

INDEPENDENT AUDITORS' REPORT

To
The Members of HEXA SECURITIES AND FINANCE COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statement of **HEXA SECURITIES AND FINANCE COMPANY LIMITED** ("the Company"), comprise the Balance Sheet as at March 31, 2023, Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rule there under, and we have fulfilled our 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 of our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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



If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the applicable AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

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

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

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

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

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

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



Report on Other Legal and Regulatory Requirements

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

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to Annexure 'B'.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Point no. 27 of Notes to financial statements;;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

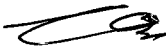
iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

(h) The managerial remuneration for the year ended 31st March, 2023 has been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.



- (i) As per the management representation we report,
- (i) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
 - (ii) no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such 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 guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - (iii) Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material misstatement.
- (j) No dividend has been paid by the company.
- (k) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N



G. K. Aggarwal
Partner
M. No. 086622
Place: New Delhi
Date: 23rd May, 2023
UDIN: 23086622BGVJMH1682



ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **HEXA SECURITIES AND FINANCE COMPANY LIMITED** on the accounts for the year ended March 31, 2023)

1. The Company does not have any Property, Plant and Equipment (PPE) and Intangible assets. Accordingly, the provision of clause 3 (i) (a) to (e) of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.
2. The Company does not have any inventory. Hence, the reporting requirement of para 3(ii)(a) and (b) of the order is not applicable to the company.
3. According to the information and the explanations given to us, the company has made investments during the year amounting to Rs. 1.20 lakhs. The company has not 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. Hence, the provisions of Para 3(iii)(a-f) of the order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loan given and investments made, as applicable. The Company has not provided any guarantees and security in terms of Section 185 and 186 of the Companies Act, 2013.
5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. The company has only investments and trading activities. Hence, the clause 3 (vi) of the order with respect to maintenance of cost records as specified by the Central Government under sub-section (i) of section 148 of the Companies Act, 2013 is not applicable to the company.
7. (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax and goods & service tax with the appropriate authorities. There are no arrears as at 31st March, 2023 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no material dues in respect of wealth tax, sales tax and goods & services tax wherever applicable to the company which have not been deposited with the appropriate authorities on account of any dispute. The



due in respect of income tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending is given below:

Name of Dues and Name of the Statute	Year to which the amount relates	Forum where matter is pending	Amount in Lakhs
Income Tax Income Tax Act,1961	AY 2015-16	CIT (Appeals), New Delhi	32.58
Income Tax Income Tax Act, 1961	AY 2017-18	CIT (Appeals), New Delhi	30.98
Income Tax Income Tax Act, 1961	AY 2018-19	CIT (Appeals), New Delhi	38.29

8. In our opinion and as per the information and explanations furnished to us, there are no unrecorded transactions or transactions disclosed as income in the tax assessments under the Income Tax Act. Hence, the para 3(viii) of the order is not applicable to the Company.
9. (a) In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of loan or other borrowing and payment of interest to any lender. Hence, the para 3(ix) of the order is not applicable to the Company.
- (b) In our opinion, and as per the information and explanation furnished to us, the Company is not willful defaulter by any bank or other financial institution or any other lender.
- (c) In our opinion and as per the information and explanation furnished to us, the term loans were applied for the purpose for which the loan were obtained.
- (d) On the basis of books and records examined by us, the company has not raised any short term fund. Hence, Para 3(ix)(d) of the order is not applicable to company.
- (e) On the basis of books and records examined by us, the Company has not taken any funds from any entity or person to meet the obligation of its subsidiary.
- (f) On the basis of books and records examined by us and as explained to us, the Company has not raised loan during the year on the pledge of securities held in its subsidiary.
10. (a) The Company has not raised any money by way of initial public offer or further public offer or debt instruments. Accordingly, the provisions of clause 3(x) of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or convertible debentures (fully, partly or optionally convertible) during the year. Accordingly, provisions of clause 3(x)(b) of the Order are not applicable to the Company.

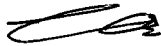


11. (a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds by the Company or on the Company has been noticed or reported by the Company.
- (b) As informed to us and as per the information and explanation furnished to us, there was no report in prescribed form ADT-4 under sub-section 12 of section 143 of the Companies Act, 2013 required to be filed. Hence, the reporting para 3(xi)(b) of the order is not applicable to the Company.
- (c) No whistle blower complaints were received by the Company. Hence, the reporting para 3(xi)(c) of the order is not applicable to the Company.
12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. The Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 w.r.t. transactions with the related parties, where applicable. Details of the transactions with the related parties have been disclosed in the financial statements as required by the applicable accounting standards.
14. In our opinion and as per the information and explanation furnished to us, the Company has an internal audit system commensurate with the size and nature of its business. The report of the internal auditor furnished for the period was considered in framing the opinion.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. (a) The Company is required to be registered under section 45-IA of Reserve bank of India Act 1934 and it is registered under section 45-IA of the Reserve Bank of India Act, 1934 vide Registration No. B-12.00492 dated October 26, 2020.
- (b) In our opinion and as explained to us by the management, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of registration from Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) In our opinion and as per the information and explanation furnished to us, the Company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank OF India. Hence, the reporting para 3(xvi)(c) and (d) of the order is not applicable to the Company.



17. The Company has incurred cash loss during the year amounting to Rs. 6033.47 Lacs and Rs. 3476.45 lacs of immediately preceding previous year.
18. There was no resignation of the statutory auditor during the year. Hence, the reporting para 3(xviii) of the order is not applicable to the Company.
19. In our opinion and based on the books and relevant documents and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plan 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.
20. The Company is not required to incur any amount under Corporate Social Responsibility (CSR). Hence, the reporting clause 3(xx) of the order is not applicable to the Company.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N



G. K. Aggarwal
Partner
M. No. 086622
Date: 23rd May, 2023
Place: New Delhi
UDIN: 23086622BGVJMH1682



ANNEXURE-B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Financial Statements for theyear ended March 31, 2023.

