



Independent Auditor's Report
To the members of PNB Investment Services Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of PNB Investment Services Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31 March 2023, its Profit (financial performance) and its cash flows for the year ended on that date.

Basis for Opinion

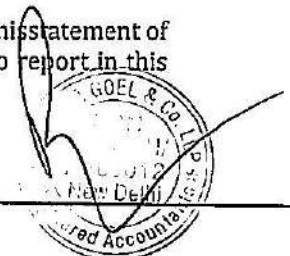
3. We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section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

Emphasis of Matter

4. We draw the attention to Note 40 of the financial statement, which outline the fact the debtors have not confirmed their balances. Our opinion is not modified in respect of this matter.

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

5. The Company's Board of Directors are responsible for the preparation of the other information. Other Information does not include the financial statements and our auditor's report thereon.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
8. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



FIRM REGISTRATION NO. 000643N/N500012
Email : sanjeev.mitra@sharmagoel.in

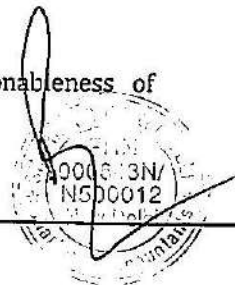


Management's Responsibilities for the Financial Statements

9. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standard 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.
10. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

12. 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 Standards on Auditing 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.
13. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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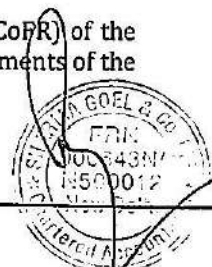
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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's 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.
14. 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.
15. 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

16. In our opinion and according to the information and explanation given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provision of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon us.
17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
18. As required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with accounting standards specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2023 in conjunction with our audit of the Financial Statements of the



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Email : sanjeev.mitla@sharmagoel.in



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Company for the year ended on that date and our report dated 25 April 2023 as per Annexure B expressed unmodified opinion;

- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, does not have any pending litigation which would impact on its financial position as at 31 March 2023;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.
- h) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- i) As stated in Note 28 to the financial statements, the Board of Directors of the company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General meeting. The dividend proposed is in accordance with section 123 of the Act to the extent it applies to the declaration of dividend
19. On the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us, we are enclosing our report in terms of Section 143(5) of the Act, on the directions and sub directions issued by the Comptroller and Auditor General of India in "Annexure C".



FIRM REGISTRATION NO. 000643N/N500012
Email : sanjeev.mitla@sharmagoel.in

A-47, LOWER GROUND FLOOR
HAUZ KHAS, NEW DELHI-110016
TEL. : +91-11-41655400

A-6, VJ BUSINESS TOWER, 3RD FLOOR
SECTOR 125, NOIDA-201303 (U.P.)
TEL. : +91-0120-4049100



SHARMA GOEL & CO. LLP
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For Sharma Goel & Co. LLP
Chartered Accountants
ICAI Firm's Reg. No.: 000643N/N500012



Place: New Delhi
Date: 25/04/2023

Membership No.: 524105
UDIN: 23524105BQSON3185

FIRM REGISTRATION NO. 000643N/N500012
Email : sanjeev.mitra@sharmagoel.in

A-47, LOWER GROUND FLOOR
HAUZ KHAS, NEW DELHI-110016
TEL. : +91-11-41855400

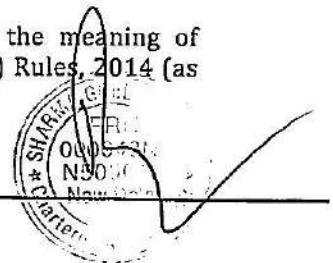
A-6, VJ BUSINESS TOWER, 3RD FLOOR
SECTOR 125, NOIDA-201303 (U.P.)
TEL. : +91-0120-4049100



Annexure-A to the Independent Auditor's Report of even date to the members of PNB Investment Services Limited, on the Financial Statements for the year ended March 31, 2023

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B. The Company does not have any intangible assets. Accordingly, the provisions of Clause 3(i)(a)(B) of the Order are not applicable.
- (b) The Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property. Accordingly, the provisions of Clause 3(i)(c) of the Order are not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year. Accordingly, the provisions of Clause 3(i)(d) of the Order are not applicable.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) 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 (LLPs) or any other parties. Accordingly, the provisions of clause 3(iii) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us and based on examination of the records of the company, the company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as



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Email : sanjeev.milla@sharmagoel.in



amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of company's products/services. Accordingly, the provision of clause 3(vi) of the order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and services tax, duty of customs, and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, Goods and services tax, duty of customs that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the order is not applicable.

(b) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

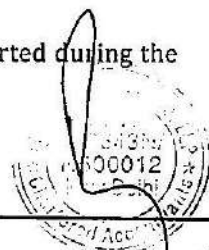
(c) The Company has not taken any Long Term loans and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have prima facie not been used during the year for long term purposes by the Company.

(e) 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) 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 did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

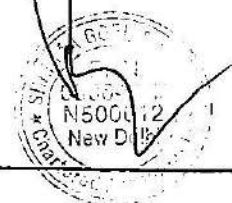
(b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, provisions of clause 3(x)(b) of the Order are not applicable.
- (xi) (a) No fraud by the Company or on the company has been noticed or reported during the period covered by our audit.



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Email : sanjeev.milla@sharmagoel.in



- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The Company has not received any whistle-blower complaints during the year. Accordingly the provision of clause 3(xi)(c) of the order is not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanation given to us, the company is in compliance with Sections 177 and 188 of Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standard.
- (xiv) (a) The Company has an adequate Internal Audit System in place that commensurate with the size and nature of its business.
- (b) We have considered the internal audit report of the company issued till date, for the period under audit.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) (a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Hence, reporting under clause 3 (xvi)(a), (b) and (c) of the order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) The company's statutory auditors have not resigned at any point of time during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of Current assets and payment of Current liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, the auditor is of the opinion that no material uncertainty exist as on the date of our Audit Report and the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The company has transferred Rs. 5.86 Lakhs unspent Corporate Social Responsibility amount relating to financial year 2022-23 to fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. There is no unspent amount for current Year.



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Email : sanjeev.mitra@sharmagoel.in



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- (b) There is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, 3(xx)(b) of the Order is not applicable.

