

### INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS OF APEX CAPITAL MARKETS LIMITED FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2023.

#### Opinion

We have audited the financial statements of **APEX CAPITAL MARKETS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss, and statement of cash flows 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 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, and its financial performance, and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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 accounting Standards 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 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (1) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (2) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (3) 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.
- (4) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (5) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (6) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, the company is exempt from getting an audit opinion on internal financial control.
- (7) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (a) The Company has disclosed details regarding pending litigations in note 28 of financial statements, which would impact its financial position.
  - (b) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



# ABPP & ASSOCIATES



CHARTERED ACCOUNTANTS

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- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (d) (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other 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 ("UltimateBeneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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
- (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- (e) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- (8) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, no managerial remuneration has been paid during the year.

For ABPP & ASSOCIATES

Chartered Accountants

Firm Registration No. 328632E



*Ajay Baid*

CA. AJAY CHAND BAID

(PARTNER)

(Memb. No. 302061)

ICAI UDIN this Independent

Auditor's Report : 23302061BGSRMJ3608

Dated the 30<sup>th</sup> day of May, 2023



### ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report as required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2023, we report the following:

- (i) (a) (A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) the company is not having any intangible asset. Therefore, the provisions of Clause (i)(a)(B) of paragraph 3 of the order are not applicable to the company.
- (b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.
- (c) There are no immovable properties held by the company.
- (d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.
- (e) The Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.
- (ii) (a) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. No material discrepancies were noticed on such verification.
- (b) During any point of time of the year, the company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets. Therefore, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company.
- (iii) During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3(iii) of the said Order are not applicable to the company.
- (iv) The company has advanced unsecured loan on which provisions of section 185 and 186 of the Companies Act 2013 have been complied with.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.



- (vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2023 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, there are not any statutory dues referred in sub- clause (a) which have not been deposited on account of any dispute. Therefore, the provisions of Clause (vii)(b) of paragraph 3 of the order are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given to us, there is no any transaction not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been a declared willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the company has not made preferential allotment or private placement of shares during the year. .



- (xi) (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As auditor, we did not receive any whistle- blower complaint during the year.
- (xii) The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.
- (xiii) As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.
- (xiv) The company is covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. The company has adequate internal Audit System commensurate with the size and nature of its business. The report of the internal auditor has been considered by us.
- (xv) The company has not entered into any non cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (XV) of paragraph 3 of the order are not applicable to the company.
- (xvi) The company is a Non Banking Finance Company and is registered under section 45-1A of the Reserve Bank of India Act, 1934.
- (xvii) The company has not incurred cash loss in current financial year as well in immediately preceding financial year.
- (xviii) There has been resignation of the previous statutory auditors during the year. The Auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditor.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) There is not liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.



# ABPP & ASSOCIATES



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(xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For **ABPP & ASSOCIATES**

*Chartered Accountants*

Firm Registration No. 328632E



*Ajay Baid*

**CA. AJAY CHAND BAID**

(PARTNER)

(Memb. No. 302061)

ICAI UDIN this Independent

Auditor's Report : 23302061BGSRMJ3608

Dated the 30<sup>th</sup> day of May, 2023



**Apex Capital Markets Limited**  
(CIN: L65999WB1995PLC067302)

**Balance Sheet as at March 31, 2023**

(Amount in Hundreds)

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
<b>ASSETS</b>			
<b>Financial Assets</b>			
a) Cash & Cash Equivalents	3	1,709.30	4,146.64
b) Loans & Advances	4	-	66,500.00
c) Investments	5	64,06,008.72	3,71,045.58
<b>Total Financial Assets</b>		<b>64,07,718.02</b>	<b>4,41,692.22</b>
<b>Non-financial Assets</b>			
a) Current tax assets (net)	6	893.80	-
b) Property Plant & Equipments	7	75.45	75.45
c) Other Non-Financial Assets	8	20.00	4,587.48
<b>Total Non-Financial Assets</b>		<b>989.25</b>	<b>4,662.93</b>
<b>Total Assets</b>		<b>64,08,707.27</b>	<b>4,46,355.15</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
a) Borrowings (Other than Debt Securities)	9	74,006.02	-
b) Other financial liabilities	10	3,711.36	3,633.59
<b>Total Financial Liabilities</b>		<b>77,717.38</b>	<b>3,633.59</b>
<b>Non-Financial Liabilities</b>			
a) Current tax liabilities (net)		-	5,373.51
b) Provisions	11	986.00	2,868.71
c) Deferred tax liabilities (net)	12	15,36,384.94	849.72
d) Other non-financial liabilities	13	5,094.78	2,669.30
<b>Total Non-Financial Liabilities</b>		<b>15,42,465.72</b>	<b>11,761.24</b>
<b>Total Liabilities</b>		<b>16,20,183.09</b>	<b>15,394.83</b>
<b>EQUITY</b>			
a) Equity Share capital	14	3,00,010.00	3,00,010.00
b) Other Equity	15	44,88,514.18	1,30,950.32
<b>Total Equity</b>		<b>47,88,524.18</b>	<b>4,30,960.32</b>
<b>Total Liabilities and Equity</b>		<b>64,08,707.27</b>	<b>4,46,355.15</b>

Significant accounting policies and notes to the financial statements  
As per our report of even date attached

For & on behalf of the Board

**For ABPP & Associates**

Chartered Accountants

Firm Reg. No. 328632E

*Ajay Baid*

(CA Ajay Chand Baid)