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

We have audited the internal financial controls over financial reporting of **HEXA SECURITIES AND FINANCE COMPANY LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.(The "Act" or the "Companies Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, , both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 ICAI.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N



G. K. Aggarwal
Partner
M. No. 086622
Date: 23rd May, 2023
Place: New Delhi
UDIN: 23086622BGVJMH1682



HEXA SECURITIES AND FINANCE COMPANY LIMITED

Balance Sheet as at March 31, 2023

CIN : U74899UP1994PLC120082

(₹ lakhs)

PARTICULARS	Note No.	As at March 31, 2023	As at March 31, 2022
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	22,138.15	22,138.15
(b) Reserves and Surplus	3	(8,809.25)	(4,854.86)
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	49,144.44	46,683.85
(b) Long Term Provisions	5	28.87	25.03
(3) Current Liabilities			
(a) Short-term borrowings	6	9,285.12	3,703.26
(b) Other current liabilities	7	457.41	397.10
(c) Short Term Provisions	8	297.33	297.11
TOTAL EQUITY AND LIABILITIES		72,542.07	68,389.64
II. ASSETS			
(1) Non-current assets			
(a) Non-current investments	9	64,070.44	64,069.44
(b) Deferred tax assets (net)	10	3,809.95	1,730.87
(c) Long Term Loans and advances	11	1.00	-
(d) Other non- current assets	12	1,674.47	859.00
(2) Current assets			
(a) Cash and cash equivalents	13	34.40	3.35
(b) Short-term loans and advances	14	2,355.57	1,266.41
(c) Other current assets	15	596.24	460.57
TOTAL ASSETS		72,542.07	68,389.64


Significant accounting policies and notes to financial statements

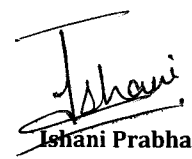
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As per our report of even date attached.

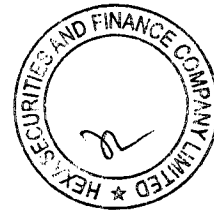
For and on behalf of Board of Directors of
Hexa Securities and Finance Company Limited

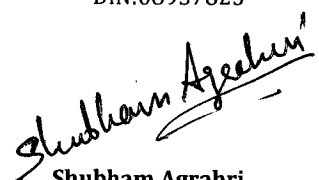
For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N


Ranjit Malik
Whole-time Director & CFO
DIN: 00059379


Ishani Prabhakar
Director
DIN:08937825


G. K. Aggarwal
Partner
M. No. 086622
Place : New Delhi
Date : May 23, 2023




Shubham Agrahri
Company Secretary
M. No. A65363

HEXA SECURITIES AND FINANCE COMPANY LIMITED

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

(₹ lakhs)

PARTICULARS	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
I. INCOME			
Revenue from operations	16	86.02	41.25
Other income	17	18.59	1,665.05
Total Revenue		104.61	1,706.30
II. Expenses:			
Employee benefits expense	18	36.97	33.31
Finance costs	19	6,091.76	4,550.30
Other expenses	20	9.35	599.14
Total Expenses		6,138.08	5,182.75
III. Profit/(Loss) before tax (I-II)		(6,033.47)	(3,476.45)
IV. Tax expense:			
Current tax		-	1.19
Deferred tax		(2,079.08)	(897.19)
V. Profit/(Loss) for the year (III-IV)		(3,954.39)	(2,580.45)
VI. Earning per equity share:			
(1) Basic	28	(1.79)	(1.17)
(2) Diluted		(1.79)	(1.17)

Significant accounting policies and notes to financial statements

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As per our report of even date attached.


For and on behalf of Board of Directors of
Hexa Securities and Finance Company Limited

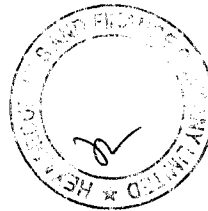
For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

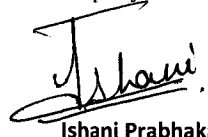


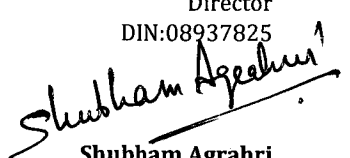
G. K. Aggarwal
Partner
M. No. 086622
Place : New Delhi
Date : May 23, 2023




Ranjit Malik
Whole-time Director & CFO
DIN: 00059379




Ishani Prabhakar
Director
DIN:08937825


Shubham Agrahri
Company Secretary
M. No. A65363

HEXA SECURITIES AND FINANCE COMPANY LIMITED
Cash flow statement for year ended March 31, 2023

(₹ lakhs)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
A. CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES				
Net Profit / (loss) before tax		(6,033.47)		(3,476.45)
Adjustments for :				
Add/(Less):				
Provision for Gratuity	2.16		0.39	
Interest expense and bank charges	6,091.76		4,550.30	
Provision for Doubtful Asset/(NPA)-written-back	(940.25)		(1,664.93)	
Bad Debts	940.25		540.23	
Dividend Income	(11.23)		-	
Provision for Sub-Standard assets made	-		(1.21)	
Provision for Diminution in value of investment	-	6,082.69	0.96	3,425.74
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		49.22		(50.71)
Adjustments for:-				
(Increase)/Decrease in Loans received back	-		1,608.61	
(Increase)/Decrease in Current Assets	(1,215.08)		(1,350.96)	
(Increase)/Decrease in Non -Current Assets	(815.47)		(859.00)	
Increase/(Decrease) in Current Liabilities/Provisions	62.21	(1,968.34)	294.68	(306.67)
CASH GENERATED FROM OPERATIONS		(1,919.12)		(357.38)
Tax Refund/(Paid)		(10.73)		(4.46)
NET CASH FROM OPERATING ACTIVITIES		(1,929.85)		(361.84)
B. CASH INFLOW/(OUTFLOW)FROM INVESTMENT ACTIVITIES				
(Increase)/Decrease in Investment	(1.00)		(45,226.18)	
Dividend Income	11.23		-	
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		10.23		(45,226.18)
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES				
Interest paid	(4,053.85)		(2,416.32)	
Loan received from financial institution	22,500.00		20,000.00	
Loan repaid to financial institution	(7,428.48)		(869.10)	
Loan received from related party	12,943.00		49,459.91	
Loan repaid to related parties	(22,010.00)		(20,584.00)	
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		1,950.67		45,590.49
NET CHANGES IN CASH AND CASH EQUIVALENT		31.05		2.47
Cash and cash equivalent at beginning of the year		3.35		0.88
Cash and cash equivalents at end of the year		34.40		3.35

Note :

- Increase/decrease in unsecured loans are shown net of repayments.
- Previous year's figure's have been regrouped wherever considered necessary.