Place: New Delhi
Date: 25/04/2023

For Sharma Goel & Co. LLP
Chartered Accountants
ICAI Firm's Reg. No.: 000643N/N500012



Rachit Mittal
Partner
Membership No.: 524105
UDIN: 2352410586QSON3185

FIRM REGISTRATION NO. 000643N/N500012
Email : sanjeev.milla@sharmagoel.in

A-47, LOWER GROUND FLOOR
HAUZ KHAS, NEW DELHI-110016
TEL. : +91-11-41655400

A-6, VJ BUSINESS TOWER, 3RD FLOOR
SECTOR 125, NOIDA-201303 (U.P.)
TEL. : +91-0120-4049100



Annexure-B to the Independent Auditor's Report of even date to the members of PNB Investment Services Limited, on the Financial Statements for the year ended March 31, 2023

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

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

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

FIRM REGISTRATION NO. 000643N/N500012

Email : sanjeev.mitla@sharmagoel.in

A-47, LOWER GROUND FLOOR
HAUZ KHAS, NEW DELHI-110016
TEL. : +91-11-41655400

A-6, VJ BUSINESS TOWER, 3RD FLOOR
SECTOR 125, NOIDA-201303 (U.P.)
TEL. : +91-0120-4049100



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Place: New Delhi
Date: 25/04/2023

For Sharma Goel & Co. LLP
Chartered Accountants
ICAI Firm's Reg. No.: 000643N/N500012



Membership No.: 524105
UDIN: 23524105 BGQSON3185

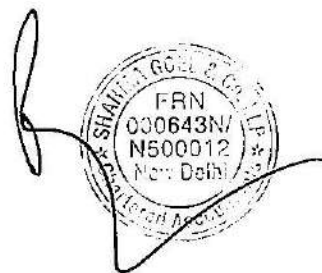


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Annexure-C to the Independent Auditor's Report of even date to the members of PNB Investment Services Limited, on the Financial Statements for the year ended March 31, 2023

Directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013 indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of PNB Investment Services Limited for the year 2022-23

S. No	Areas Examined	Replies
1	Whether the Company has system in place to process all the accounting transactions through IT system. If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system.
2.	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company)	According to the information and explanations given to us and based on our examination of the records of the company, there has been no restructuring/ waiver/ write off of debts/loans/interest etc. made by a lender due to the company's inability to repay the loan.
3.	Whether funds (grants/subsidy etc.) received / receivable for specific schemes from Central / State Government or its agencies were properly accounted for /utilized as per its term and conditions? List the cases of deviation.	According to the information and explanations given to us and based on our examination of the records of the company, there has been no funds (grants/subsidy etc.) received / receivable for specific schemes from Central / State Government or its agencies.



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Email : sanjeev.mitla@sharmagoel.in

A-47, LOWER GROUND FLOOR
HAUZ KHAS, NEW DELHI-110016
TEL. : +91-11-41655400

A-6, VJ BUSINESS TOWER, 3RD FLOOR
SECTOR 125, NOIDA-201303 (U.P.)
TEL. : +91-0120-4049100

PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GOI187146
Balance Sheet as at 31st March, 2023

(Amount in '00')

Particulars	Note No.	As At 31/03/2023	As At 31/03/2022
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	2,000,000.00	2,000,000.00
(b) Reserves and Surplus	4	2,862,779.46	2,699,795.36
		4,862,779.46	4,699,795.36
(2) Non Current Liabilities			
(a) Long-Term Provisions	5	38,003.27	55,184.54
		38,003.27	55,184.54
(3) Current Liabilities			
(a) Short Term Borrowings	6	-	1,505.40
(b) Trade payables due to:	7		
- Micro & Small Enterprises		-	629.94
- Other than Micro & Small Enterprises		-	4,426.71
(b) Other Current Liabilities	8	82,138.94	77,116.15
(c) Short-Term Provisions	9	14,428.50	62,407.01
		96,567.44	146,085.21
Total		4,997,350.17	4,901,065.11
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant and Equipment	10	18,132.59	18,170.44
(b) Deferred Tax Asset (Net)	11	21,822.73	33,617.90
(c) Long Term Loan and Advances		-	-
(d) Other Non-Current Assets	12	4,217,964.14	3,970,387.19
		4,257,919.46	4,022,175.53
(2) Current Assets			
(a) Trade Receivables	13	132,182.31	79,979.52
(b) Cash and Bank Balances	14	587,105.50	770,444.59
(c) Short-Term Loans and Advances	15	20,142.90	28,465.47
		739,430.71	878,889.58
Total		4,997,350.17	4,901,065.11

Notes to Accounts

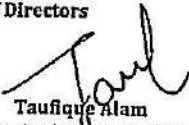
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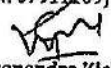
See accompanying notes to the Financial Statements

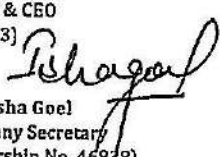
For and on behalf of Board of Directors

As per our report of even date

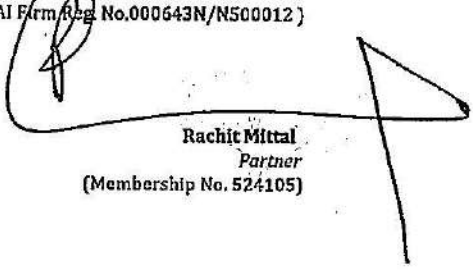

Arvind Kumar Jain
Independent Director
(DIN: 07911109)


Taufique Alam
Managing Director & CEO
(DIN: 09509383)


Gyanendra Kishor
Chief Operating Officer cum CFO


Isha Goel
Company Secretary
(Membership No. 46828)

For SHARMA GOEL & CO. LLP
Chartered Accountants
(ICAI Firm Reg No. 000643N/N500012)


Rachit Mittal
Partner
(Membership No. 524105)

Place: New Delhi
Dated: 25/04/2023

PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GOI187146

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

(Amount in '00')

Particulars	Note No.	Year Ended 31/03/2023	Year Ended 31/03/2022
INCOME			
Revenue from Operations	16	734,683.49	958,736.99
Other Income	17	263,727.38	251,289.70
Total Income		998,410.87	1,210,026.69
EXPENSES			
Employee Benefit Expenses	18	347,827.61	471,020.28
Finance Cost	19	100.81	355.15
Depreciation and Amortization Expenses	20	5,567.29	6,172.87
Other Expenses	21	159,849.82	122,777.81
Total Expenses		513,345.53	600,326.11
Profit Before Extraordinary & Exceptional Items		485,065.34	609,700.57
Exceptional Items		-	-
Profit Before Tax		485,065.34	609,700.57
Tax Expense:			
i) Current Tax	22	110,286.08	137,266.18
ii) Tax relating to earlier years	22	-	234.48
iii) Deferred Tax Liability/ (Asset)		11,795.17	16,846.10
Profit for the year after tax		362,984.09	455,353.81
Earning per Equity Share (EPS):	23		
(1) Basic		1.81	2.28
(2) Diluted		1.81	2.28

