343,451	2,068,780
Total	1,343,451	2,068,780

7. Trade payable

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Total outstanding dues of micro enterprises and small enterprises	1,638,907	313,052
Total outstanding dues of creditors other than micro enterprises and small enterprises	23,031,627	14,066,710
Total	24,670,534	14,379,762

Trade payable ageing schedule**As at March 2023**

Particulars	Outstanding for following periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	1,638,907	-	-	-	1,638,907
Others	22,070,626	961,001	-	-	23,031,627

As at March 2022

Particulars	Outstanding for following periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	313,052	-	-	-	313,052
Others	13,577,388	489,322	-	-	14,066,710

There are no disputed trade payables during the year

8. Other current liabilities

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Due to holding company- 'Axis Bank Limited'	5,567,877	9,612,957
Due to others	1,570,225	693,158
Statutory dues	7,497,401	2,188,957
Unearned revenue	52,598,030	30,418,086
Other current liabilities	1,436,963	379,433
Total	68,670,496	43,292,591



A. TRED'S LIMITED

Notes to financial statements for the year ended 31 March 2023

9. Plant, property and equipments & Intangible assets

Assets	Gross Block				Depreciation			Net Block	
	As at 1 April, 2022	Addition for the year	Deductions/Adjustment for the year	As at 31 March, 2023	As at 1 April, 2022	Addition for the year	Deductions/Adjustment for the year	As at 31 March, 2023	As at 31 March, 2022
Tangible asset									
Leasehold improvement	13,134,682	-	-	13,134,682	7,474,739	1,453,370	-	4,206,573	5,659,943
Furniture	1,061,441	-	-	1,061,441	504,494	105,646	-	451,301	556,947
Office equipment	7,060,363	16,759	-	7,077,122	6,805,913	201,232	-	69,977	254,450
Computers	15,316,627	3,209,881	-	18,526,508	12,290,301	2,352,141	-	3,884,066	3,026,326
	36,573,113	3,226,640	-	39,799,753	27,075,447	4,112,389	-	8,611,917	9,497,666
Intangible assets									
Software	78,337,643	42,332,953	-	120,670,596	66,940,432	9,419,411	-	44,310,753	11,397,211
	78,337,643	42,332,953	-	120,670,596	66,940,432	9,419,411	-	44,310,753	11,397,211
Work-in-progress									
Software	12,231,797	34,116,366	41,333,754	5,014,409	-	-	-	5,014,409	12,231,797
	12,231,797	34,116,366	41,333,754	5,014,409	-	-	-	5,014,409	12,231,797
Total	127,142,553	79,675,959	41,333,754	165,484,758	94,015,878	13,531,800	-	57,937,079	33,126,673
Previous Year	1,065,443,624	24,101,497	2,237,803	127,142,553	64,091,206	29,924,671	-	33,126,673	42,452,417
31 March 2022									



A. TREDS LIMITED

Notes to financial statements for the year ended 31 March 2023

10. Loans and advances (Unsecured, considered good)

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Loans and advances		
Long Term		
Prepaid expenses	249,725	31,991
TDS & Advance tax	14,887,740	8,611,185
GST input credit/ Service tax input	20,251	19,790,403
Total Long Term	15,157,716	28,433,579
Short Term		
Prepaid expenses	4,203,619	2,863,837
Accrued interest	2,075,995	874,354
TDS & Advance tax	1,534,480	1,539,428
Other advances	3,704,391	247,326
Total Short Term	11,518,485	5,524,945

11. Other non current assets

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Security deposit	1,534,375	1,334,375
Total	1,534,375	1,334,375

12. Cash and bank balance

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Cash and cash equivalents		
Cash on hand	4,537	6,828
Balances with banks:		
– On current accounts	32,699,186	14,645,534
– Deposits with original maturity of less than 3 months	48,693,322	84,419,348
Other bank balances:		
– Deposits with remaining maturity of less than 12 months	93,732,823	-
Total	175,129,868	99,071,710

13. Trade receivables

	31 March 2023 (Amount in Rs.)	31 March 2022 (Amount in Rs.)
Non-current		
Unsecured, considered bad & doubtful	1,485,954	527,470
Provision for doubtful debts and bad debts*	(963,300)	(225,163)
Total (A)	522,654	302,307
Current		
Unsecured, considered good	21,396,629	12,006,248
Total (B)	21,396,629	12,006,248
Total (A) + (B)	21,919,283	12,308,555