For and on behalf of board of Directors
Hexa Securities And Finance Company Limited

As per our report of even date attached

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

Ranjit Malik
Whole-time Director & CFO
DIN: 00059379

Ishani Prabhakar
Director
DIN:08937825

G. K. Aggarwal
Partner
M. No. 086622
Place : New Delhi
Date : May 23, 2023



Shubham Agrahri
Company Secretary
M. No. A65363

Company Overview

Hexa Securities and Finance Company Limited ("Hexa" or "the Company") was incorporated on 23 November 1994 under the provision of Companies Act 1956. The Company is a Non- Deposit taking Systematically Important Non banking Financial company(' NBFC-ND-SI') and is registered under section 45-IA of the Reserve Bank of India (RBI) Act 1934 to carry on the business of Non-Banking Financial Company. The registered office of Hexa is situated at A-1, UPSIDC Industrial Area, Nandgaon Road, Kosi Kalan, District Mathura, 281403 (U.P.) India.

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial accountings have been prepared under historical cost convention on an accrual basis in accordance with the generally accepted accounting principal in India (Indian GAAP) and accounting standard (AS) under Section 133 of Companies Act 2013 read with rule 7 of the Companies (Accounts) rule 2014 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Financial Company ('NBFC'). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.2 USE OF ESTIMATES

The preparation of financial statement requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenue and expenses during the reporting periods. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

1.3 Revenue Recognition

All Income & Expenditure are accounted for on accrual basis.

1.4 TAXATION

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws.

Deferred tax resulting from timing differences between book profits and tax profits is accounted for by applying the tax rates and laws that have been enacted or substantively enacted till the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable / virtual certainty supported by convincing evidence that the assets can be realized in future.

1.5 EMPLOYEE BENEFITS

a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered. Liabilities for wages and salaries, including non-monetary 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 recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Leave encashment is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

d) The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Indian Rupees (₹) is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The Company operates defined benefit plans for gratuity, which requires contributions to be made to a separately administered fund. Funds are managed by trust. The trust has policies from an insurance company. These benefits are partially funded.

1.6 INVESTMENT

Investments are classified into Current Investments and Non current/Long Term Investments.

Non Current Investments have been stated at cost. When there is a decline other than temporary in their value, the carrying amount is reduced on an individual investment basis and decline is charged to the Statement of Profit and Loss. Appropriate adjustment is made in carrying cost of investment in case of subsequent rise in the value of investment. Provision for diminution in value of investment is made in accordance with the provisions of Non-Banking Financial Company-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016 and Accounting Standard (AS)-13 "Accounting for Investment".

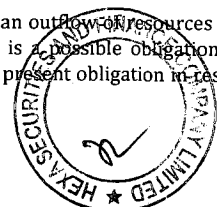
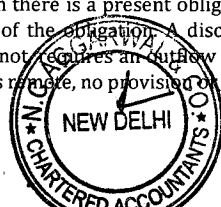
1.7 NON PERFORMING ASSETS

Advances are classified as "Performing Assets" and "Non-Performing Assets" as per the directions issued by the Reserve Bank of India. Provisions for Advances is made as per the directions issued by the Reserve Bank of India.

In opinion of the Management, the realizable value of all assets other than long term investments, in the ordinary course of business, would not be less than the amount at which they are stated.

1.8 CONTINGENCIES

The company creates a provision when there is a present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when 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.



HEXA SECURITIES AND FINANCE COMPANY LIMITED

Notes to Financial Statements

(₹ lakhs)

PARTICULARS	As at	As at
	March 31, 2023	March 31, 2022
2. SHARE CAPITAL		
(a) Authorised		
22,17,00,000 Equity Shares of ₹ 10/- each	22,170.00	22,170.00
	22,170.00	22,170.00
(b) Issued, Subscribed and Fully Paid-Up		
22,13,81,530 Equity Shares of ₹ 10/- each.	22,138.15	22,138.15
Total Share Capital	22,138.15	22,138.15
(c) Reconciliation of the number of shares:		
Equity Shares		
Shares outstanding as at the beginning of the year	22,13,81,530	22,13,81,530
Shares outstanding as at the end of the year	22,13,81,530	22,13,81,530
(d) Shares held by holding Company		
Name of Shareholders		
Hexa Tradex Limited*	22,13,81,530	22,13,81,530
% of Holding	100%	100%
*including 300 Shares held through nominee.		
(e) Details of shareholders holding more than 5% shares in the company:		
Name of Shareholders		
Hexa Tradex Limited*	22,13,81,530	22,13,81,530
% of Holding	100%	100%
*including 300 Shares held through nominee.		