Partner

Membership No. 302061



Place : Kolkata

Dated: 30<sup>th</sup> day of May 2023

UDIN: 23302061365RMJ3608

*Kamal Kishore Lalwani*

**Kamal Kishore Lalwani**

Director & CFO

DIN : 00064724

*Snehlata Lalwani*

**Snehlata Lalwani**

Director

DIN : 00064649

*Rashmi Narasani*

**Company Secretary**

M No. A47053

**Apex Capital Markets Limited**  
(CIN: L65999WB1995PLC067302)

**Statement of Profit and Loss for the year ended March 31, 2023**

(Amount in Hundreds)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>I Revenue from operations</b>			
(i) Interest Income	16	5,037.07	10,564.44
(ii) Dividend Income		4,038.00	2,772.50
(iii) Net gain on fair value changes	17	-31,604.72	1,25,804.05
<b>Total Revenue from operations</b>		<b>-22,529.65</b>	<b>1,39,140.99</b>
<b>II Other Income</b>	18	5,558.51	3,249.99
<b>III Total Income (I+II)</b>		<b>-16,971.14</b>	<b>1,42,390.98</b>
<b>IV. Expenses</b>			
(i) Finance costs	19	4,653.36	-
(ii) Employee benefits expenses	20	16,252.27	13,124.25
(iii) Others expenses	21	8,450.34	14,742.04
<b>Total Expenses</b>		<b>29,355.97</b>	<b>27,866.29</b>
<b>V Profit/(loss) before tax (III -IV )</b>		<b>-46,327.11</b>	<b>1,14,524.69</b>
<b>Tax Expense:</b>			
(1) Current Tax		-	28,926.48
(2) Deferred Tax		-12,580.47	835.59
(3) Income Tax of earlier years		14,864.92	-
<b>VI Net Tax Expenses (VI)</b>		<b>2,284.45</b>	<b>29,762.07</b>
<b>VII Profit/(loss) for the period (V) - (VI)</b>		<b>-48,611.56</b>	<b>84,762.62</b>
<b>VIII Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>			
i) Re-measurement gains / (losses) on defined benefit plans (net)		59,54,291.10	-
ii) Net gain / (loss) on financial instruments through OCI		-15,48,115.69	-
iii) Income tax impact on above		44,06,175.41	-
<b>Other comprehensive income/(loss)</b>		<b>43,57,563.86</b>	<b>84,762.62</b>
<b>IX Total Comprehensive Income for the period (VII+VIII)</b>			
<b>X Earnings per equity share</b>			
<b>Basic and Diluted earnings per share (Rs.)</b>	22	-1.62	2.83

Significant accounting policies and notes to the financial statements  
As per our report of even date attached

**For ABPP & Associates**

Chartered Accountants  
Firm Reg. No. 328632E

*Ajay Baid*

(CA Ajay Chand Baid)

Partner

Membership No. 302061

Place : Kolkata

Dated: 30<sup>th</sup> day of May 2023

UDIN: 23302061BGSRM3608



**For & on behalf of the Board**

*Kamal Kishore Lalwani*

**Kamal Kishore Lalwani**

Director & CFO

DIN : 00064724

*Snehlata Lalwani*

**Snehlata Lalwani**

Director

DIN : 00064649

*Gashmi Narayan*

**Company Secretary**

M No.A47053



**Apex Capital Markets Limited**  
(CIN: L65999WB1995PLC067302)  
**Cash Flow Statement for the year ended March 31, 2023**

(Amount in Hundreds)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss before Tax	-46,327.11	1,14,524.69
Adjustments for:		
Provisions / Liabilities no longer required written back	3,500.01	-3,249.99
Dividend Income received	-4,038.00	-2,772.50
Net (gain)/loss arising on financial assets measured at FVTPL	31,604.72	
<b>Operating profit before working capital changes</b>	<b>-15,260.37</b>	<b>1,08,502.20</b>
Adjustments for changes in working capital:		
(Increase) / Decrease in Loans	62,999.99	65,000.00
(Increase) / Decrease in Other Non- Financial Asset	4,567.48	-1,79,385.41
Increase / (Decrease) in Other Financial Liabilities	77.77	-
Increase / (Decrease) in Provisions	-1,882.71	-43,170.01
Increase / (Decrease) in Other Non-Financial Liabilities	2,425.48	-
Cash generated from Operations	52,927.63	-49,053.22
Direct Taxes Paid	21,132.23	<b>21,081.14</b>
<b>Net Cash flow from/(used in) Operating Activities</b>	<b>31,795.40</b>	<b>-70,134.36</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividend Income received	4,038.00	<b>2,772.50</b>
Purchase of Investments	-1,12,276.77	
Sale of Investments		
<b>Net cash flow from/(used in) Investing Activities</b>	<b>-1,08,238.77</b>	<b>2,772.50</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipt / (Repayment) of Borrowing	74,006.02	-
<b>Net Cash flow from/(used in) Financing Activities</b>	<b>74,006.02</b>	-
Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	-2,437.34	-67,361.86
Cash and Cash Equivalents at the Beginning of the Period	4,146.64	<b>71,508.50</b>
Cash and Cash Equivalents at the End of the Period	<b>1,709.29</b>	<b>4,146.64</b>

**AUDITOR'S CERTIFICATE**

We have examined the attached Cash Flow Statement of **M/s. Apex Capital Markets Limited** for the year ended 31st March 2023. The statement has been prepared by the company with the requirement of Clause 32 of the Listing Agreement with the Stock Exchange and is based on and in agreement with the corresponding statement of Profit & Loss and Balance Sheet of the Company covered by our Report of to the Members of the Company.

**For ABPP & Associates**

Chartered Accountants  
Firm Reg. No. 328632E

*Ajay Baid*  
(CA Ajay Chand Baid)  
Partner  
Membership No. 302061

Place : Kolkata

Dated: *30th* day of *May* 2023

UDIN: 23302061BGSRMJ3608



*Kamal Kishore Lalwani*  
**Kamal Kishore Lalwani**  
Director & CFO  
DIN : 00064724

*Snehlata Lalwani*  
**Snehlata Lalwani**  
Director  
DIN : 00064649

*Rashmi Narasimhan*  
**Company Secretary**  
M No. A47053

**Apex Capital Markets Limited**

(CIN: L65999WB1995PLC067302)

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

Particulars	(Amount in Hundreds)	
	As at 31.03.2023	As at 31.03.2022
<b>3 CASH &amp; BANK BALANCES</b>		
<b>Cash &amp; Cash Equivalent</b>		
(i) Balances with bank in current account	549.09	1,799.40
(ii) Cheque in Hand	20.35	
(iii) Cash in hand	1,139.86	2,347.24
	<b>1,709.30</b>	<b>4,146.64</b>
<b>4 LOANS</b>		
<b>At Amortised Cost- Unsecured - considered good</b>		
(i) Loans		70,000.00
-related parties	-	
Less: impairment Loss Allowance	-	3,500.00
<b>Total Net Loans at amortised cost</b>	<b>-</b>	<b>66,500.00</b>
<b>6 CURRENT TAX ASSETS (NET)</b>		
Advance Tax & Tax Deducted at Source (Net of Provision)	893.80	-
	<b>893.80</b>	<b>-</b>
<b>8 OTHER NON-FINANCIAL ASSETS</b>		
<b>Unsecured - considered good (unless otherwise stated)</b>		
Balances with statutory/government authorities	-	4,567.48
Other Advances	20.00	20.00
	<b>20.00</b>	<b>4,587.48</b>
<b>9 BORROWINGS (OTHER THAN DEBT SECURITIES)</b>		
<b>At Amortised Cost</b>		
Rupee Loan		
(i) from Directors	-	-
(ii) from Body Corporates	74,006.02	-
	<b>74,006.02</b>	<b>-</b>
Borrowings within India	74,006.02	-
Borrowings outside India	-	-
	<b>74,006.02</b>	<b>-</b>
<b>10 OTHER FINANCIAL LIABILITIES</b>		
Payable to employees	781.99	750.31
Liability for Operating Expenses	1,035.60	989.74
Security Deposit	1,892.77	1,892.77
Other financial liabilities	-	0.77
	<b>3,711.36</b>	<b>3,633.59</b>
<b>11 PROVISIONS</b>		
Gratuity	-	2,029.71
Leave encashment	181.00	111.00
Provision for Bonus	805.00	728.00
	<b>986.00</b>	<b>2,868.71</b>
<b>12 DEFERRED TAX LIABILITY (NET)</b>		
<b>Deferred Tax Liability</b>		
Fair value gain/(loss) on Investment	15,48,115.69	4,350.10
<b>Deferred Tax Asset</b>		
Fair value gain/(loss) on Inventory	11,730.75	3,500.38
	<b>15,36,384.94</b>	<b>849.72</b>