* Bad debts of Rs. NIL written off in FY 22-23 and Rs. 77,147 is written off in FY 21-22

Trade Receivables ageing schedule
As at March 2023

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 yr	1-2 years	2 -3 yrs	more than 3 yrs	
Undisputed trade receivables, considered good	21,396,629	-	-	-	-	21,396,629
Undisputed trade receivables, considered doubtful	-	998,984	486,970	-	-	1,485,954
Disputed trade receivables, considered good	-	-	-	-	-	-
Disputed trade receivables, considered doubtful	-	-	-	-	-	-

As at March 2022

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 yr	1-2 years	2 -3 yrs	more than 3 yrs	
Undisputed trade receivables, considered good	12,006,248	-	-	-	-	12,006,248
Undisputed trade receivables, considered doubtful	-	450,323	77,147	-	-	527,470
Disputed trade receivables, considered good	-	-	-	-	-	-
Disputed trade receivables, considered doubtful	-	-	-	-	-	-



A. TRED'S LIMITED

Notes to financial statements for the year ended 31 March 2023

14. Revenue from operations

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
	(Amount in Rs.)	(Amount in Rs.)
Onboarding charges	18,091,738	14,318,446
Transaction charges	298,967,060	142,044,720
Annual charges	100,994	198,827
Total	317,159,792	156,561,993

15. Other income

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
	(Amount in Rs.)	(Amount in Rs.)
Interest income on bank deposits	4,708,098	3,039,947
Miscellaneous receipts	10,350	386,017
Interest on income tax refund	558,001	103,173
Total	5,276,449	3,529,137

16. Employee benefits expense

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
	(Amount in Rs.)	(Amount in Rs.)
Salaries, wages and bonus	146,334,474	120,701,390
Contribution to provident funds	4,429,333	3,577,759
Staff welfare expenses & Training	177,242	187,184
Gratuity expenses	975,276	1,259,888
Compensated absences	(6,621)	453,227
ESOP expenses	6,575,838	3,455,164
Total	158,485,542	129,634,612

17. Other expense

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
	(Amount in Rs.)	(Amount in Rs.)
Travelling and conveyance	8,452,843	4,105,336
Professional fees	18,830,107	10,810,496
Rent, rates and taxes	9,121,633	7,896,379
Business promotion	484,666	210,569
Software expenses	7,543,494	6,555,838
Information technology expense	18,485,801	5,667,767
Telephone expenses	2,313,575	1,452,201
Director fees	2,600,000	1,200,000
Transaction charges	4,218,283	3,236,605
Electricity expenses	1,893,441	1,257,055
Printing & Stationery	456,941	286,065
Provision for doubtful debts	738,137	(638,166)
Bad debts written off	-	77,146
Security services	1,086,440	1,013,481
Insurance expenses	228,105	235,424
Membership & subscription fees	106,647	87,159
House keeping charges	1,545,967	1,694,830
Auditor remuneration	2,288,429	2,064,124
Repair & maintenance	1,721,572	1,380,114
Misc expenses	938,082	569,875
Total	83,054,163	49,162,298

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
	(Amount in Rs.)	(Amount in Rs.)
Audit Remuneration		
Audit fee	1,665,000	1,525,000
Limited review	585,000	525,000
Out of Pocket expenses	38,429	14,124
Total	2,288,429	2,064,124



A. Treds Limited**Notes forming part of the financial statements****18 Leases****Operating Lease:**

The Company has entered into agreements in the nature of cancellable and non-cancellable lease / leave and license agreements with different lessors / licensors for the purpose of establishment of office premises and office equipments. These are generally in the nature of operating leases / leave and licenses.

Generally the lease term is for upto 9 years with the escalation clause of up to 15% for office premises for every 3 completed years. There are no restrictions imposed by lease arrangements.