(f) Shareholding of Promoters as below:

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of holding	No. of shares	% of holding
Hexa Tradex Limited	22,13,81,230	100.00	22,13,81,230	100.00
*Stainless Investment Limited	50	0.00	50	0.00
*Jindal Equipment Leasing & Consultancy Ltd.	50	0.00	50	0.00
* Mansarover Tradex Limited (formerly known as Mansarover Investment Limited)	50	0.00	50	0.00
* Abhinandan Tradex Limited (formerly known as Abhinandan Investment Limited)	50	0.00	50	0.00
*Nalwa Investments Ltd.	50	0.00	50	0.00
*Arvind Kiran	50	0.00	50	0.00
Total Promoters Shareholding	22,13,81,530		22,13,81,530	
Total Promoters Shareholding (%)		100.00		100.00

*Shares held on behalf of Hexa Tradex Limited

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

Nil

Nil

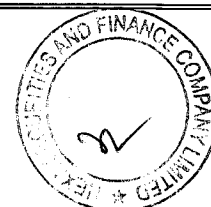
(h) Terms/Rights attached to Equity shares:

The Company has only one class of equity shares having a par value of ₹ 10/- per equity share and holder of the equity share is entitled to one vote per share.

3. RESERVES AND SURPLUS

(₹ lakhs)

PARTICULARS	As at	As at
	March 31, 2023	March 31, 2022
a) Statutory Reserve		
Balance as per last financial statements	2,731.25	2,731.25
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing Balance	2,731.25	2,731.25
b) Surplus in Statement of Profit and Loss		
Balance as per last financial statements	(7,586.11)	(5,005.66)
Add: Profit/(loss) transferred from Statement of profit and Loss	(3,954.39)	(2,580.45)
Closing Balance	(11,540.50)	(7,586.11)
Total Reserves and Surplus	(8,809.25)	(4,854.86)



HEXA SECURITIES AND FINANCE COMPANY LIMITED

Notes to Financial Statements

(₹ lakhs)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
4. LONG-TERM BORROWINGS		
Secured Long term borrowing		
Term Loans from NBFC		
Tata Capital Financial Services Limited*	24,917.31	15,427.64
Unsecured Long term borrowing		
From Related Party:-		
Siddeshwari Tradex Private Limited**	24,227.13	31,256.21
Total Long Term Borrowings	49,144.44	46,683.85
5. LONG TERM PROVISIONS		
Provision for Leave Encashment	9.65	7.84
Provision for Gratuity	19.22	17.19
Total Long term Provisions	28.87	25.03
6. SHORT-TERM BORROWINGS		
Current Maturity of Long Term debt from NBFC		
-Tata Capital Financial Services Limited	9,285.12	3,703.26
Total Short- Term Borrowings	9,285.12	3,703.26
7. OTHER CURRENT LIABILITIES		
Interest Accrued but not due	154.12	92.22
Statutory Dues	275.52	295.64
Dues to Employees	1.77	1.57
Others Payables*	26.00	7.67
Total Other Current Liabilities	457.41	397.10
8. SHORT TERM PROVISIONS		
Provision for Leave Encashment	0.40	0.31
Provision for Gratuity	0.79	0.66
Provision for Diminution in value of investment	296.14	296.14
Total Short Term Provisions	297.33	297.11

*Term loan from Tata Capital Financial Services Limited of ₹ 42500 lakhs, carries interest @ 11.50% p.a. (floating). The loan is secured against pledge of shares and Security Receipts. The loan is repayable in FY 2023-24 ₹ 9285.12 lakhs, FY 2024-25 ₹ 10341.52 lakhs, FY 2025-26 ₹ 11509.68 lakhs & FY 2026-27 ₹ 3066.11lakhs.

** Loan taken from Siddeshwari Tradex Private Limited is repayable after 3 years from the date of loan agreement i.e. 19th June 2021. The loan carries interest rate ranging from 10.90% to 11.60% p. a. (March 31, 2022 @ 11.25% to 12.25% p. a.).

There is no default in repayment of principal and interest.

*Include Expense payables



HEXA SECURITIES AND FINANCE COMPANY LIMITED

Notes to Financial Statements

Note No. - 9 Non - Current Investments

PARTICULARS	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	Face Value (₹)	(₹ lakhs)	No. of Shares	Face Value (₹)	(₹ lakhs)
LONG TERM - NON TRADE (AT COST)						
A) Investment in Security receipts unquoted						
JCFARC Trust 2020-21/8	45,13,500	1,000	45,135.00	45,13,500	1,000	45,135.00
B) Investment in Equity Shares						
1.Quoted						
Jindal Stainless Limited*	1,45,46,966	2	1,410.06	49,31,175	2	1,410.06
Shalimar Paints Limited	15,00,000	2	180.00	15,00,000	2	180.00
HDFC Bank Limited	72,410	1	18.00	72,410	1	18.00
Jindal Stainless (Hisar) Limited*			-	49,31,175	2	-
ACC Limited			-	2	10	0.01
Dr. Reddy's Laboratories Limited			-	4	5	0.02
Electrosteel Castings Limited			-	20	1	0.01
Ambuja Cements Limited			-	15	2	0.01
Hindustan Unilever Limited			-	2	1	-
Infosys Limited			-	32	5	0.04
Maharashtra Seamless Limited			-	4	5	0.00
Maruti Suzuki India Limited			-	2	5	0.01
Man Industries (India) Limited			-	4	5	-
Oil & Natural Gas Corporation Limited			-	18	5	0.02
PSL Limited	2	10	-	2	10	-
Reliance Communications Limited			-	2	5	-
Reliance Industries Limited			-	8	10	0.01
Reliance Infrastructure Limited			-	2	10	0.01
State Bank of India			-	20	1	0.01
Tata Steel Limited			-	2	10	0.01
Tata Motors Limited			-	10	2	0.01
Welspun Corp Limited	2	5	-	2	5	-
Quality Foils India Ltd	2,000	10	1.20			-
Sun Pharmaceutical Industries Limited			-	3	1	0.03
			1,609.26			1,608.26
2.Unquoted						
Abhinandan Tradex Limited (formerly known as Abhinandan Investment Limited)	8,000	10	18.40	8,000	10	18.40
Goswamis Credit & Investments Limited	28,55,000	10	285.50	28,55,000	10	285.50
Brahmputra Capital & Financial Services Limited	5,20,800	10	52.08	5,20,800	10	52.08
			355.98			355.98
C) Investment in 9% Non-Cumulative Redeemable Preference Shares- Unquoted						
Goswamis Credits & Investment Limited	28,08,333	100	2,808.33	28,08,333	100	2,808.33
Mansarover Tradex Limited (formerly known as Mansarover Investment Limited)	20,93,070	100	2,093.07	20,93,070	100	2,093.07
Renuka Financial Services Limited	8,54,322	100	854.32	4,29,322	100	854.32
Stainless Investments Limited	3,36,507	100	336.51	6,70,327	100	336.51
Everplus Securities & Finance Limited	2,19,250	100	219.25	2,19,250	100	219.25
Manjula Finances Limited	27,21,000	100	2,721.00	27,21,000	100	2,721.00
Jindal Equipment Leasing & Consultancy Services Limited	14,10,173	100	1,410.17	14,10,173	100	1,410.17
Nalwa Investments Limited	10,44,000	100	1,044.00	10,44,000	100	1,044.00
Colorado Trading Company Limited	54,83,547	100	5,483.55	54,83,547	100	5,483.55
			16,970.20			16,970.20
TOTAL			64,070.44			64,069.44
Aggregate Value of Quoted Investments			1,609.26			1,608.26
Aggregate Value of Unquoted Investments			62,461.18			62,461.18
Aggregate Market Value of Quoted Investments			45,365.09			12,050.43