Notes to Accounts

1-41

See accompanying notes to the Financial

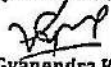
For and on behalf of Board of Directors

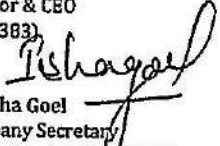
As per our report of even date


Arvind Kumar Jain
Independent Director
(DIN: 07911109)


Taufique Alam
Managing Director & CEO
(DIN: 09509383)

For SHARMA GOEL & CO. LLP
Chartered Accountants
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Gyanendra Kishor
Chief Operating Officer cum CFO


Isha Goel
Company Secretary
(Membership No. 46828)


Rachit Mittal
Partner
(Membership No. 524105)

Place: New Delhi
Dated: /04/2023

PNB INVESTMENT SERVICES LIMITED
CIN: U65191DL2009GO187146
Statement of Cash Flow for the year ended 31st March, 2023

		(Amount in '00)	
Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) before Taxation		485,065.34	609,700.57
Adjustments to reconcile net income to get net cash from operating activities:			
Interest on Fixed Deposits	(246,668.17)		(226,796.51)
Depreciation and Amortization Expenses	5,567.29		6,172.87
Loss/(Profit) on written off of Fixed Assets	8.67		-
Interest Paid on Bank Overdraft	100.81		355.15
Increase in Security Deposit	(2,700.00)		
Provision for Employee Benefits made/(reversed):			
- Gratuity	8,253.10		2,961.56
- Leave Encashment	6,645.95		(12,713.45)
Provision for doubtful debts/(Reversed)	(16,847.35)	(245,639.68)	(8,940.38)
Operating Profit/(Loss) before Working Capital Changes		239,425.66	370,739.82
Changes in current assets, Loans and Advances	(27,032.88)		126,421.30
Changes in current Liability/Provisions	(47,523.27)	(74,556.15)	16,376.66
Net Cash flow/(used in) from operations		164,869.51	513,537.78
Direct Taxes paid (including Interest)	144,360.90	144,360.90	103,656.93
Net Cash Flow/ (used in) operating activities		20,508.61	409,880.86
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipments	(5,639.80)		(1,179.44)
Sale of Property, Plant & Equipments	101.69		-
(Increase)/Decrease in Fixed deposit accounts (having maturity more than 12 months)	(244,876.95)		(3,239,847.63)
Interest Income	246,668.17		226,796.51
Net cash flow/(used in) Investing activities		(3,746.89)	(3,014,230.56)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid (including Dividend Distribution Tax)	(200,000.00)		(130,000.00)
Interest paid on Bank Overdraft	(100.81)		(355.15)
Net cash flow/(used in) financing activities		(200,100.81)	(130,355.15)
Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)		(183,339.09)	(2,734,704.85)
Cash and Cash equivalents as at beginning of the year		770,444.59	3,505,149.44
Cash and Cash equivalents as at end of the year		587,105.50	770,444.59

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the "Accounting Standard -3" on cash flow statement notified under the Companies (Accounting Standard) Rules, 2006 as amended from time to time.
- Previous years figures have been regrouped / rearranged wherever found necessary to make them comparable with the current year figures.

For and on behalf of Board of Directors

As per our report of even date

Atul Kumar Jain
Independent Director
(DIN: 07911109)

Taufique Alam
Managing Director & CEO
(DIN: 09509383)

Gyanendra Kishor
Chief Operating Officer cum CFO

Isha Goel
Company Secretary
(Membership No. 46828)

For SHARMA GOEL & CO. LLP
Chartered Accountants
(ICAI Firm Regn. No. 000643N/N500012)

Rachit Mittal
(Partner)
(Membership No. 524105)

Place: New Delhi
Dated: /04/2023

PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GOI187146

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 1: General Information

PNB Investment Services Limited is incorporated under companies Act 1956 [CIN: U65191DL2009GOI187146] on February 2, 2009 as a wholly owned subsidiary of Punjab National Bank, registered with SEBI as a Category I Merchant Banker. The Company commenced its operations on June 8, 2009. The Company is presently engaged in providing Merchant Banking, Corporate Advisory Services and Trusteeship Services etc.

The Registered office of the company is at 10, Rakesh Deep Building, Yusuf Sarai Commercial Complex, Gulmohar Enclave New Delhi DL 110049 IN

Note 2: Significant Accounting Policies

(a) Basis of Preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting in accordance with generally accepted accounting principles in India (GAAP), applicable statutory provisions, circulars and guidelines issued by various Regulatory Authorities and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 as amended upto date and the relevant provisions of Companies Act, 2013 to the extent applicable. All amounts are stated in Indian Rupees except as otherwise stated.

(b) Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements.

(c) Property, Plant & Equipment

Property, Plant & Equipments are stated at cost of acquisition less accumulated depreciation.

(d) Depreciation

Depreciation on Property, Plant & Equipment is provided as follows:-

i) Assets for Own Use/Leased Assets: At Straight Line Method on pro rata basis.

ii) All the assets are depreciated as per the useful life specified in Schedule II to the Companies Act, 2013 according to their respective balance useful life.

(e) Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Revenue Recognition

Revenue is recognized based on the nature of activity, when consideration can be reasonably measured and there exists a reasonable certainty of its recovery

i) The revenue in respect of activities of Issue Management & Merchant Banking Services, Underwriting, Placement of Debt / Equity Issues, Project Appraisal, Loan Syndication, Trusteeship Business and Corporate Advisory Services are accrued on the basis of stage of completion of assignment, in accordance with the terms of contracts entered into between the Company and the counterparty.

ii) Interest income on Short term Deposits/ Fixed Deposits with banks is recognized on accrual basis.

(g) Receivables

i) Receivables are stated at original invoiced amount less provisions made for doubtful receivables. The Company regularly evaluates the probability of recovery and makes full provisions on trade receivable whose realisation are considered doubtful. Further, receivables outstanding for more than 24 months from the date of invoice are invariably considered doubtful. When the trade receivables are considered good, Company makes 50% provision on receivables outstanding for period exceeding 12 months and 10% provision on receivables outstanding for period exceeding 6 months but less than 12 months. When there is reasonable evidence that the Company will not be able to collect amounts due according to original terms of receivables, the same are considered as bad debts and written off in the books.

ii) The amount retained by parties on account of TDS while making the payment are shown in trade receivable until TDS amount reflects in 26AS of the company.