# Apex Capital Markets Limited

(CIN: L65999WB1995PLC067302)

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

	As at 31.03.2023 Rs.	As at 31.03.2022 Rs.
<b>13 OTHER NON-FINANCIAL LIABILITIES</b>		
Advance from customers and others		
Liability towards Statutory Dues	5,094.78	2,669.30
	<b>5,094.78</b>	<b>2,669.30</b>
<b>14 SHARE CAPITAL</b>		
<b>Authorised</b>		
Equity Shares of Rs. 10/- each		
50,00,000 (March 31, 2020: 50,00,000) equity shares	5,00,000.00	5,00,000.00
<b>Issued &amp; Subscribed fully paid</b>		
Equity Shares of Rs. 10/- each		
30,00,100 (March 31, 2020: 30,00,100) equity shares	3,00,010.00	3,00,010.00
<b>Reconciliation of number of shares</b>		
Opening Number of Fully Paid Shares	30,00,100	30,00,100
Closing Number of Fully Paid Shares	30,00,100	30,00,100

### No. of shares held by Share Holders holding more than 5% of the Share Capital

	31.03.2023		31.03.2022	
Name	No. of Shares	% Holding	No. of Shares	% Holding
Snehlata Lalwani	196400	6.55%	196400	6.55%
Sunil Kumar Lalwani	153800	5.13%	153800	5.13%
Lalwani Capital Markets Limited	502900	16.76%	502900	16.76%
Lalwani Metalics Private Limited	340000	11.33%	340000	11.33%
Kamal Kishore Lalwani (HUF)	231500	7.72%	231500	7.72%
Lalwani Ferro Alloys Limited	199900	6.66%	199900	6.66%

The company has issued one class of Equity Shares having a par value of Rs.10/-. Each holder of Equity Share is entitled to one vote per share liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in p shareholdings.

Shares held by promoters at the end of the year				
S. No	Promoter Name	No. of Shares	total shares	% Change during the year
1	KAMAL KISHORE LALWANI	63,000.00	2.10	-
2	SNEHLATA LALWANI	1,96,400.00	6.55	-
3	SANJAY KUMAR DHACHOLIA	6,800.00	0.23	-
4	SUNIL KUMAR LALWANI	1,53,800.00	5.13	-
5	SUNITA LALWANI	15,000.00	0.50	-
6	SANDEEP LALWANI	43,800.00	1.46	-
7	KAMAL KISHORE LALWANI (HUF)	2,28,100.00	7.60	-
8	LALWANI FERRO ALLOYS LTD.	1,99,900.00	6.66	-
9	LALWANI METALLICS PVT. LTD.	3,40,000.00	11.33	-
10	LALWANI CAPITAL MARKETS LTD.	5,02,900.00	16.76	-

# Apex Capital Markets Limited

(CIN: L65999WB1995PLC067302)

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

<b>15 OTHER EQUITY</b>	As at 31.03.2023	As at 31.03.2022
<b>(i) Special Reserve</b>		
(created as per Section 45IC of the RBI Act, 1934)		
Opening Balance	26,922.04	9,969.52
Add: Transferred during the year	-	16,952.52
	<b>26,922.04</b>	<b>26,922.04</b>
<b>(ii) Retained Earnings</b>		
Opening Balance	1,04,028.28	36,218.18
Add: Profit/(Loss) during the year	-48,611.56	84,762.62
Less: Transferred to Special Reserve	-	16,952.52
	<b>55,416.72</b>	<b>1,04,028.28</b>
<b>(v) Fair Value through Other Comprehensive Income</b>		
Opening balance	-	-
Change in fair value of FVOCI equity instruments (net of tax)	44,06,175.41	-
	<b>44,06,175.41</b>	<b>-</b>
<b>TOTAL</b>	<b>44,88,514.18</b>	<b>1,30,950.32</b>



# Apex Capital Markets Limited

(CIN: L65999WB1995PLC067302)

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

	Year ended 31.03.2023	Year ended 31.03.2022
<b>16 INTEREST INCOME</b>		
On Financial Assets measured at Amortised Cost		
Interest on Loans	4,900.03	10,564.44
On Income Tax Refund	137.04	-
	<b>5,037.07</b>	<b>10,564.44</b>
<b>17 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES</b>		
(a) Net gain/ (loss) on fair value changes on FVTPL		
- Realised Gain / (Loss)	12,52,142.22	10,990.22
-Unrealised Gain / (Loss)	-44,12,614.68	13,711.94
	<b>-31,60,472.46</b>	<b>24,702.16</b>
<b>18 OTHER INCOME</b>		
Contingent Provision against Standard Assets-Reversal of Impairment loss allowance on loans (Expected Credit Loss)	3,500.01	3,249.99
Miscellaneous Income	1,360.56	-
Speculation Profit/ Loss	697.95	-
	<b>5,558.51</b>	<b>3,249.99</b>
<b>19 FINANCE COST</b>		
On financial liabilities measured at amortised cost:		
Interest on Borrowings	4,653.36	-
	<b>4,653.36</b>	<b>-</b>
<b>20 EMPLOYEES BENEFIT EXPENSES</b>		
Salaries to Staff	11,452.27	13,124.25
Directors' Remuneration	4,800.00	-
	<b>16,252.27</b>	<b>13,124.25</b>
<b>21 OTHER EXPENSES</b>		
Audit & Certification Fees		
-Statutory Audit Fees	300.00	300.00
-Other Services	-	-
-Certification	-	-
Leave & License Fees	1,982.40	1,680.00
Bank Charges	8.30	4.83
Rates and Taxes	1,295.95	1,493.21
Advertisement	117.60	36.00
Equity Transaction Charges	2,292.00	7,643.27
Demat charges	84.81	1,087.37
Filing Fees	114.50	550.01
Custodian Charges	106.20	-
Experian Credit Fees	177.00	-
General Charges	10.00	197.35
Legal and Professional Fees	1,006.20	1,691.00
Listing & Depository Fees	859.72	-
Professional Tax	25.00	-
Telephone Charges	70.66	59.00
	<b>8,450.34</b>	<b>14,742.04</b>
<b>22 EARNING PER SHARE</b>		
Particulars		
Profit after Tax	-48,611.56	84,762.62
Weighted Average number of Equity shares	30,001.00	30,001.00
Earnings Per Share (Basic)	-1.62	2.83
Earnings Per Share (Diluted)	-1.62	2.83
Face Value Per Share	10.00	10.00





# Apex Capital Markets Limited

(CIN: L65999WB1995PLC067302)

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

## NOTE 5: INVESTMENT

(Amount in Hundi)