Notes:

*For the year ended March 31, 2022, the Company was holding 49,31,175 equity shares of Jindal Stainless (Hisar) Limited ("JSHL") and 49,27,470 equity shares of Jindal Stainless Limited ("JSL").

*In terms of the Composite Scheme of Arrangement amongst Jindal Stainless (Hisar) Limited ("JSHL") along with other group companies into and with Jindal Stainless Limited ("JSL"), JSL has allotted 96,15,791 equity shares as per the Swap Ratio mentioned in the Composite Scheme of Arrangement to the Company against its shareholding in JSHL.

*After the above said allotment of shares, the current holding of the Company is 1,45,43,261 equity shares in Jindal Stainless Limited (JSL).

* Please see note no.-27



HEXA SECURITIES AND FINANCE COMPANY LIMITED

Notes to Financial Statements

(₹ lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
10. DERERRED TAX ASSETS (NET)		
Deferred Tax Asset (Net)	3,809.95	1,730.87
	3,809.95	1,730.87
11. LOANS AND ADVANCES		
Other Loans and Advances		
Loan to Employee	1.00	-
Total Long- Term Loans and Advances	1.00	-
12. OTHER NON - CURRENT ASSETS		
Deposits with original maturity of more than 12 months	1,674.47	859.00
Total Other Non-Current Assets	1,674.47	859.00
13. CASH AND CASH EQUIVALENTS		
Balances with banks	34.40	3.35
Total Cash and cash equivalents	34.40	3.35
14. SHORT- TERM LOANS AND ADVANCES		
Loans and advances to other parties		
Unsecured, considered good	2,321.34	1,245.91
Considered doubtful*	-	940.25
Less: Provision for Doubtful Assets	-	(940.25)
Others		
Loan to Employee	3.00	-
Advance income tax-(Net)	31.23	20.50
Total Short Term Loans and Advances	2,355.57	1,266.41
* Provision for doubtful asset made (refer note no.21b)		
15. OTHER CURRENT ASSETS		
Prepaid Finance Charges	348.27	338.54
Interest accrued on FDRs	91.43	24.11
Balances with government authorities	129.54	92.34
Advance to vendors	27.00	5.58
Total Other Current Assets	596.24	460.57



HEXA SECURITIES AND FINANCE COMPANY LIMITED
Notes to Financial Statements

(₹ lakhs)

PARTICULARS	Year ended March 31, 2023	Year ended March 31, 2022
16. Revenue from operations		
Interest Income	74.79	35.32
Provision for Standard Assets written back	-	1.21
Dividend Income	11.23	4.72
Total Revenue from Operations	86.02	41.25
17. OTHER INCOME		
Consultancy Charges	16.96	-
Other Interest	0.44	0.12
Profit on sale of Investments	1.19	-
Provision for Doubtful Asset-written-back	-	1,664.93
Total Other Income	18.59	1,665.05
18. EMPLOYEE BENEFITS EXPENSE		
Salary and Wages	34.84	31.41
Contribution to Provident Fund	2.13	1.90
Total Employee Benefits Expense	36.97	33.31
19. FINANCE COSTS		
Interest on term loans	3,626.97	1,758.31
Interest on ICD	2,264.35	2,644.78
Bank Charges	200.44	147.21
Total Finance Cost	6,091.76	4,550.30
20. OTHER EXPENSES		
Conveyance Expenses	0.78	0.63
Communication Expenses	-	0.02
Legal and Professional Fees	3.11	54.92
Auditors' Remuneration	1.06	0.71
Bad debts	940.25	540.23
Provision for Doubtful Asset written back (NPA)	(940.25)	-
Filing Fee	0.02	0.13
Fee and Subscription	4.10	1.24
Insurance Others	0.28	0.30
Provision for Diminution in the value of Investment	-	0.96
Total Other Expenses	9.35	599.14



HEXA SECURITIES AND FINANCE COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS

21 Provision for Non-Performing Loans and Advances has been made by the management considering prudential norms prescribed by the Reserve Bank of India.