(h) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss.

PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GOI187146

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(i) Taxes on Income

i) Tax expense comprises both current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income that originates in one period and is capable of reversal in one or more subsequent periods.

ii) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

(j) Employee Benefits or Terminal Dues

Company commenced its operations in the year 2009-10, with staff on deputation from its parent company PNB. subsequently the company has recruited its own staff. In case of PNB employees on deputation, provision for terminal benefits etc are payable and provided for by PNB in its own books of accounts.

i) Gratuity:

Provision for gratuity is made on the basis of actuarial valuation which is done in accordance with Accounting Standard-15 on "Employee Benefits" and as per the provisions of payment of Gratuity Act, 1972.

ii) Leave Encashment:

All confirmed employees are eligible for Privilege Leave for maximum 30 days in a calendar year. 1 day for every 12 days worked excluding Privilege Leave and Loss of Pay availed during the year. Maximum accumulation of 120 days is allowed at any given time in the employee's service. The company has made provision of Leave Encashment on the basis of actuarial valuation which is done in accordance with Accounting Standard-15 on "Employee Benefits" based on the un-availed leaves of the company's employees as on Balance Sheet date.

(k) Provisions, Contingent Liabilities and Contingent Assets

i) Provisions:

A provision is recognized when an enterprise has a present obligation as a result of past event. It is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ii) Contingent Liabilities:

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii) Contingent Assets:

Contingent assets are not recognized in the financial statements.

(l) Earning per share:

In determining basic earning per share, the Company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earning per share is weighted average number of shares outstanding during the year adjusted for any increase/decrease in the number of shares without corresponding change in resources.

(m) Diluted Earning Per Share:

For the purpose of calculating diluted earnings per share, the net profit or loss 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.

(n) Prior Period Items

Income and expenditure relating to prior periods are disclosed separately in the financial statements subject to consideration of materiality.



PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GOI187146

NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31st March, 2023

(Amount in '00')

PARTICULARS	As At 31/03/2023	As At 31/03/2022
Note 3 : SHARE CAPITAL		
Authorised Capital		
3,00,00,000 Equity shares of Rs. 10/- each	3,00,00,000.00	3,00,00,000.00
Issued, Subscribed and Paid-up Capital		
2,00,00,000 Equity shares of Rs. 10/- each fully paid up	2,00,00,000.00	2,00,00,000.00
	2,00,00,000.00	2,00,00,000.00

Shares held by Holding/Ultimate Holding Company And/Or their Subsidiaries/Associates

Name of the shareholder	As At 31/03/2023	As At 31/03/2022
1) Punjab National Bank, the Holding Company and its nominees		
- No. of Shares	20,00,000.00	20,00,000.00
- % of Total Shareholding	100.00	100.00

Details of Shareholders holding more than 5% shares

Name of the shareholder	As At 31/03/2023	As At 31/03/2022
1) Punjab National Bank, the Holding Company and its nominees		
- No. of Shares	20,00,000.00	20,00,000.00
- % of Total Shareholding	100.00	100.00

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As At 31/03/2023	As At 31/03/2022
At the beginning of the year	20,00,000.00	20,00,000.00
Add:- Issued during the year	-	-
Outstanding at the end of the year	20,00,000.00	20,00,000.00

Share held by Promoters at the end of the year

Particulars	
Promoter Name	Punjab National Bank, the Holding Company
No. Of Shares	20,00,000
% of total shares	100%
% Change during the year	-

Terms/Rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares with a face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share.

Note 4 : RESERVES AND SURPLUS		
Surplus in Statement of Profit and Loss		
Opening Balance	2,699,795.36	2,374,441.55
Less:		
Dividend Paid	200,000.00	130,000.00
	2,499,795.36	2,244,441.55
Add:		
Profit for the year	362,984.09	455,353.81
Closing Balance	2,862,779.46	2,699,795.36

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PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GOI187146

NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31st March, 2023

(Amount in '00')		
PARTICULARS	As At 31/03/2023	As At 31/03/2022
Note 5 : LONG TERM PROVISIONS		
Provision for Employee Benefits:		
- Gratuity		
As per last year	20,011.95	28,645.65
Less: Paid during the year	928.66	7,309.52
	19,083.29	21,336.13
Add: Provision made during the year	-3,538.17	-1,324.18
Closing Balance	15,545.12	20,011.95
- Leave Encashment		
As per last year	35,172.59	78,381.57
Less: Paid during the year	-	22,421.94
	35,172.59	55,959.63
Add: Provision made during the year	-12,714.44	-20,787.04
Closing Balance	22,458.15	35,172.59
	38,003.27	55,184.54

Note 6 : SHORT TERM BORROWINGS		
(Secured)		
Loan Repayable on demand from a bank (Overdraft)*	-	1,505.40
	-	1,505.40

*Overdraft facility availed of Rs. 2 Crore is secured against fixed deposits with maturity more than 12 months (Including interest accrued) of Rs. 2,48,53,911/- (PY Rs. 2,37,02,994)

Note 8 : OTHER CURRENT LIABILITIES		
Duties and Taxes	45,695.88	43,437.81
Advance Received from Customers	14,307.41	-
Expenses Payable	20,989.18	32,612.73
Other Payables	1,146.47	1,065.61
	82,138.94	77,116.15

Note 9 : SHORT TERM PROVISIONS		
Provision for:		
(A) Employee Benefits:		
- Gratuity		
As per last year	4,879.34	593.60
Less: Paid during the year	16,264.34	-
	-11,385.00	593.60
Add: Provision made during the year	11,791.27	4,285.74
Closing Balance	406.27	4,879.34
- Leave Encashment		
As per last year	10,750.67	3,767.49
Less: Paid during the year	28,791.00	1,090.41
	-18,040.33	2,677.08
Add: Provision made during the year	19,360.39	8,073.59
Closing Balance	1,320.06	10,750.67
(B) Provision for Income tax (net)	12,702.17	46,777.00
	14,428.50	62,407.01

For & by

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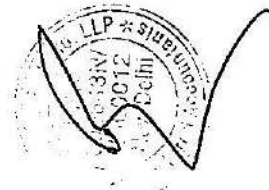
Note:7 Trade Payables ageing schedule as on 31st March'2023

Particulars	Outstanding for following periods from due date of payment				(Amount in '00')
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro & Small Enterprises	-	-	-	-	-
(ii) Other than Micro & Small Enterprises	-	-	-	-	-
(iii) Disputed dues - Micro & Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule as on 31st March'2022