Future minimum rentals payable for premises under operating leases are as follows:

Particulars	2022-23 (Amount in Rs)	2021-22 (Amount in Rs)
Minimum lease payments :		
Not later than one year	7,570,006	7,258,530
Later than one year but not later than five	11,636,221	18,581,480
Later than five years	-	57,222
Lease charged for the year*	9,236,763	7,663,237

* Lease equalisation expenses included in Rent, rates and taxes (Note 17)

Future minimum rentals payable for office equipment under operating leases are as follows:

Particulars	2022-23 (Amount in Rs)	2021-22 (Amount in Rs)
Minimum lease payments :		
Not later than one year	155,525	186,500
Lease charged for the year	155,525	186,500

19 Earnings per share ('EPS')

Particulars	2022-23 (Amount in Rs)	2021-22 (Amount in Rs)
Net Profit / (loss) after tax	67,364,736	(48,630,451)
Net profit / (loss) for calculation of basic and diluted EPS	67,364,736	(48,630,451)
Weighted average number of equity shares in calculating basic EPS	45,000,000	45,000,000
Effect of dilution:		
Convertible preference shares	20,000,000	20,000,000
Weighted average number of equity shares in calculating diluted EPS	65,000,000	65,000,000
Basic earnings per share	1.50	(1.08)
Diluted earnings per share	1.04	(0.75)

20 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year

Particulars	2022-23 (Amount in Rs)	2021-22 (Amount in Rs)
Principal amount due to micro and small enterprises	1,638,907	313,052
Interest due on above	-	-

The Company also has not received any claims against interest outstanding amount due to any vendor registered under Micro, Small and Medium Enterprises Development Act, 2006. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

21 Estimated amount of contracts remaining to be executed on capital account and not provided for:

Particulars	2022-23 (Amount in Rs)	2021-22 (Amount in Rs)
Commitment for addition/acquisition of software	21,393,149	1,498,797
Commitment for acquisition of other capital asset	430,150	-



A. Treds Limited

Notes forming part of the financial statements

22 Gratuity and other post employment benefit plan

Liability for Gratuity and compensated leave absence has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (Revised) as prescribed by Companies (Accounting Standards) Rules, 2006, the details of which are as under:

I Gratuity

A. Statement of profit and loss

Net employee benefit expense recognized in the employee cost

(Amount in Rs.)

Particulars	Gratuity (Funded)	Gratuity (Funded)
	31 March 2023	31 March 2022
Interest cost	436,402	326,801
Current service cost	1,373,656	1,196,969
Expected return on plan assets	-	(5,804)
Actuarial (gain)/ loss on obligations	(683,721)	(258,078)
Net gratuity cost	1,126,337	1,259,888
Actual return on plan asset	(52,474)	(58,580)

B. Balance Sheet

Benefit asset/liability

(Amount in Rs.)

Particulars	Gratuity (Funded)	Gratuity (Funded)
	31 March 2023	31 March 2022
Present value of funded obligation	5,428,698	5,165,026
Fair value of plan assets	(373,058)	(64,642)
Plan (asset)/liability	5,055,640	5,100,384

C. Change in present value of defined benefit obligation

(Amount in Rs.)

Particulars	Gratuity (Funded)	Gratuity (Funded)
	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Present value of the obligation as at the beginning of the year	5,165,026	3,963,718
Interest cost	436,402	326,801
Current service cost	1,373,656	1,196,969
Benefit paid	(810,190)	-
Liabilities assumed on acquisition/ (settled on divestiture)	-	-
Actuarial (gain)/ loss on obligations	(736,195)	(322,462)
Present value of the obligation as at the end of the year	5,428,698	5,165,026

D. Change in fair value of plan assets

Particulars	(Amount in Rs.) Gratuity (Funded)	(Amount in Rs.) Gratuity (Funded)
	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Opening fair value of plan asset	64,642	76,925
Expected return on plan assets	-	5,804
Actuarial (gain)/losses	(52,474)	(64,384)
Contributions by employer	1,171,080	46,297
Asset acquired on acquisition/(distributed on divestiture)	-	-
Benefits Paid	(810,190)	-
Closing fair value of plan asset	373,058	64,642
Expected employer contribution next year	200,000	200,000



E. Experience adjustments

Particulars	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)
	Gratuity (Unfunded)	Gratuity (Funded)	Gratuity (Funded)
	For the Year ended 31 March 2021	For the Year ended 31 March 2022	For the Year ended 31 March 2023
Defined benefit obligation	3,963,718	5,165,026	5,428,698
Plan assets	76,925	64,642	373,058
Surplus/(deficit)	(3,886,793)	(5,100,384)	(5,055,640)
Exp. Adj. on plan liabilities	43,092	(113,736)	(507,473)
Exp. Adj. on plan assets	(138,912)	(64,384)	(52,474)