PARTICULARS	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>1) Investment at fair value through other comprehensive income *</b>				
<b>Investment in Equity Instruments</b>				
<b>Unquoted</b>				
Lalwani Capital Markets Ltd.	1,30,000	67444	1,30,000	13,000
Lalwani Ferro Alloys P Ltd.	9,48,200	5812466	9,48,200	23,460
Lalwani Industries Ltd.	61,000	51935.4	61,000	5,540
Lalwani Metalics P Ltd.	1,77,000	67985.7	1,77,000	3,540
Trister Agencies Ltd.	20,000	2000	20,000	2,000
Trister Estates Pvt. Ltd.	20,000	2000	20,000	2,000
VEGOPRO FOODS & FEEDS LTD	4,500	38.25	4,500	38
INDIAN MAIZE & CHEMICALS	2,000	20	2,000	20.00
GUJRAT FUNS WATER PARK LD	10,000	415	10,000	415.00
MODERN SYNTAX (I) LTD	150	1.88	150	1.88
SOLARSON INDUSTRIES LTD	1,000	19	1,000	19.00
	<b>13,73,850</b>	<b>60,04,325</b>		<b>50,034</b>
<b>2) Investment at fair value through profit and loss</b>				
<b>Investment in Equity Instruments</b>				
<b>Quoted</b>				
APLLTD	1,000	4959.5	1,000	7,416
Den Network	10,000	2672	10,000	3,665
Firstsource Solutions Ltd.	-	-	20,000	25,010
INDIA CEMENTS	20,000	36980	20,000	41,620
ITC LTD	-	-	5,000	12,535
JKTRYE	-	-	10,000	11,780
JP Associate	1,00,000	6940	1,00,000	8,250
Kiri Industries	4,000	11346	4,000	19,848
PNB	20,000	9342	20,000	7,020
SAIL	45,000	37341	45,000	44,370
Syngene International Ltd.	-	-	4,000	23,870
Tata Steel Long	-	-	1,000	7,187
Bharat Heavy Electrical Limited	27,500	19,285.75	27,500	13,571
Jai Balaji	16,878	7686.2412	16,878	7,443
Tata Motors Limited	20,000	84120	20,000	86,750
TEMPTATION FOOD	7,489	-	7,489	677
Tata Steel	10,000	10450	-	-
Reliance power	2,50,000	24850	-	-
ITC LTD	38,000	145711	-	-
	<b>5,69,867</b>	<b>4,01,683</b>		<b>3,21,011</b>
<b>Total</b>	<b>19,43,717</b>	<b>64,06,009</b>		<b>3,71,046</b>

\* The company has designated certain instruments as FVOCI on the basis that these are not held for trading.



**Apex Capital Markets Limited**

(CIN: L65999WB1995PLC067302)

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

**Note No. 7**

(Amount in Hundred Crores)

<b>PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>Furniture &amp; Fixture</b>	<b>Computer</b>	<b>Office Equipments</b>	<b>Total</b>
<b>Gross Carrying amount as at April 1, 2021</b>	182	1,130	1,422	2,734
Additions				-
Disposals				-
<b>Gross Carrying amount as at March 31, 2022</b>	182	1,130	1,422	2,734
Additions				-
Disposals				-
<b>Gross Carrying amount as at March 31, 2023</b>	<b>182</b>	<b>1,130</b>	<b>1,422</b>	<b>2,734</b>
<b>Accumulated Depreciation/amortisation and impairment</b>				
<b>Balance as at March 31, 2021</b>	177	1,130	1,351	2,659
Depreciation for the year				-
Depreciation on disposals				-
<b>Balance as at March 31, 2022</b>	177	1,130	1,351	2,659
Depreciation for the year				-
Depreciation on disposals				-
<b>Balance as at March 31, 2023</b>	<b>177</b>	<b>1,130</b>	<b>1,351</b>	<b>2,659</b>
<b>Net Carrying Amount</b>				
<b>As at March 31, 2022</b>	4.86	-	70.59	75.45
<b>As at March 31, 2023</b>	4.86	-	70.59	75.45





# Apex Capital Markets Limited

(CIN: L65999WB1995PLC067302)

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

## NOTE- 23 MATURITY ANALYSIS OF ASSETS & LIABILITIES:

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

(Amount in Hundred)

Particulars	As at 31.03.2023			As at 31.03.2022		
	Within 12 months	After 12 Months	Total	Within 12 months	After 12 Months	Total
<b>ASSETS</b>						
<b>Financial Assets</b>						
a) Cash & Cash Equivalents	1,709.30	-	1,709.30	4,146.64	-	4,146.64
(i) Trade Receivables	-	-	-	-	-	-
(ii) Other Receivables	-	-	-	-	-	-
c) Loans & Advances	-	-	-	-	66,500.00	66,500.00
d) Investments	-	64,06,008.72	64,06,008.72	-	3,71,045.58	3,71,045.58
e) Other Financial Assets	-	-	-	-	-	-
	<b>1,709</b>	<b>64,06,009</b>	<b>64,07,718</b>	<b>4,147</b>	<b>4,37,546</b>	<b>4,41,692</b>
<b>Non-financial Assets</b>						
(a) Current tax assets (net)	893.80	-	893.80	-	-	-
b) Deferred tax assets (net)	-	-	-	-	-	-
c) Property Plant & Equipments	-	75.45	75.45	-	75.45	75.45
d) Other Non-Financial Assets	-	20.00	20.00	-	4,587.48	4,587.48
	<b>893.80</b>	<b>95.45</b>	<b>989.25</b>	<b>-</b>	<b>4,662.93</b>	<b>4,662.93</b>
<b>Total Assets</b>	<b>2,603.10</b>	<b>64,06,104.17</b>	<b>64,08,707.27</b>	<b>4,146.64</b>	<b>4,42,208.51</b>	<b>4,46,355.15</b>
<b>LIABILITIES</b>						
<b>Financial Liabilities</b>						
a) Payables						
I Trade payables	-	-	-	-	-	-
II. Other Payables	-	-	-	-	-	-
(b) Debt Securities	-	-	-	-	-	-
(c) Borrowings (Other than Debt Securities)	-	-	-	-	-	-
d) Borrowings	74,006.02	-	74,006.02	-	-	-
e) Other financial liabilities	1,818.59	1,892.77	3,711.36	1,740.82	1,892.77	3,633.59
	<b>75,824.61</b>	<b>1,892.77</b>	<b>77,717.38</b>	<b>1,740.82</b>	<b>1,892.77</b>	<b>3,633.59</b>
<b>Non-Financial Liabilities</b>						
(a) Current tax liabilities (net)	-	-	-	5,373.51	-	5,373.51
(b) Provisions	986.00	-	986.00	2,868.71	-	2,868.71
(c) Deferred tax liabilities (net)	-	15,36,384.94	15,36,384.94	-	849.72	849.72
(d) Other non-financial liabilities	5,094.78	-	5,094.78	2,669.30	-	2,669.30
	<b>6,080.78</b>	<b>15,36,384.94</b>	<b>15,42,465.72</b>	<b>10,911.52</b>	<b>849.72</b>	<b>11,761.24</b>
<b>Total Liabilities</b>	<b>81,905.39</b>	<b>15,38,277.71</b>	<b>16,20,183.09</b>	<b>12,652.34</b>	<b>2,742.49</b>	<b>15,394.83</b>
<b>Net</b>	<b>-79,302.29</b>	<b>48,67,826.46</b>	<b>47,88,524.18</b>	<b>-8,505.70</b>	<b>4,39,466.02</b>	<b>4,30,960.32</b>