Particulars	Outstanding for following periods from due date of payment				(Amount in '00')
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro & Small Enterprises	629.94	-	-	-	629.94
(ii) Other than Micro & Small Enterprises	4426.71	-	-	-	4,426.71
(iii) Disputed dues - Micro & Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	5,056.65	-	-	-	5,056.65

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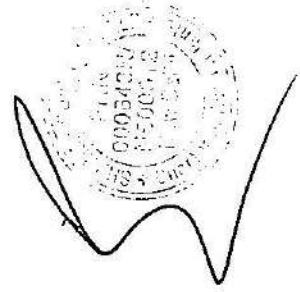
PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GO1187146

Note 10 : Property, Plant and Equipments As On 31st March'2023

S.No.	Particulars	Gross Block (At Cost)				Depreciation			Net Block	
		As at 01/04/2022	Additions During the Period	Deductions During the Period	As at 31/03/2023	Upto 01/04/2022	For the Period 31/03/2023	Adjustments During the Year	As at 31/03/2023	As at 31/03/2022
I. Tangible Assets										
a) Furniture & Fixtures		23,217.71	1,050.33	-	24,268.54	15,408.92	1,901.55	-	17,310.47	7,808.79
b) Vehicles		6,455.54	-	-	6,455.54	6,132.76	-	-	6,132.76	322.78
c) Office Equipments		4,927.78	-	-	4,927.78	3,872.62	586.77	-	4,459.39	1,055.16
d) Computers		21,686.83	4,588.97	3,435.28	22,840.52	18,373.14	2,084.76	3,324.92	17,132.98	3,313.69
e) Leasehold Improvement		9,403.62	-	-	9,403.62	3,733.61	994.20	-	4,727.81	5,670.01
Total		65,691.48	5,639.80	3,435.28	67,896.00	47,521.05	5,567.28	3,324.92	49,763.41	18,170.44
Previous Year		64,512.04	1,179.44	-	65,691.48	41,348.17	6,159.48	13.40	47,520.05	

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PNB INVESTMENT SERVICES LIMITED

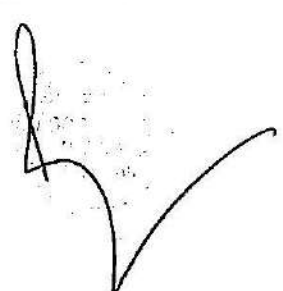
CIN: U65191DL2009GOI187146

NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31st March, 2023

(Amount in '00')

PARTICULARS	As At 31/03/2023	As At 31/03/2022
Note 11 : DEFERRED TAX ASSETS (net)		
Deferred Tax Asset/(Liability):		
- Provision for Employee Benefit	9,999.15	17,822.61
- Depreciation and Amortisation of Fixed Assets	1,960.36	1,691.92
- Provision for doubtful debts and advances	9,863.22	14,103.37
	21,822.73	33,617.90

Note 12 : OTHER NON-CURRENT ASSETS		
(Unsecured, considered good)		
Security Deposits	3,505.50	805.50
Balance with Banks:		
- In Fixed Deposits account with maturity more than 12 months (including interest accrued)	4,214,458.64	3,732,551.75
- Fixed Deposit pledged as Security against the bank OD facility with maturity more than 12 months (including interest accrued)	-	237,029.94
	4,217,964.14	3,970,387.19



PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GO1187146

NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31st March, 2023

(Amount in '00')

PARTICULARS	As At 31/03/2023	As At 31/03/2022
Note 14 : CASH AND BANK BALANCES		
a) Cash and Cash Equivalents		
Balance with Banks:		
- In Current Accounts	119.89	1,418.36
- In OD Account	4,341.53	
- In Fixed Deposits account with maturity less than 3 months (including interest accrued)	24,995.54	-
- Fixed Deposit pledged as Security against the bank OD facility with maturity less than 3 months (including interest accrued)	-	-
	29,456.95	1,418.36
b) Other Bank Balances		
Balance with Banks:		
- In Fixed Deposits account with maturity more than 3 months but within 12 months (including interest accrued)	309,109.44	769,026.23
- Fixed Deposit pledged as Security against the bank OD facility of Rs. 2 Cr. with maturity more than 3 months but within 12 months (including interest accrued)	248,539.11	-
	557,648.55	769,026.23
	587,105.50	770,444.59
Note 15 : SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
- Imprest	10.74	62.34
- Prepaid Expenses	11,239.01	16,184.18
- Income Tax Refundable	4,781.89	6,894.34
- Amount recoverable in cash or in kind or for the value to be received	4,111.26	5,324.61
	20,142.90	28,465.47

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PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GOI187146

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	(Amount in '00')	
	Year Ended 31/03/2023	Year Ended 31/03/2022
Note 16 : REVENUE FROM OPERATIONS		
Sale of services		
Merchant Banking Fee	247,265.81	32,926.00
Corporate Advisory Fee	187,100.00	700,600.00
Trusteeship fee	300,317.68	225,210.99
	734,683.49	958,736.99

Note 17 : OTHER INCOME		
Interest on Fixed Deposits	246,668.17	226,796.51
Interest on Income Tax Refund	-	2,839.36
Reversal of Provision of Doubtful debts	16,847.35	8,940.38
Reversal of Excess Provision of Leave Encashment	-	12,713.45
Other Misc. Income	211.86	-
	263,727.38	251,289.70

Note 18 : EMPLOYEE BENEFIT EXPENSES		
Salary, Allowances and Other Benefits	317,024.00	458,622.41
Contribution to PF, Statutory & Other funds	4,801.49	3,099.24
Staff Welfare	11,103.07	6,337.07
Provision for Gratuity	8,253.10	2,961.56
Provision for Leave Encashment	6,645.95	-
	347,827.61	471,020.28

Note 19 : FINANCE COSTS		
Interest paid on borrowings	100.81	355.15
	100.81	355.15

Note 20 : DEPRECIATION AND AMORTIZATION		
Depreciation on tangible assets	5,567.29	6,172.87
	5,567.29	6,172.87

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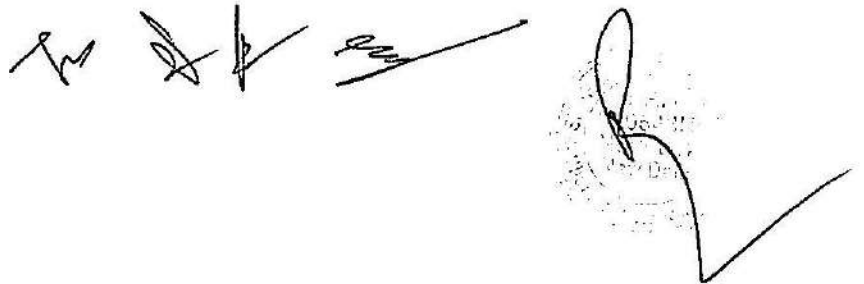
PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GOI187146