The principal assumptions used in determining obligations for the Company's plans are shown below:

Assumptions	(Amount in Rs.)	
	Gratuity (Funded)	Gratuity (Funded)
	31 March 2023	31 March 2022
Discount rate	7.40% p.a	6.90% p.a
Increase in compensation cost	10.00%p.a.	10.00%p.a.
Employee turnover		
21 to 30 (age in years)	24.00%	24.00%
31 to 44 (age in years)	14.00%	14.00%
45 to 59 (age in years)	8.00%	8.00%

II Compensated absences

Particulars	(Amount in Rs.)	
	31 March 2023	31 March 2022
Present value of obligations	3,629,258	3,635,879
Expense recognised in the Statement of Profit and Loss	(6,621)	453,227
Discount Rate (p.a.)	7.40% p.a	6.90% p.a
Increase in compensation cost	10.00%p.a.	10.00%p.a.
Employee turnover		
21 to 30 (age in years)	24.00%	24.00%
31 to 44 (age in years)	14.00%	14.00%
45 to 59 (age in years)	8.00%	8.00%



A.TREDS LIMITED

Notes forming part of the financial statements

23 Related Party Disclosure

The related parties of the Company are broadly classified as:

Holding Company	Axis Bank Limited ('ABL')
Key Management Personnel	Mr. Prakash Sankaran (Managing Director & Chief Executive Officer) ('MD & CEO') Mr. Vijay Dube (Chief Financial Officer) ('CFO') (till Dec 16, 2022) Ms. Meenakshi Agarwal (Company Secretary) ('CS')
Fellow Subsidiaries	Axis Capital Limited ('ACL') Axis Asset Management Company Limited ('AAMC') Axis Private Equity Limited ('APEL') Axis Mutual Fund Trustee Limited ('AMFT') Axis Trustee Services Limited ('ATSL') Axis Bank UK Limited ('ABUKL') Axis Finance Limited ('AFL') Axis Secures Limited ('ASL') Freecharge Payment Technologies Private Limited ('FPTPL')
Subsidiaries of fellow subsidiaries companies	Axis Capital USA LLC (subsidiary of Axis Capital Limited)
Investing Company	Mjunction Services Limited ('MSL')

The details of transactions and balances payable to/receivable of the Company with its related parties for the year ended 31 March 2023 are given below

Transaction/Nature of Relationship	Holding Company	Key Management Personnel	Investing Company	Fellow Subsidiaries	Grand Total
Transactions during the year ended 31 March 2023					
Assets					
Proceeds from fixed deposit	5,028,849	-	-	-	5,028,849
	(27,341,216)	-	-	-	(27,341,216)
Income					
Interest on fixed deposit	4,708,098	-	-	-	4,708,098
	(3,039,947)	-	-	-	(3,039,947)
Income from transaction charges	11,783,382	-	-	-	11,783,382
	(6,065,316)	-	-	-	(6,065,316)
Expenses					
Reimbursement for expenses by the company	11,125,268	-	-	-	11,125,268
	(5,986,865)	(244,879)	-	-	(6,231,744)
Reimbursement for expenses to the company	-	-	550,000	-	550,000
	-	-	(500,000)	-	(500,000)
Reimbursement for expenses (Deputation cost of MD & CEO)	14,682,604	280,744	-	-	14,963,348
	(10,546,147)	-	-	-	(10,546,147)
Reimbursement for expenses (Deputation cost other employee)	17,572,660	-	-	-	17,572,660
	(24,323,227)	-	-	-	(24,323,227)
ESOP expense	6,575,876	-	-	-	6,575,876
	(3,455,164)	-	-	-	(3,455,164)
Salary (CFO)	-	3,877,039	-	-	3,877,039
	-	(4,144,358)	-	-	(4,144,358)
Salary (CS)	-	1,074,572	-	-	1,074,572
	-	(536,724)	-	-	(536,724)
Outstanding balance as at 31 March 2023					
Other Payable	5,567,906	-	-	-	5,567,906
	(9,612,952)	-	-	-	(9,612,952)
Other Receivable	-	-	550,000	-	550,000
	-	-	(500,000)	-	(500,000)
Balances with banks in current account	32,699,186	-	-	-	32,699,186
	(14,645,534)	-	-	-	(14,645,534)
Fixed deposit	142,426,145	-	-	-	142,426,145
	(85,293,709)	-	-	-	(85,293,709)

Notes

1) Related party relationships have been identified by the management and relied upon by the auditors

2) There are no transaction during the period with fellow subsidiaries.