(a.) Details of Movement of provision of Standard Assets are as under:

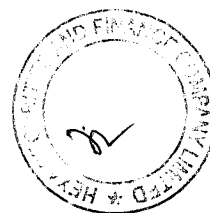
Particulars	(₹ lakhs)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Provision for Standard Assets		
Opening Balance	-	1.21
Add: Provision made during the year	-	-
Less: Provision for Standard Assets written back	-	(1.21)
Closing Balance	Total -	-

(b.) Details of Movement of provision of Doubtful Assets are as under:

Particulars	(₹ lakhs)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Provision for Doubtful Assets		
Opening Balance	940.25	2,605.18
Less: Provision written back during the year	(940.25)	(1,664.93)
Closing Balance	Total -	940.25

(c.) Detail of Movement of provision for Diminution in value of Investment:

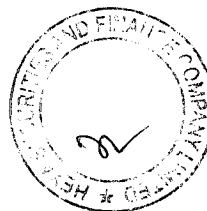
Particulars	(₹ lakhs)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Provision for Diminution of investment		
Opening Balance	296.14	297.24
Add: Provision made during the year	-	0.96
Less: Provision written back during the year	-	2.06
Closing Balance	Total 296.14	296.14



HEXA SECURITIES AND FINANCE COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS

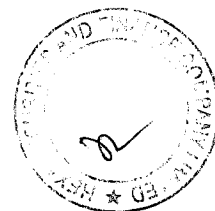
22 Disclosures as required by Annexure IV RBI Master Direction 2016 of Non-Banking Financial Company-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 as may be amended from time to time;

(₹ lakhs)		
Particulars	Amount outstanding	Amount Overdue
Liabilities side:		
(1) Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures: Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	34,202.43	-
(d) Inter-corporate loans and borrowing	24,227.13	-
(e) Commercial Paper	-	-
(f) Public Deposit	-	-
(g) Other Loans (Specify Nature)	-	-
Total	-	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
Assets side:		
Amount outstanding		
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured		-
(b) Unsecured (gross)		-
(4) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities:		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		-
(b) Operating lease		-
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire		-
(b) Repossessed Assets		-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-



HEXA SECURITIES AND FINANCE COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS

(5) Break-up of Investments (Net of Provisions)			
Current Investments			
1. Quoted			
(i) Shares: (a) Equity			-
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Others			-
2. Unquoted			
(i) Shares: (a) Equity			-
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Cumulative Redeemable Preference Share			-
(vi) Non-Cumulative Redeemable Preference Shares			-
Long Term Investments:			
1. Quoted			
(i) Shares: (a) Equity			1,609.26
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Others			-
2. Unquoted			
(i) Shares: (a) Equity			355.98
(b) Preference			16,970.20
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Other (Security Receipts)			45,135.00
(6) Borrower group-wise classification of assets financed as in (3) and (4) above:		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) :		Market Value/ Break up of fair value or NAV	Book Value (Net of Provisions)
1. Related Parties			
(a) Subsidiaries		-	-
(b) Companies in the same group		-	-
(c) Other related parties		-	-
2. Other than related parties		1,04,050.63	63,774.30
Total			
(8) Other Information			
Particulars			Amount
(i) Gross Non-Performing Assets			
(a) Related parties			-
(b) Other than related parties			-
(ii) Net Non-Performing Assets			
(a) Related parties			-
(b) Other than related parties			-
(iii) Assets acquired in satisfaction of debt			



23 Related Party Disclosures:

List of Related Parties & Relationship

A. Holding Company

- i Hexa Tradex Limited

B. Key Management Personnel

- i Mr. Raj Kamal Aggarwal Independent Director*
ii Mr. Girish Sharma Independent Director*
iii Ms. Ishani Prabhakar Director
iv Mr. Ranjit Malik Whole Time Director and CFO
v Mr. Shubham Agrahri Company Secretary

*Independent directors are included only for the purpose of compliance with definition of key management personnel given under AS 18- Related Party Disclosures.

C. Entities, where individual, having significant influence over reporting enterprise or KMP and/or their relatives, having significant influence

- i Siddeshwari Tradex Private Limited
ii Jindal Saw Limited
iii Nalwa Investments Limited
iv Mansarover Tradex Limited (formerly known as Mansarover Investment Limited)

Related Parties Transactions and Balances as follows:

		(₹ lakhs)	
S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
A.	Transactions:-		
i.	Loan Taken		
	Siddeshwari Tradex Private Limited	12,943.00	49,946.50
ii.	Loan repaid		
	Siddeshwari Tradex Private Limited	22,010.00	21,070.59
iii.	Loan given		
	Mr. Ranjit Malik	5.00	-
iv.	Loan received back		
	Mr. Ranjit Malik	1.00	-
	Siddeshwari Tradex Private Limited	-	483.91
v.	Interest received		
	Siddeshwari Tradex Private Limited	-	8.53
vi.	Interest Expenses		
	Siddeshwari Tradex Private Limited	2,264.35	2,644.78
vii.	Remuneration paid		
	Mr. Ranjit Malik	28.91	28.98
	Mr. Shivam Aggarwal	-	2.41
	Mr. Shubham Agrahri	4.25	1.91
viii.	Expenses incurred by others and reimbursed by company		
	Jindal Saw Limited	4.30	3.88
	Mr. Shivam Aggarwal	-	0.02
	Mr. Shubham Agrahri	0.03	0.01
	Mr. Ranjit Malik	0.56	0.43
IX.	Purchase of services		
	Hexa Tradex Limited	1.40	-
X.	Sale of services		
	Nalwa Investments Limited	12.72	-
	Mansarover Tradex Limited (formerly known as Mansarover Investment Limited)	4.24	-
B.	Outstanding balance at the year end		
i.	Loan receivable		
	Mr. Ranjit Malik	4.00	-
ii.	Loan payable		
	Siddeshwari Tradex Private Limited	24,227.13	31,256.21
iii.	Amount Receivable :		
	Jindal Saw Limited	-	0.06



24 Employee benefit obligations

1. Expense recognised for defined contribution plan

Particulars	(₹ lakhs)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Company's contribution to provident fund	2.13	1.90
Total	2.13	1.90

2. Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Balance Sheet as at March 31, 2023 and March 31, 2022, being the respective measurement dates:

2.a. Movement in defined benefit obligations

Particulars	(₹ lakhs)	
	Gratuity	Leave Encashment (unfunded)
Present value of obligation - April 1, 2022	17.46	8.38
Current service cost	1.14	0.65
Interest cost	1.27	0.61
Benefits paid	-	(1.57)
Remeasurements - actuarial loss/ (gain)	(2.01)	0.08
Present value of obligation - April 1, 2022	17.86	8.15
Current service cost	1.16	0.80
Interest cost	1.29	0.59
Benefits paid	-	(1.50)
Remeasurements - actuarial loss/ (gain)	(0.29)	2.01
Present value of obligation - March 31, 2023	20.02	10.05