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	(Amount in '00')	
	Year Ended 31/03/2023	Year Ended 31/03/2022
Note 21 : OTHER EXPENSES		
Rent	45,780.85	41,636.88
Water & Electricity Expenses	6,708.74	4,568.48
Fees and Subscription	12,380.63	21,120.49
Bad Debts Written Off	13,606.64	-
Consultancy and Professional Service Charges	22,368.63	25,258.35
Directors Sitting Fees	12,200.00	9,500.00
Postage, Telephone and Internet	1,657.41	2,047.83
Conveyance, Tour and Travel	9,990.41	3,702.92
Repairs and Maintenance		
-Email Maintenance Exp.	1,388.02	-
-others	2,488.38	1,698.90
Printing and Stationery	2,247.26	1,245.65
Auditors Remuneration	1,975.00	1,975.00
Secretarial Audit fee	350.00	350.00
Insurance	132.11	144.45
Board Meeting & AGM Expenses	628.71	642.80
Rates and Taxes	80.00	148.00
Miscellaneous Expenses	2,570.68	1,856.10
Bank Charges	163.20	291.94
Housekeeping Expenses	4,583.45	4,552.37
Depository Expenses	1,153.25	-
Recruitment Exp.	1,278.48	-
Loss on sale of SFF	8.67	-
CSR Contribution	5,860.00	-
Royalty Expenses	9,107.08	-
Business Promotion expenses	1,142.22	2,037.65
	159,849.82	122,777.81

Note 22 : CURRENT TAX		
Provision for Income Tax for Current Year	110,286	137,266
Taxes paid/ (reversed) for Earlier years		234
	110,286	137,501

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PNB INVESTMENT SERVICES LIMITED

CIN: U65191DL2009GOI187146

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 23 : Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity shares, dilutive potential equity shares outstanding during the year.

The earnings and weighted average number of equity shares used in calculation of basic and diluted earnings per share are as follows:

Net Profit as per Statement of Profit and Loss used as numerator for calculating EPS (Rs)	362,984.09	455,353.81
Number of Equity Shares at the beginning of the year	20,000,000.00	20,000,000.00
Number of Equity Shares issued during the year	-	-
Total number of Equity Shares outstanding at the end of the year	20,000,000.00	20,000,000.00
Weighted average number of Equity Shares outstanding during the year used as denominator for calculating EPS	20,000,000.00	20,000,000.00
Nominal Value of Equity Shares	10.00	10.00
Basic and Diluted Earnings per Share (Rs)	1.81	2.28

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PNB INVESTMENT SERVICES LIMITED

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 24 : Financial Ratios

	Particulars	Numerator	Denominator	Ratio for FY 2022-23	Ratio for FY 2021-22	% Variance	Reason for Variance
(a)	Current Ratio (Current Assets/Current Liab.)	739,430.71	90,567.44	7.66	6.02	27%	Variance in Current Ratio is due to reduction in Current liability on 31.03.2023 as compared to 31.03.2022. Current liabilities as on 31.03.2023 is Rs. 95.03 lakhs as compared to Rs. 146.08 lakhs on 31.03.2022.
(b)	Return on Equity Ratio (PAT/Ag Shareholder Equity)	362,984.09	4,781,287.41	7.59%	10.04%	-24%	Decrease in "Return on Equity" Ratio is due to lower Net Profit of Rs. 3.64 Cr. In FY 2022-23 as compared to Rs. 4.55 Cr registered in FY 2021-22.
(c)	Trade Receivables Turnover Ratio (Net Credit Sale/Ag Debtor)	734,683.49	106,080.92	6.93	7.86	-12%	Decrease in Trade Receivable Turnover ratio is due to low Turnover of Rs 7.39 Cr as compared to previous year turnover of Rs. 9.59 Cr. Further, the company's debtors have increased from Rs. 0.80 Cr as at 31.3.22 to Rs. 1.32 Cr as at 31.3.2023.
(d)	Net capital Turnover Ratio (Net Sales/Ag Working Capital)	734,683.49	687,833.82	1.07	0.43	148%	Increase in "Net Sales to Working Capital" Ratio signifies the better Working Capital management.
(e)	Net Profit Ratio (Net Profit/Net Sale)	362,984.09	734,683.49	49.41%	47.50%	4%	Increase in "Net Profit Ratio" signifies the higher Profitability in FY 22-23 as compared to Previous Year. However, the net profit is less due to less turnover.
(f)	Return on Capital Employed (EBIT/Capital Employed)	485,166.15	4,862,779.46	9.98%	12.98%	-23%	Decrease in "Return on Capital Employed Ratio" is due to reduction in EBIT as compared to previous year.
(g)	Return on Investment	Not Applicable as no Investment in Equity, Money Market by PNBISL.					
(h)	Debt Service Coverage Ratio (Earning Available for Debt/Debt)	Not Applicable as no Debt on PNBISL.					
(i)	Debt-Equity Ratio (Total Debt/Shareholder's Equity)	Not Applicable as no Debt on PNBISL.					
(j)	Trade Payable Turnover Ratio	Not Applicable as no Goods Purchase during the year					
(k)	Inventory Turnover Ratio	Not Applicable as no Inventory in PNBISL.					



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 25:

- (a) The Securities and Exchange Board of India has granted the permanent Certificate of Registration in terms of Regulation 8A of SEBI (Merchant Bankers) Regulations, 1992 with effect from January 12, 2015 to carry on the activities as a Merchant Banker (Category I). This certificate has been issued after completion of three years of initial registration and two years of extension of initial registration.
- (b) The Securities and Exchange Board of India has granted the permanent Certificate of Registration in terms of Regulation 9A of SEBI (Debenture Trustee) (Amendment) Regulations, 2011 with effect from February 22, 2015 to carry on the activities as a Debenture Trustee. This certificate has been issued after completion of three years of initial registration and two years of extension of initial registration.