NOTE- 24 Disclosure of Provision on loans as Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances (IRACP) of RBI and Ind AS as at March 31, 2023

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
<b>Performing Assets</b>	Stage 1	-	-	-	-	-
<b>Total</b>						



# Apex Capital Markets Limited

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Notes forming part of the Financial Statements for the year ended March 31, 2022

## NOTE- 25 DISCLOSURES ON FINANCIAL INSTRUMENTS

(Amount in Hundreds)

a) Set out below is a comparison, by class, of the carrying amounts and fair values of the company's financial instruments in the balance sheet. This table does not include the fair values of non-financial assets and non-financial liabilities.

The carrying value of financial instruments by categories as of March 31, 2023 is as follows:

(Amount in Hundreds)

Particulars	Amortised Cost	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Total Carrying Value	Total Fair Value
<b>Financial Assets:</b>					
Cash and cash equivalents	1,709	-	-	1,709	1,709
Investments	-	4,01,683	60,04,325	64,06,009	64,06,009
<b>Total Financial Assets</b>	<b>1,709</b>	<b>4,01,683</b>	<b>60,04,325</b>	<b>64,07,718</b>	<b>64,07,718</b>
<b>Financial Liabilities:</b>					
Borrowings (Other than Debt Securities)	74,006	-	-	74,006	74,006
Other financial liabilities	3,711	-	-	3,711	3,711
<b>Total Financial Liabilities</b>	<b>77,717</b>	<b>-</b>	<b>-</b>	<b>77,717</b>	<b>77,717</b>

The carrying value of financial instruments by categories as of March 31, 2022 is as follows:

Particulars	Amortised Cost	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Total Carrying Value	Total Fair Value
<b>Financial Assets:</b>					
Cash and cash equivalents	4,147	-	-	4,147	4,147
Loans	66,500	-	-	66,500	66,500
Investments	-	3,21,011	50,034	3,71,046	3,71,046
<b>Total Financial Assets</b>	<b>70,647</b>	<b>3,21,011</b>	<b>50,034</b>	<b>4,41,692</b>	<b>4,41,692</b>
<b>Financial Liabilities:</b>					
Borrowings (Other than Debt Securities)	-	-	-	-	-
Deposits	-	-	-	-	-
Other financial liabilities	3,634	-	-	3,634	3,634
<b>Total Financial Liabilities</b>	<b>3,634</b>	<b>-</b>	<b>-</b>	<b>3,634</b>	<b>3,634</b>





### Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether the price is directly observable or estimated using a valuation technique.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level I, Level II and Level III, as described below:

Level I: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level II: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level III: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Fair values are determined in whole or in part, using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes companies' investment in equity shares which are unquoted or for which quoted price are not available at the reporting dates.

(i) The management assessed that fair value of cash and cash equivalents, other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) Financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(iii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets.

### The following table summarises financial instruments measured at fair value on recurring basis:

Particulars	As at 31.03.2023			As at 31.03.2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets at fair value through profit or loss						
Investments						
Financial Assets at fair value through Other						
Comprehensive Income						
Investments						

### FINANCIAL RISK MANAGEMENT

#### Risk management framework

The Company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risk that it is exposed to. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in case of crystallisation of such risks.

The Company has exposure to the following risk arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

#### a) Credit Risk

It is risk of financial loss that the company will incur a loss because its customer or counterparty to financial instruments fails to meet its contractual obligation. The Company's financial assets comprise of cash and bank balances, Securities for Trade, Loans and Investments. The maximum exposure to credit risk at the reporting date is primarily from Company's loans. Refer Note 4 for details.



#### **b) Liquidity Risk**

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation. Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and to close out market positions. The Company has a view maintaining liquidity with minimal risks while making investments. The Company invests its surplus funds in liquid mutual funds and equity shares. The company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities

#### **c) Market Risk**

Market risk is the risk that the fair value of future Cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

**(i) Market Price Risks** - The Company is exposed to market price risk, which arise from FVTPL and FVOCI investments. The management monitors the proportion of those investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

**(ii) Interest Rate Risks** - The Company is exposed to interest risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuation in the interest rates. The Company's interest rate risk arises from interest on loans given to customers. Such instruments exposes the company to fair value interest rate risk. Management believes that the interest rate risk attached to this financial assets are not sufficient due to the nature of this financial assets.





# Apex Capital Markets Limited

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

## NOTE - 26 INCOME TAXES

(Amount in Hundreds)

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

### A. The major components of income tax expense for the year are as under:

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
<b>(a) Income tax expense</b>		
<b>Current Tax</b>		
Current tax on profits for the year	-	28,926
<b>Total current tax expense (A)</b>	-	<b>28,926</b>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(12,580)	836
<b>Total current tax expense (B)</b>	<b>(12,580)</b>	<b>836</b>
<b>Income Tax recognised in the statement of Profit and Loss (A+B)</b>	<b>-12,580</b>	<b>29,762</b>
<b>Income tax expenses recognized in OCI</b>		
Re-measurement of defined employee benefit plans		
Net gain / (loss) on financial instruments through OCI	(15,48,116)	-
<b>Total</b>	<b>-15,48,116</b>	<b>-</b>

### B. Movement of deferred tax assets and liabilities

Particulars	As at April 1, 2022	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2023
<u>Expected credit loss</u>	2,148	-2,148	-	-0
Difference in carrying value and tax base of investments measured at FVTPL	2,202	-2,202	-	-
Difference in carrying value and tax base of investments measured at FVOCI	-	-	15,48,116	15,48,116
<b>Total Deferred Tax Liabilities</b>	<b>4,350</b>	<b>-4,350</b>	<b>15,48,116</b>	<b>15,48,116</b>
Difference in carrying value and tax base of Non Financial Assets	33	-33	-	-
Timing Difference between Written Down Value of Property, plant and equipment as per books of accounts and Income Tax Act, 1961	9	-8	-	2
Provision for Employee Benefit	-	256	-	256
Difference in carrying value and tax base of investments measured at FVTPL		11,473	-	11,473
<u>Expected credit loss</u>	3,458	-3,458	-	-
<b>Total Deferred Tax Assets</b>	<b>3,500</b>	<b>8,230</b>	<b>-</b>	<b>11,730.75</b>
<b>Net deferred tax assets/(liability)</b>	<b>-849.72</b>	<b>12,580</b>	<b>-15,48,115.69</b>	<b>-15,36,385</b>