3) Figures for the period ended 31 March 2022 are disclosed in brackets.

4) The remuneration to Key Managerial Persons does not include the provisions made for retirement benefits, as they are made on actuarial basis for the company as a whole.

24 During the year, the holding company has issued stock options to certain employees on deputation and on payroll of the Company. Annual charge towards the stock options amounting to Rs. 65,75,876 (PY - Rs. 34,55,164), has been accounted as an expense in books of company and is payable to holding company.



A.TREDS LIMITED**Notes forming part of the financial statements****25 Ratios**

	For the Year ended 31 March 2023	For the Year ended 31 March 2022	% change
a. Current ratio	1.99	1.72	15%
b. Trade receivable turnover ratio	18.53	14.84	25%
c. Net profit ratio	0.21	(0.30)	169%
d. Return on capital employed	0.10	(0.07)	239%
e. Return on equity	0.15	(0.11)	239%
f. Net capital turnover ratio	4.38	1.54	-184%

Current ratio has been calculated by dividing total current assets by total current liabilities.

Trade receivable turnover ratio has been calculated by dividing net sales by average trade receivables.

Net profit ratio has been calculated by dividing net profit by net sales.

Return on capital employed has been calculated by dividing EBIT by capital employed.

Return on equity has been calculated by dividing NPAT by average shareholders' equity.

Net capital turnover ratio has arrived at by dividing Net sales by average working capital.

Revenue from operations considered as base for computing "Trade receivable turnover ratio" and "Net Profit Ratio" has grown by 200% in current financial year, resulting in yearly movement in ratio by 25% and 169% respectively.

Net profit for the year has increased by 239% during the year, resulting in movement of "Return on Capital Employed Ratio" and "Return on Equity ratio" by 239%.

Net capital turnover ratio has decreased by 184% during current financial year due to increase in turnover by 200% and corresponding decrease in average working capital by 30%.

Debt equity ratio, Debt service coverage ratio, return on equity ratio, inventory turnover ratio and return on investment ratio are not applicable to the Company.

26 Intangibles under development ageing schedule

Intangibles under development	Amount in Intangibles under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	5,014,409	-	-	-	5,014,409
Projects temporarily suspended	-	-	-	-	-

Intangibles under development	Amount in Intangibles under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	12,231,797	-	-	-	12,231,797
Projects temporarily suspended	-	-	-	-	-

27 Revaluation of plant, property & equipment and intangible assets

The Company has not revalued its plant, property & equipment and intangible assets in current year and previous year.

28

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

29 Details of Benami Property held

There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at end of current year or previous year.

30 Borrowings from bank and financial institutions

The Company has not taken any borrowing from banks or financial institutions on the basis of security of current assets, during current year and previous year.

31 Willful Defaulter

The Company is not declared as willful defaulter by any bank or financial institution or other lender, during current year and previous year.

32 Relationship with Struck off Companies

The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during current year and previous year.

33 Compliance with number of layer of companies

Since the Company does not have any subsidiary, the provision of section 2 clause 87 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable to the Company.

34 Undisclosed income

The Company has not have any unrecorded transaction in the books of accounts that has been surrendered or disclosed as income during the current year and previous year, in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

35 Utilisation of borrowed funds and share premium

(A) Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) or provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) Company has not received any funds from any persons or entities, including foreign entities (Intermediaries) or provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

36 Crypto Currency or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the current and previous financial year.

37 Previous year figures

Previous year figures have been regrouped/reclassified wherever necessary, to confirm to the current year's classification.

Summary of significant accounting policies

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

As per our report of even date:

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

Per Jitendra H. Ranawat
Partner
Membership No. :- 103380
Place : Mumbai
Date : 13 April, 2023

For and on behalf of the Board of Directors

Rajiv Arand
Director
DIN No: 02541753

Prakash Sankaran
Managing Director & CEO
DIN: 08581871

Menakshi Agarwal
Company Secretary