Note 26: Breakup of remuneration paid to the statutory auditors of the Company:

Particulars	2022-23 (Amount in '00')	2021-22 (Amount in '00')
• Statutory audit under Companies Act	1,300.00	1,300.00
• Tax audit under Income-tax Act	425.00	425.00
• Certification Fees	200.00	200.00
• Reimbursement of Expenses	50.00	50.00
Total	1,975.00	1,975.00

Note 27: Corporate Social Responsibility

Company is required to spend Rs. 585,640/- on CSR activity during the FY 2022-23 (FY 2021-22 Rs. Nil) as the company fulfill the condition/required under the definition of CSR u/s 135 of companies Act 2013.

Particulars	2022-23 (Amount in '00')	2021-22 (Amount in '00')
• Amount required to be spent by the company during the year	5,856.40	-
• Amount of expenditure incurred	5,860.00	-
• Shortfall/Unspent at the end of the year	-	-
Total CSR Contribution	5,060.00	-

Note 28: Dividend

Company has recommended a Dividend of Rs. 2,00,00,000/- (P.Y. Rs. 2,00,00,000/-) being 10% of the paid up Share Capital, that is, Rs. 1/- per share on 2,00,00,000 Equity shares of Rs. 10 each fully paid up outstanding as on 31st March 2023 during the financial year 2022-23.

Note 29: Provision For Doubtful Debts

Trade receivables amounting to Rs. 171,37,186/-, includes Rs. 34,39,570/- which are considered as doubtful of recovery. Hence 100% provision has been made on doubtful trade receivables as per the Company Accounting Policy. In respect of other trade receivables, which are considered good and fully recoverable and are outstanding for a period exceeding six months, a provision is made as per the company policy as explained in (g) of Note 2 of Significant Accounting Policies just as a matter of abundant precaution.

Note 30: LEASES

The Company has taken Delhi and Mumbai Office Premises on operating lease from the Parent Bank, whereas Premises of Ahmedabad office has been taken on lease from Indian Chronicle Limited. The lease terms are renewable on such terms and conditions as may be mutually agreed upon between the parties.

Particulars	2022-23 (Amount in '00')	2021-22 (Amount in '00')
(a) Lease payments for the year	45,780.85	41,636.88
Minimum Lease payments:		
(b) Not later than one year	45,018.15	29,210.38
(c) Later than one year but not later than five years	80,267.70	101,477.74
(d) Later than five years	-	213.05

Note 31: Employee Benefit Obligations

As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:-

(a) Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized as "Employee Benefits Expenses" for the year are as under :-

Particulars	2022-23 (Amount in '00')	2021-22 (Amount in '00')
• Contribution to Provident Fund	4,781.49	3,054.24
Total	4,781.49	3,054.24

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PNB INVESTMENT SERVICES LIMITED

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(b) Defined Benefit Plans

Gratuity and Leave Encashment

The Present value obligation of Gratuity and Leave Encashment is determined based on actuarial valuation using projected unit credit method. Disclosure requirement as per Accounting Standard on Employee Benefit-AS (15)-As per actuarial valuation as on 31.03.23 are as follows:

(i) Net Employees Benefits Expenses Recognized in the Employee Cost

(Amount in '00')

S.No. Particulars	Gratuity		Leave Encashment	
	2022-	2021-22	2022-23	2021-22
23				
1 Current Service Cost	3,070.97	3,062.06	4,843.18	6,572.14
2 Interest Cost on Benefit Obligation	1,787.19	1,988.27	3,297.29	5,586.14
3 Expected Return on Plan Assets	0.00	0.00	0.00	0.00
4 Actuarial (Gain)/Loss	3,394.94	-2,008.77	-1,494.53	-24,871.73
5 Net Benefit Expenses	8,253.10	2,961.56	6,645.94	-12,713.45

(ii) Net Liability as shown in Balance Sheet Date

(Amount in '00')

S.No. Particulars	Gratuity		Leave Encashment	
	2022-	2021-22	2022-23	2021-22
23				
1 Present Value of Defined Benefit Obligation	15,951.39	24,891.29	23,778.21	45,923.26
2 Fair Value of Plan Assets	0.00	0.00	0.00	0.00
3 Net (Liability)/Assets recognized in the Balance Sheet	-15,951.39	-24,891.29	-23,778.21	-45,923.26

(iii) Net Liability as shown in Balance Sheet Date under "Short Term/Long Term Provisions"

(Amount in '00')

S.No. Particulars	Gratuity		Leave Encashment	
	2022-	2021-22	2022-23	2021-22
23				
1 Opening present value of defined benefit plan	24,891.29	29,239.25	45,923.26	82,149.06
-Current	4,879.34	593.60	10,750.67	3,767.49
-Non-Current	20,011.95	28,645.65	35,172.59	78,381.57
2 Interest Cost	1,787.19	1,988.27	3,297.29	5,586.14
3 Current Service Cost	3,070.97	3,062.06	4,843.18	6,572.14
4 Actuarial (Gains)/Losses on Obligation	3,394.94	(2,008.77)	(1,494.53)	(24,871.73)
5 Benefits Paid	(17,193.00)	(7,309.52)	(28,790.99)	(23,512.35)
6 Closing Defined Benefit Plan	15,951.39	24,891.29	23,778.21	45,923.26
-Current	406.27	4,879.34	1,320.66	10,750.67
-Non-Current	15,545.12	20,011.95	22,458.15	35,172.59

(iv) Changes in Fair value and Plan Assets

S.No. Particulars	Gratuity		Leave Encashment	
	2022-	2021-22	2022-23	2021-22
23				
1 Opening fair value of Plan Assets	-	-	-	-
2 Expected Return	-	-	-	-
3 Contribution made by Employer	-	-	-	-
4 Actuarial (Gains)/Losses on Obligation	-	-	-	-
5 Benefits Paid	-	-	-	-
6 Closing fair value of Plan Assets	-	-	-	-

(v) Actuarial Assumptions

S.No. Particulars	Gratuity		Leave Encashment	
	2022-	2021-22	2022-23	2021-22
23				
1 Interest and Discount Rate	7.40%	7.18%	7.40%	7.18%
2 Estimated Rate of Return on Plan Assets	-	-	-	-
3 Attrition Rate	-	-	-	-
4 Retirement Age	60.00	60.00	60.00	60.00
5 Salary Cost Increase Rate	6.00%	6.00%	6.00%	6.00%

Note 32: Related party disclosure

(a) Related parties with whom the Company had transactions

- i) Parent Bank/Holding Company : Punjab National Bank
- ii) Associate of Parent Bank : PNB Housing Finance Limited
- iii) Non Executive Director : Mr. Rajesh Kumar Yaduvanshi, Non Executive Director & Nominated by PNB
- iv) Key Management Personnel : Mr. Taufique Alam, Managing Director & CEO (from 22-02-2022)
Mr. Sanjeev Khemani, Chief Operating Officer cum CFO (till 29.12.2022)
Mr. Gyanendra Kishor, Chief Operating Officer cum CFO (from 16.01.2023)
Ms. Isha Goel, Company Secretary