Particulars	As at April 1, 2021	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2022
<u>Expected credit loss</u>	1,303	845		2,148
Difference in carrying value and tax base of investments measured at FVTPL	2,202			2,202
<b>Total Deferred Tax Liabilities</b>	<b>3,505</b>	<b>845</b>		<b>4,350</b>
Difference in carrying value and tax base of Non Financial Assets	33			33
Timing Difference between Written Down Value of Property, plant and equipment as per books of accounts and Income Tax Act, 1961		9		9
<u>Expected credit loss</u>	3,458			3,458
<b>Total Deferred Tax Assets</b>	<b>3,491</b>	<b>9</b>		<b>3,500</b>
<b>Net deferred tax assets/(liability)</b>	<b>-14.13</b>	<b>-835.59</b>		<b>-849.72</b>

### C. Reconciliation of tax expenses and the accounting profit for the year is as under:

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
A) Profit/(loss) before tax	-46,327	1,14,525
Corporate tax rate as per Income Tax Act 1961	0.2600	0.2782
<b>Tax on Accounting profit</b>	<b>-12,045</b>	<b>31,861</b>
(I) Tax on income deductible / exempt from tax		
Provision against Standard Assets		904
Net gain on fair value changes	-8,217.23	-
Provision written back	910.00	-
(II) Tax effect on various other items of expenses deductible this year		
Depreciation as per IT	3.60	19.01
(III) Tax on expenses not tax deductible		
Leave encashment	47	-
Provision for Bonus	209	-
Short Term Capital Gain	3,256	-
<b>Total effect of tax adjustments [(i)+(ii)-(iii)]</b>	<b>(10,816)</b>	<b>923</b>
<b>Tax expense recognised during the year</b>	<b>-1,229</b>	<b>30,938</b>
<b>Effective tax Rate</b>	<b>0.0265</b>	<b>27.0139</b>



# Apex Capital Markets Limited

(CIN: L65999WB1995PLC067302)

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

## NOTE 27: RELATED PARTY DISCLOSURES

(Amount in Hundreds)

Related Party disclosure as required as per IND AS - 24 on "Related Party Disclosures" issued by ICAI are as follows:

### (i) Name of the Related Parties and their relationship

a) **Key Managerial Personnel** Shri Kamal Kishore Lalwani Director

b) **Enterprise in which key Management Personnel have significant influence** Lalwani Metallica Private Limited  
Lalwani Capital Markets Limited  
Lalwani Ferro Alloys Limited

Description	Key Management personnel	Enterprise over which KMP & their relatives have substantial interest	Total
Remuneration Paid	480000 (480000)		480000 (480000)
Interest Paid		465336(0)	465336(0)
Interest Received	-	490003 (956992)	490003 (956992)
Rent Paid		168000(168000)	168000(168000)
Loan Given	-	0 (36327400)	0 (36327400)
Repayment of loan given	-	70,00,000 (40327400)	70,00,000 (40327400)
Loan taken		6981800(0)	6981800(0)
Balances outstanding (Cr)	0 (0)	74,00,602.00	74,00,602.00
Balances outstanding (Dr)	-	-	-

### Disclosure in respect of Material Transactions with related parties during the year (Included in (ii) above)

	Key Management personnel	Enterprise over which KMP & their relatives have substantial interest
<b>Remuneration Paid</b>	Shri Kamal Kishore Lalwani	480000 (480000)
<b>Interest Paid</b>	Lalwani Ferro Alloys Limited	465336(0)
<b>Rent Paid</b>	Lalwani Capital Markets Limited	168000(168000)
<b>Interest Received</b>	Lalwani Capital Markets Limited	490003 (956992)
<b>Loan Taken</b>	Lalwani Ferro Alloys Limited	6981800(0)
<b>Loan Given</b>	Lalwani Capital Markets Limited	0 (36327400)
<b>Repayment of loan given</b>	Lalwani Capital Markets Limited	70,00,000 (40327400)
<b>Balance Outstanding</b>	Lalwani Ferro Alloys Limited	74,00,602.00

Figures in bracket are for previous year.

As per our Report of even date  
For ABPP & Associates

Chartered Accountants  
Firm Reg. No. 328632E  
*Ajay Baid*  
(CA Ajay Chand Baid)  
Partner  
Membership No. 302061

Place : Kolkata

Dated: 30<sup>th</sup> day of May 2023

UDIN: 23302061BGSRMJ3608



For & on behalf of the Board

*Kamal Kishore Lalwani*  
Kamal Kishore Lalwani  
Director & CFO  
DIN : 00064724

*Snehlata Lalwani*  
Snehlata Lalwani  
Director  
DIN : 00064649

*Rashmi Narasani*  
Rashmi Narasani  
Company Secretary  
M No.A47053



# Apex Capital Markets Limited

(CIN: L55999WB1995PLC067302)

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

### A. Equity Share Capital

Particulars	Amount (Rs.)
Balance as on April 01, 2021	3,00,01,000
Changes in equity share capital during the year	-
Balance as on March 31, 2022	3,00,01,000
Changes in equity share capital during the year	-
Balance as on March 31, 2023	3,00,01,000

### B. Other Equity

Particulars	Reserves and Surplus		Other comprehensive Income	Total
	Statutory Reserve	Retained Earnings		
Balance as on April 01, 2021	9,970	36,218	-	46,188
A) Profit After tax for the year	-	84,762.62	-	84,763
B) Other comprehensive income:				
Fair value change	-	84,763	-	-
Total Comprehensive income for the year (A)+(B)	-	-	-	84,763
Transfer to Statutory reserve	16,953	(16,953)	-	(16,953)
Transfer from Retained earnings	-	-	-	16,953
Total Other comprehensive income/(expense) (net of tax)	-	-	-	-
Balance as on March 31, 2022	26,922	1,04,028	-	1,30,950
A) Profit After tax for the year	-	(48,612)	-	(48,612)
B) Other comprehensive income:				
Fair value change	-	-	44,06,175	44,06,175
Total Comprehensive income for the year (A)+(B)	-	(48,612)	44,06,175	43,57,564
Transfer to Statutory reserve	-	-	-	-
Transfer from Retained earnings	26,922	55,417	44,06,175	44,88,514
Balance as on March 31, 2023	-	-	-	-

Significant accounting policies and notes to the financial statements  
As per our report of even date attached

### For ABPP & Associates

Chartered Accountants

Firm Reg. No. 328632E

Aty said

(CA Ajay Chand Baid)