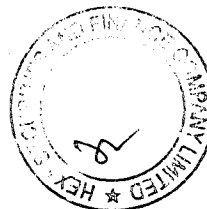
2.b. Movement in plan assets- gratuity

Particulars	(₹ lakhs)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Fair value of plan assets at beginning of year	-	-
Expected return on plan assets	-	-
Actuarial gain / (loss)	-	-
Fair value of plan assets at end of year	-	-
Present value of obligation	20.02	17.86
Net funded status of plan	(20.02)	(17.86)
Actual return on plan assets	-	-

The components of the gratuity & leave encashment cost are as follows:

2.b. Recognised in statement of profit and loss

Particulars	(₹ lakhs)	
	Gratuity	Leave Encashment (unfunded)
Current Service cost	1.14	0.65
Interest cost	1.27	0.61
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	(2.01)	0.35
For the year ended March 31, 2022	0.40	1.61
Actual return on plan assets	-	-
Current Service cost	1.16	0.80
Interest cost	1.29	0.59
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	(0.29)	2.01
For the year ended March 31, 2023	2.16	3.40
Actual return on plan assets	-	-



Weighted average actuarial assumptions	As at	As at
	March 31, 2023	March 31, 2022
Attrition rate	5% PA	5% PA
Discount Rate	7.50% PA	7.25% PA
Expected Rate of increase in salary	11% PA	11% PA
Mortality rate	IALM 2012-14	IALM 2012-14

2.c. Employee benefits provision		(₹ lakhs)
Particulars	As at	As at
	March 31, 2023	March 31, 2022
Gratuity	20.01	17.85
Leave encashment	10.05	8.15
Total	30.06	26.00

2.d. Current and non-current provision for gratuity and leave encashment
As at March 31, 2022

Particulars	(₹ lakhs)	
	Gratuity	Leave Encashment (unfunded)
Current provision	0.66	0.31
Non-current provision	17.19	7.84
Total Provision	17.85	8.15

As at March 31, 2023		(₹ lakhs)
Particulars	Gratuity	Leave Encashment (unfunded)
	Current provision	0.79
Non-current provision	19.22	9.65
Total Provision	20.01	10.05

2.e. Employee benefits expense		(₹ lakhs)
Particulars	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Salaries and Wages (excluding leave encashment)	31.44	30.07
Costs-defined benefit plan	2.13	1.90
Costs-defined contribution plan (including leave encashment)	3.40	1.34
Total	36.97	33.31

Particulars	(Figures in no.)	
	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Average no. of people employed	2	3

25 (i) Auditors' Remuneration

Particulars	(₹ lakhs)	
	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Audit Fee	0.94	0.59
Certification/other fee	0.12	0.25
Total	1.06	0.84

(ii) Directors' Remuneration

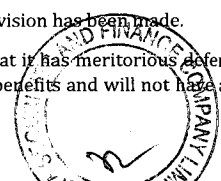
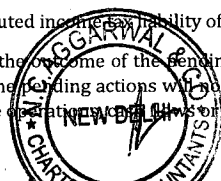
Particulars	(₹ lakhs)	
	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Salary including allowances etc.	25.52	26.04
Contribution to Provident and Other Funds	3.39	2.94
Total	28.91	28.98

26 Deferred Tax Assets	(₹ lakhs)	
	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Disallowance under Income Tax Act	66.09	301.26
Carried Forward Losses	3,362.73	1,429.60
Total	3,428.82	1,730.86

27 Contingent liabilities

- (₹ lakhs)
- a) 49,27,470 (P.Y 49,27,470) equity shares of Jindal Stainless Limited ("JSL") have been pari pasu pledged in favour of SBICAP Trustee Company Limited (SBICAP) on behalf of lenders of JSL to secure the credit facilities availed by JSL.
- b) Consequent to amalgamation of Jindal Stainless (Hisar) Limited ("JSHL") with Jindal Satinless Limited ("JSL") in terms of the Composite Scheme of Arrangement and subsequent allotment of equity shares of JSL as per the Swap Ratio mentioned in the Composite Scheme of Arrangement 96,15,791 equity shares of JSL have been pari pasu pledged in favour of SBICAP Trustee Company Limited (SBICAP) on the behalf of lenders to secure the credit facility availed by JSL.
- c) There is outstanding disputed income tax liability of ₹ 101.85 lakhs (P.Y. ₹ 101.85 lakhs) for which no provision has been made.

It is not possible to predict the outcome of the pending litigations with accuracy, the Company believes, that it has meritorious defenses to the claims. The management believes the pending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations and financial condition of the company.



28 EARNING PER SHARE:

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
(A)	Earning attributable to equity shareholders (₹ lakhs)	(3,954.39)	(2,580.45)
(B)	Weighted Average No. of Shares for Basic Earnings per Share	22,13,81,530	22,13,81,530
(C)	Weighted Average No. of Shares for Diluted Earnings per Share (on face value of ₹ 10/- each)	22,13,81,530	22,13,81,530
	Basic = A/B	(1.79)	(1.17)
	Diluted = A/C	(1.79)	(1.17)

29 Analytical Ratios

Ratios	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	%Variance	Reason For Change in ratio by more than 25% as compared to the previous year
1) Capital to risk-weighted assets ratio (CRAR)	Tier I Capital + Tier II Capital	Total Risk weighted assets	9.49%	22.89%	(58.54)	Decrease in CRAR due to Increase in accumulated losses.
2) Tier I CRAR	Tier I Capital	Total Risk weighted assets	8.24%	21.64%	(61.92)	Decrease in Tier I due to Increase in accumulated losses.
3) Tier II CRAR	Tier II Capital	Total Risk weighted assets	1.25%	1.25%	-	NA
4) Leverage Ratio*	Total Outside Liabilities	Owned Fund	NA	NA	NA	NA

*The Company is a Non Deposit taking/accepting- Systemically Important Non Banking Financial Company, so Leverage Ratio is not applicable to the company as per master direction DNBR.PD.008/03.10.119/2016-17 of Reserve Bank of India.