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PNB INVESTMENT SERVICES LIMITED

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(b) Transactions with related party

Nature of Transaction	(Amount in '00')	
	2022-23	2021-22
	Amount (Rs.)	Amount (Rs.)
Non Executive Director		
- Director Sitting Fees to Mr. Rajesh Kumar Yaduvanshi, Non Executive Director	3,600.00	1,200.00
Key Management Personnel		
- Remuneration & Other Perquisites/Benefit to Mr. Taufique Alam, Managing Director & CEO	30,352.54	4,547.63
- Remuneration & Other Perquisites/Benefit to Chief Operating Officer cum CFO (Mr. Gyanendra Kishor from 16.1)	6,114.47	0.00
- Remuneration & Other Perquisites/Benefits to previous Chief Operating Officer cum CFO (Mr. Sanjeev Khemani)	17,715.05	25,114.51
- Remuneration to Company Secretary (Ms. Isha Goel)	9,070.00	7,560.00
Punjab National Bank, Parent Bank/Holding Company		
(a) Expenditure		
- Rent	41,785.04	37,871.18
- Interest on overdraft facility	100.81	355.15
- Bank Charges & Locker Rent	163.21	291.94
(b) Income		
- Interest on Fixed Deposits	246,668.17	226,796.51
- Merchant Banking Fee	150,880.88	32,926.00
- Trusteeship Fee	7,041.23	7,030.14
- Corporate Advisory fee	29,650.00	-70,000.00
(c) Dividend Paid		
	200,000.00	130,000.00
PNB Housing Finance Limited, Associate of Parent Company		
(a) Income		
- Trusteeship Fee	2,000.00	2,000.00

(c) Balance with related parties

Particulars	(Amount in '00')	
	Recoverable/ (Payable) as at 31st March 2023	Recoverable/ (Payable) as at 31st March 2022
	Amount (Rs.)	Amount (Rs.)
Punjab National Bank, Parent Bank/Holding Company		
(a) Receivable		
- Fixed Deposits (incl. accrued interest)	4,797,102.73	4,738,607.92
- Closing Balances of Current Accounts	119.89	1,418.36
- Closing Balances of OD Account	4,341.53	0.00
- Sundry Debtors	20,813.67	13,130.05
(b) Payables		
- Loan Repayable on demand (Overdraft)	0.00	1,505.40
- Rent Payable	5,736.63	17,215.92
Mr. Rajesh Kumar Yaduvanshi, Director Nominated by PNB		
(a) Director Sitting Fees Payables		
	0.00	540.00
PNB Housing Finance Limited, Associate of Parent Company		
- Sundry Debtors	200.00	0.00

(d) MD cum CEO (Mr. Taufique Alam) and COO cum CFO (Mr. Gyanendra Kishor) of the company - a Key Management Personnel, is on deputation from the Parent Bank - PNB and remuneration of the Key Management Personnel on deputation from PNB is paid in accordance with the service rules of the Parent Bank, which has been charged as expenditure in the books of the company.

Note 13: Segment Reporting

The Company's business activities predominantly relates to providing Merchant Banking and Consultancy Services to Corporate clients including services related to Security Trustee activities. As majority of the income is generated from Consultancy Services, hence segment reporting, as defined in Accounting Standard - 17, is not applicable.

Note 14:

Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

Particulars	As at 31st March 2023	As at 31st March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	Nil	Nil
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	Nil	Nil
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note 35: Current Assets

The value of current assets, loans and advances other than those stated otherwise, if realized in the ordinary course of business, shall at least be equal to the amount at which those are stated in the balance sheet.

Note 36: Current Liabilities

All known liabilities have been accounted for in the books of Accounts. In the opinion of management, provision for income tax and other expenses/liabilities made in the books of accounts is adequate and is not excessive.

Note 37: Contingent Liabilities & Capital Commitments

Particulars	2022-23	2021-22
	Amount (Rs.)	Amount (Rs.)
- Contingent Liabilities	Nil	Nil
- Capital Commitments	Nil	Nil
Total	-	-

Note 38: Additional Regulatory Information

a) Usage of Borrowings

We are using the Overdraft Limit from PNB against FDR's, which is utilised for our business purpose only.

b) No Loan or Advances in the nature of loans are granted to promoters, directors, KMPs and their related parties either severally or jointly with any other person.

c) Where any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made under: No Proceedings against the company

d) *The Company has no borrowings from Bank or Financial Institutions on the basis of security of current assets.

e) Where a company is a declared willful defaulter by any bank or financial institution or other lender: No

f) Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period: No

g) Where the company has not complied with the number of layers prescribed under clause (87) of section 2 of the act: Not applicable on PNBISL

h) The company has not any transaction which is undisclosed income (i.e., not recorded in books of accounts) that disclosed as income during the year in the tax assessments under the Income Tax Act 1961

*Overdraft facility availed of Rs. 2 Crore is secured against fixed deposits with maturity more than 12 months (including interest accrued) of Rs. 2,48,53,911/- (FY Rs. 2,37,02,994)

Note 39: Relationship with Struck off Companies

The company has not entered into any transactions during the year with struck off companies under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

Note 40: Balance Confirmation

The management of the company have requested to Debtors for confirmation of their Account balances. Debtors amounting to Rs. 50,48,712 have been realised till the date of Audit and Rs. 21,46,471 pertains to TDS which will reflect in 26AS in coming months. Further, debtors amounting Rs. 34,39,570/- are doubtful for recovery against which full provision has been made in the books of accounts. Remaining debtors of Rs. 65,02,433/- have not confirmed their balances. In the opinion of the management, these unconfirmed balances are fully recoverable and will be settled in coming months.

Note 41:

Figures for the previous year have been regrouped / recast / rearranged wherever considered necessary to make them comparable with those of current year.

For and on behalf of Board of Directors

Arvind Kumar Jala
Independent Director
(DIN: 07911209)

Taufique Alam
Managing Director & CEO
(DIN: 09509388)

Gyanendra Mishra
Chief Operating Officer cum CFO

Isha Goel
Company Secretary
(Membership No. 46030)

Place: New Delhi
Dated 29/04/2023

As per our report of even date

For SHARMA GOEL & CO. LLP
Chartered Accountants
(ICAI Firm Regn. No. 000643N/N500012)

Rachit Mittal
Partner
(Membership No. 524105)