Partner

Membership No. 302061

30th May 2023

Place : Kolkata



For & on behalf of the Board

*(Signature)*

*Snehlata Lalwani*

Kamal Kishore Lalwani

Director & CFO

DIN : 00064724

Snehlata Lalwani

Director

DIN : 00064649

*Rashmi Narasimhan*

Company Secretary

M No.A47053

**Note :32****ANALYTICAL RATIOS**

Ratios	Numerator	Denominator	As At 31st March 2023	As At 31st March 2022	Variance
Current Ratio (in times) *	Current Assets	Current Liability	NA	NA	-
Return On Equity Ratio (in %) **	Net Profit for the Year	Average Share holder Equity	-1.62	2.83	-157%
Debt equity ratio	Total Debt	Total Equity	2%	1%	92%
Net Profit Ratio (in %)	Net Profit for the Year	Revenue from	216%	61%	254%
Capital to Risk Weighted Assets	Adjusted Net Worth	Risk Weighted Assets	75%	7%	1011%
Tier I CAGR	NA	NA	NA	NA	NA
Tier II CAGR	NA	NA	NA	NA	NA
Liquid Coverage Ratio	NA	NA	NA	NA	NA
Return from Capital Employed (in %) ***	Profit before Tax	Capital Employed(Net Worth+Borrowings)	-1%	20%	-105%

\* due to increase in Value of FVTPL & FVTOCI

\*\* due to increase in Value of FVTPL & FVTOCI



**NOTES TO FINANCIAL STATEMENTS**

**1. CORPORATE INFORMATION**

Apex Capital Markets Limited ('the company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged primarily in the business of providing Loans, Other Structured Business, and in providing ancillary services related to the said business activities. The Company is Non-Systematically Important Non deposit taking Non-Banking Financial Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI").

The Company's shares are listed on CSE Limited. The registration details are as follows:

Corporate Identity Number (CIN)	L65999WB1995PLC067302
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The registered office of the Company and the principal place of business is 32, J.L. Nehru Road Kolkata-700071.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PREPARATION & PRESENTATION**

**A. Statement of Compliance with Ind AS:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The new amended standards has been followed by the company and all the reclassifications consequent to amendments to schedule III has been incorporated.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statement.

These financial statements are approved for issue by the Board of Directors on **May 30, 2023.**

**B. Revenue Recognition:**

Revenue is recognised when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue is measured at the fair value of the consideration received or receivable excluding taxes or duties collected on behalf of the government.

Interest Income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

Expenses are accounted for on accrual basis and provision is made for all expenses.





Other Revenue/Income and Cost/ Expenditure are generally accounted on accrual, as they are earned or incurred.

Income or net gain on fair value changes for financial assets classified as measured at FVTPL and FVTOCI is recognised.

Income from dividend is recognised when the Company's right to receive such dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

**C. Functional and presentational currency**

The financial statements are presented in Indian Rupee (INR) in thousands, the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

**D. Borrowings**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on loan facilities are recognised as transaction costs of the borrowings to the extent that it is probable that some or all of the facility will be drawn down. Borrowings are de-recognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

**E. Employee Benefits**

**Short-term and other long-term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, including non- monetary benefits, annual leave and sick leave in the period in which related service is rendered.

Liabilities recognised in respect of short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

**F. Taxes:**

**Current Tax:**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**Deferred Tax:**



Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Un-recognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**G. Property, Plant & Equipment & Depreciation:**

Property, Plant and Equipment, is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price (net of tax credits), borrowing costs, if capitalization criteria are met, commissioning expenses, etc. up to the date the asset is ready for its intended use.

**Depreciation methods, estimated useful lives**

Depreciation is calculated on a Written Down Value basis using the rates arrived at based on the useful lives estimated by the management, which are in line with the rates prescribed in the Schedule II of the Companies Act, 2013.

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

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

The carrying amounts of assets are reviewed at each Balance Sheet date to determine if there is any indication of impairment based on external or internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value using pre-tax discount rates and risks specific to the asset.

**H. Provisions and Contingent Liabilities:**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.





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

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised in the financial statements, but are disclosed where an inflow of economic benefits is probable.

#### **I. Cash and cash equivalents**

Cash and cash equivalents comprise of cash on hand, balances with banks, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **J. Financial Instruments**

##### **J.1 Classification of financial instruments**

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost;
2. Financial assets to be measured at fair value through other comprehensive income;
3. Financial assets to be measured at fair value through profit or loss account.

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

##### **Business model assessment**

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company.s business model is not assessed on an instrument-by- instrument basis, but at a higher level of aggregated portfolios and is based on observable factors.

The business model assessment is based on reasonably expected scenarios without taking .worst case. or .stress case. scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company.s original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

##### **The Solely Payments of Principal and Interest (SPPI) test**

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

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset.

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





volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the statement of Profit and Loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

## **J.2 Recognition of Financial Instruments:**

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognized and derecognised on the trade date basis.

## **J.3 Initial Measurement of Financial Instruments:**

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

## **J.4 Subsequent Measurement:**

### **(A) Financial Assets**

#### **Financial Assets carried at Amortised Cost (AC):**

These financial assets comprise bank balances, Loans, Trade receivables, Other receivables, investments and other financial assets. A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Effective Interest Rate (EIR) Method:**

The EIR is a method of calculating the amortized cost of a debt instrument and of allocating interest income or expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability on initial recognition.

The EIR for financial assets or financial liability is computed

- a. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- b. Including fees and transaction costs that are integral part of EIR.

#### **Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):**

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





Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 .Business Combination. applies, are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by- instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the statement of Profit and Loss on disposal of the investments. Dividends on such investments are recognised in the statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt investments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of Profit and Loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the statement of Profit and Loss.

**Financial Assets at Fair Value through Profit or Loss (FVTPL):**

A financial asset which is not classified as AC or FVTOCI is measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL. Any differences between the fair values of financial assets classified as FVTPL and held by the Company on the balance sheet date is recognised in the statement of Profit and Loss. In cases there is a net gain in the aggregate, the same is recognised in .Net gains on fair value changes. under Revenue from operations and if there is a net loss the same is disclosed under .Expenses. in the statement of Profit and Loss.

**Impairment of Financial Assets:**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of Profit and Loss are the same as the amount would have been recognised in case the debt instrument is measured at amortised cost.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount higher of lifetime expected credit losses taking into account historical credit loss experience (adjusted for forward-looking information) and Income Recognition and Assets Classification norms of RBI compared on individual bucket basis.

**Derecognition of Financial Assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset accounted under Ind AS 109 in its entirety:





a) for financial assets measured at amortised cost, the gain or loss is recognised in the statement of Profit and Loss.

b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves may be reclassified within equity.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset shall be allocated between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts on the date of the transfer.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, it recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a liability for the proceeds received.

**Modification/ revision in estimates of cash flows of financial assets:**

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in the statement of Profit and Loss.

**(B) Financial Liabilities and Equity Instruments:**

**Classification as debt or equity:**

Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments.**

An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**Financial Liabilities**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the





purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 - 'Financial Instruments'

#### **Financial liabilities measured at amortised cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method.

#### **Trade and other payables**

A payable is classified as trade payable, if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost.