30 Disclosures as required by circular DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 of Reserve Bank of India.
Exposure to Capital Market

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
i	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	1609.26	1,608.26
ii	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds.	-	-
iii	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security.	-	-
iv	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances.	-	-
v	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	-	-
vi	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	-	-
vii	Bridge loans to companies against expected equity flows / issues.	-	-
viii	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds.	-	-
ix	Financing to stockbrokers for margin trading.	-	-
x	All exposures to Alternative Investment Funds: i) Category I ii) Category II iii) Category III	-	-
Total exposure to capital market		1,609.26	1,608.26



Hexa Securities and Finance Company Limited
Notes To Standalone Financial Statements

31 Additional Regulatory Information

(i) Loans and Advances

Details of loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

Type of Borrower	(₹ lakhs)	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
As at March 31, 2023		
Promoters	-	-
Directors	-	-
KMPs	4.00	100%
Related Parties	-	-
As at March 31, 2022		
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

(ii) Benami Property

No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(iii) Statements filed with banks or financial institutions

The company don't have any borrowings from banks and financial institutions on the basis of security of current assets. Hence, there is no requirement to file quarterly returns or statements of current assets with banks and financial institutions.

(iv) Willful Defaulter

The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(v) Relationship with Struck off Companies

The company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(vi) Registration of charges or satisfaction with Registrar of Companies

The company do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

(vii) Compliance with number of layers of companies

The company has complied with the provisions related to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(viii) Financial Ratios

Particulars	Numerator	Denominator	As at		%age Variance	Reason for variance
			March 31, 2023	March 31, 2022		
(a) Current Ratio (in times)	Total Current assets	Total liabilities	0.30	0.39	-24.41%	NA
(b) Debt-Equity Ratio (in times)	Total Debt consist of borrowings	Shareholder's Equity	4.38	2.70	62.21%	Ratio increased due to increase in borrowings.
(c) Debt Service Coverage Ratio (in times)	Earning available for debt service	Interest costs + Principal repayment of long term debt during the period	0.03	0.24	-88.09%	Ratio decreased due to repayment of borrowings.
(d) Return on Equity Ratio (in %)	Net Income	Shareholder's equity	(0.30)	(0.15)	-98.71%	Ratio decreased due to loss incurred during the year.
(e) Inventory turnover (in times)	Cost of goods sold (RM, SFG, FG and scrap)	Average of opening and closing inventory of RM, SFG, FG and Scrap	NA	NA	NA	Not Applicable
(f) Trade Receivables turnover ratio (in times)	Net Annual Credit Sales	Average Accounts Receivables	NA	NA	NA	Not Applicable
(g) Trade payables turnover ratio (in times)	Net Annual Credit Purchase	Average Accounts Payables	NA	NA	NA	Not Applicable

Particulars	Numerator	Denominator	As at		%age Variance	Reason for variance
			March 31, 2023	March 31, 2022		
(h) Net capital turnover ratio (in times)	Total Sales	Working capital	0.01	0.10	-92.05%	Ratio decreased due to decline in revenue over previous year.
(i) Net profit ratio (in %)	Net Profit	Total Sales	(37.80)	(1.51)	2399.55%	Ratio decreased due to loss incurred during the year.
(j) Return on Capital employed (in %)	EBIT	Capital Employed	0.00	0.02	-94.44%	Ratio decreased as EBIT decreased in comparison of previous year.
(k) Return on investment (in %)	Income generated from invested funds	Cost of Investment	27.19	6.49	318.77%	Ratio has increase due to increase in market value of investment.

(ix) Compliance with approved Scheme(s) of Arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(x) Utilization of Borrowed funds and share premium:

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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 to or on behalf of the ultimate beneficiaries.

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(xi) Undisclosed income

No income has been surrendered or disclosed for which transaction was not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(xii) During the period under review, the company doesn't fulfill the criteria covered under section 135 of the Companies Act, 2013. Therefore the provisions related to CSR are not applicable.

(xiii) There was no transaction related to Crypto Currency or Virtual Currency during the year.



HEXA SECURITIES AND FINANCE COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS

32 Disclosure as per amendment to clause 34(3) & 53(f) Schedule V of the Listing Agreement

Details of Inter- Corporate Loans:

(₹ lakhs)

Name of Company	As at March 31, 2023		As at March 31, 2022	
	Outstanding Balance	Maximum Balance during the year	Outstanding Balance	Maximum Balance during the year
Loan and advances				
Meena Suresh Shroff *	-	-	-	1,664.93
Green Delhi BQS Limited*	-	820.95	820.95	820.95
National Udyog Limited*	-	119.30	119.30	119.30

* Provision for doubtful assets created.

- 33 The Company has only one primary business segment i.e. Investment and Finance. Hence, segment reporting is not applicable.
- 34 Previous year's figures have been regrouped / reclassified wherever considered necessary.
- 35 These financial statements were approved and adopted by board of directors of the Company in their meeting dated May 23, 2023.
- 36 Notes 1 to 35 are annexed to and form integral part of financial statements.

As per our report of even date attached.

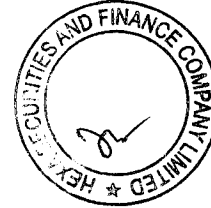
For and on behalf of Board of Directors of
Hexa Securities and Finance Company Limited

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

Ranjit Malik
Whole-time Director & CFO
DIN: 00059379

Ishani Prabhakar
Director
DIN:08937825

G. K. AGGARWAL
Partner
M. No. 086622
Place: New Delhi
Date : May 23, 2023



Shubham Agrahri
Company Secretary
M. No. A65363