#### **Financial Guarantee Contracts**

Financial guarantees issued by the Company are those guarantees that require a payment to be made to reimburse the holder of the guarantee for a loss incurred by the holder because the specified debtor fails to make a payment, when due, to the holder in accordance with the terms of a debt instrument. Financial guarantees are recognised initially as a liability at fair value, adjusted for transactions costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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

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

#### **K. Off-setting of financial instruments**

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

#### **L. Fair value measurement**

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





In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

**Level 1 :** Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

**Level 2 :** Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

**Level 3:** Those that include one or more unobservable input that is significant to the measurement as whole.

**M. Overview of the Expected Credit Loss (ECL) principles**

Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments. It also incorporates available information which is relevant to the assessment, including information about past events, current conditions and reasonable and supportable information about future events and economic conditions at the reporting date.

The Company uses the Expected Credit Loss (ECL) Methodology to assess the impairment on funded credit exposures. The application of the model was derived from the combination of the probability of default and loss given default being applied to the exposure at default (EAD) to compute ECL based on historical data on an unsegmented basis due to limitation of count in the past. Owing to transfer of the business, empirical data for the newly constituted business of the Company was not available and hence ECL for non-funded credit exposures is being computed by calculating the difference between the EAD and Net Present Value of the future cash flows and/or expected realisable value of security / collateral. Additionally, the company





carries out reviews for specifically identified exposures as meriting special focus in calculation of ECL for fulfilling the objective of greater prudence.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

In case of debt instruments at FVTOCI, the loss allowance measured in accordance with the above requirements is recognised in other comprehensive income with a corresponding effect to the statement of profit and loss but is not reduced from the carrying amount of the financial asset in the balance sheet; so the financial asset continues to be presented in the balance sheet at its fair value.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to the expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. The Company measures the loss allowance at an amount higher of lifetime expected credit losses taking into account historical credit loss experience (adjusted for forward-looking information) and Income Recognition and Assets Classification norms of RBI compared on individual bucket basis.

**N. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**O. Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known and materialized. The estimates and the underlying assumptions are reviewed on an ongoing basis.





**P. Presentation of Financial Statements**

The Balance sheet Profit & Loss account and statement of changes in Equity are presented in the format prescribed under (Division III) of Schedule III of the Act as amended from time to time for non banking Financial Companies ("NBFC") that are required to comply with IND AS . the statement of CashFlow has been prepared as per IND-AS 7

**Q. Basis of Preparation**

The Financial Statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plan, which are measured at fair value at the end of each reporting period as explained in the accounting policies below.

**R. Rounding Off Amounts**

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



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

28. The Company is a NBFC Company and registered with RBI. The Company generally transfers 20% of the profit in statutory reserve as per provisions of section 45-1C of the RBI (Amendment) Act, 1934. During the year, since there is loss so 20% of profit has not been transferred to statutory reserve.

**29. Segment Reporting:**

As per Ind AS 108, the company operates predominantly only in one operating segment. The company does not have any material earning emanating outside India, the company is considered to operate only in the Domestic Segment. Hence, there is no reportable operating segment.

**30. DISCLOSURES REQUIRED AS PER RESERVE BANK OF INDIA MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - NON SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016**

Particulars			
<b>Liabilities side :</b>			
(1)	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>	<b>Amount out-standing</b>	<b>Amount overdue</b>
	(a) Debentures : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(other than falling within the meaning of public deposits*)	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	74006.02	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Public Deposits*	NIL	NIL
	(g) Other Loans (specify nature)	NIL	NIL
	* Please see Note 1 below		
(2)	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
	(a) In the form of Unsecured debentures	NIL	NIL
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NIL	NIL
	(c) Other public deposits	NIL	NIL
	* Please see Note 1 below		
<b>Assets side :</b>		<b>Amount outstanding</b>	



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(3)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>	
(a)	Secured	NIL
(b)	Unsecured	NIL
(4)	<b>Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities</b>	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	NIL
	(b) Operating lease	NIL
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	NIL
	(b) Repossessed Assets	NIL
	(iii) Hypothecation loans counting towards EL/HP activities	
	(a) Loans where assets have been repossessed	NIL
	(b) Loans other than (a) above	NIL
(5)	<b><u>Break-up of Investments :</u></b>	
	<u>Current Investments :</u>	
	1. <u>Quoted :</u>	
	(i) Shares : (a) Equity	4,01,683
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	2. <u>Unquoted :</u>	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (Please specify)	NIL
	<u>Long Term investments :</u>	





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	1. <u>Quoted</u> :			
	(i) Share : (a) Equity	NIL		
	(b) Preference	NIL		
	(ii) Debentures and Bonds	NIL		
	(iii) Units of mutual funds	NIL		
	(iv) Government Securities	NIL		
	(v) Others (Please specify)	NIL		
	2. <u>Unquoted</u> :			
	(i) Shares : (a) Equity	6004325		
	(b) Preference	NIL		
	(ii) Debentures and Bonds	NIL		
	(iii) Units of mutual funds	NIL		
	(iv) Government Securities	NIL		
	(v) Others (Please specify)	NIL		
(6)	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances : Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties **			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-		
	(c) Other related parties	-	-	-
	2. Other than Related Parties	-	-	-
	Total	-		
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below			
	Category	Market Value / Break up or fair value or NAV		Book Value (Net of Provisions)
	1. Related Parties **			
	(a) Subsidiaries	-		-
	(b) Companies in the same group			
	(c) Other related parties	5999831		45540
	2. Other than Related Parties	406177		325506
	Total	6406008		371046



**Note 31:**

The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of amendments dated March 24, 2021 in Schedule III to the Companies Act 2013 with effect from 1st day of April, 2021:

- (a) There is no proceeding initiated or pending against the company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (b) The company is not declared wilful defaulter by any bank or financial Institution or any other lenders.
- (c) There is no scheme of arrangements has been approved during the year by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.
- (d) There is no transaction that has not been recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (e) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (f) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of- security of current assets during any point of time of the year. Hence relevant disclosures are not applicable.
- (g) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Hence relevant disclosures are not applicable.
- (h) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (i) The Company has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall :
  - (i) 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
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (j) There are no creation or satisfaction of charges as at 31st March, 2023 pending with ROC beyond the statutory period.

**Note: 33**

Previous year figures have been regrouped/ reclassified wherever necessary.





APEX CAPITAL MARKETS LIMITED

For ABPP & Associates

Chartered Accountants  
FRN: 328632E

*Ajay Baid*

(AJAY CHAND BAID )  
Partner  
Membership No. 302061



*Kamal Kishore Lalwani*

Kamal Kishore Lalwani  
Director & CFO  
DIN: 00064724

For and on behalf of the Board

*Snehlata Lalwani*

Snehlata Lalwani  
Director  
DIN: 00064649

Place: Kolkata  
Date: 30<sup>th</sup> May, 2023

UDIN: 23302061BGSRMJ3608

*Rashmi Narasaria*

Company Secretary  
M No.A47053