



**LERTHAI FINANCE
LIMITED**

**44TH ANNUAL REPORT
2022 - 2023**

LERTHAI FINANCE LIMITED

BOARD OF DIRECTORS

Mr. Shao Xing Max Yang, Chairman & Director
Mr. Jayant Goel, Executive Director
Mr. Ntasha Berry, Non-Executive Independent Director
Ms. Aparna Goel, Non-Executive Director

COMPANY SECRETARY, COMPLIANCE OFFICER & CHIEF FINANCIAL OFFICER

Mrs. Sneha Khandelwal,
Company Secretary, Compliance Officer & Chief Financial Officer

AUDITORS

M/s. B.D. Jokhakar & Co.,
Chartered Accountants,
8, Ambalal Doshi Marg, Fort,
Mumbai – 400001

REGISTERED OFFICE

Office No. 312/313, Third Floor, Barton Centre,
Mahatma Gandhi Road,
Bangalore – 560001.

Ph: +91 9503155652

REGISTRAR AND SHARE TRANSFER AGENT:

Link Intime India Private Limited
44, Community Centre,
2nd Floor, Naraina Industrial Area Phase-I,
New Delhi – 110028.



LERTHAI FINANCE LIMITED
(Formerly known as *Marathwada Refractories Limited*)
(CIN: L65100KA1979PLC061580)

Reg. Off. Address: Office No. 312/313, Third Floor, Barton Centre, Mahatma Gandhi Road, Bengaluru, KA - 560001
Email id: company@lerthaifinance.com Phone no. +91 80 4277 7800

NOTICE

NOTICE is hereby given that the Forty Forth Annual General Meeting of the members of Lerthai Finance Limited will be held on Thursday, 14th September 2023 at 11:30 a.m. IST through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt audited balance sheet for the year ended March 31, 2023, statements of profit and loss and cash flow for that period along with notes forming part thereof, the Directors' Report (along with all the annexures) and Auditor's Report thereon.
2. To appoint a director in place of Ms. Aparna Goel (DIN: 00142961), who retires by rotation and being eligible has offered herself for reappointment.
3. To appoint a director in place of Mr. Shao Xing Max Yang (DIN: 08114973), who retires by rotation and being eligible has offered himself for reappointment.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Ms. Ntasha Berry (DIN: 08145471), who holds office upto 23rd September, 2023, and who being eligible for re-appointment as an independent director has given her consent along with a declaration that she meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder, be and is hereby re-appointed as an independent director of the Company, not be liable to retire by rotation, to hold office, subject to provisions of law, for a second term of 5 (Five) consecutive years commencing from 24th September, 2023 to 23rd September, 2028 (both days inclusive).”

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

5. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 160, 196, 197, 203 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Jayant Goel (DIN: 01925642), who holds office upto 23rd September, 2023, and who being eligible for re-appointment has given his consent to get re-appointed, be and is hereby re-appointed as the whole time director of the Company, not be liable to retire by rotation, to hold office, subject to applicable laws, for a period commencing from 24th September, 2023 to 23rd September, 2028 (both days inclusive) on the terms and conditions as set out in the Explanatory Statement annexed to this Notice, with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and remuneration in such manner as may be agreed to between the board of directors and Mr. Jayant Goel in accordance with the requirements of the Act”

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By the order of the Board of Directors,

Date: 9th August, 2023
Place: Bangalore

Sd/-
Sneha Khandelwal
Company Secretary and Compliance officer
Membership No. 55597

REGISTERED OFFICE

Office No. 312/313, Third Floor, Barton
Centre, Mahatma Gandhi Road,
Bangalore – 560001.

Phone: +91 9503155652

NOTES:

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated May 05, 2020, Circular No.02/2021 dated January 13, 2021 and General Circular No. 10/2022 and General Circular No. 11/2022, dated December 28, 2022 and all other relevant circulars issued from time to time (collectively referred to as ("MCA Circulars")), MCA has permitted holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the registered office of the Company. Since the AGM will be held through VC, the route map and attendance slip are not annexed to this Notice.
2. Further pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and the MCA and SEBI Circulars, the Company is holding its Annual General Meeting (AGM) through Video Conferencing ('VC')/Other Audio- Visual Means ('OAVM'), without the physical presence of the Members at a common venue. For the said purpose the Company has engaged the services of our Registrar & Share Transfer Agent, Link Intime India Pvt Ltd (Link Intime) for conducting AGM through VC/OAVM. Further, Link Intime has also been engaged for facilitating e-voting to enable the members to cast their votes electronically using remote e-voting system as well as e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained in the notes below.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 08/09/2023 to 14/09/2023, both days inclusive, for annual closing.
4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

7. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
8. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Directors seeking appointment/re-appointment at the AGM, forms integral part of the Notice of the AGM. Requisite declarations have been received from the Directors for seeking appointment/re-appointment.
9. Electronic copy of the Annual Report for 2023 is being sent to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ("Act") and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act will be available electronically for inspection by the members during the AGM.
11. The Board of Directors have appointed Ms. Snehal Shaligram (Certificate of Practice no. 10216), Company Secretary as the Scrutinizer to scrutinize the remote e-voting process and e-voting through electronic voting system at the AGM in a fair and transparent manner.
12. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts relating to the special business(es) to be transacted at the AGM is annexed hereto.
13. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
14. The Notice is being sent to all the Members/ Beneficiaries electronically, whose names appear on the Register of Members/Record of Depositories as on 09/08/2023 in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and MCA and SEBI Circulars.
15. Voting on the Resolutions set forth in the Notice shall be done by electronic means ("e-voting") in terms of the applicable provisions of the Act read with the Rules made thereunder and SEBI Listing Regulations. Members (as on the cut-off date) may cast their votes remotely ("remote e-voting") as per the details mentioned below:

Cut-off date	:	07/09/2023
[for determining the Members entitled to vote on the resolutions set forth in this notice]		
Remote e- voting period	Commence from	: 9:00 a.m., 11/09/2023
	End at	: 5.00 p.m., 13/09/2023
[Remote e-voting module shall be disabled post this date]		

**URL for remote
e-voting** :

<https://instavote.linkintime.co.in>

Instructions relating to voting through electronic means and holding of AGM through audio visual means by our Registrar & Transfer Agent M/s Link Intime India Private Limited are annexed with this notice respectively for the benefit of the members.

Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4

Ms. Ntasha Berry (DIN: 08145471) was appointed as the independent director of the Company at its 39th Annual General Meeting held on September 24, 2018 for a term of 5 (five) years under the provisions of Section 149, 152 of the Act read with Schedule IV of the Companies Act, 2013. Her first term of directorship shall expire on September 23, 2023 and she is eligible for reappointment for second term as an independent director.

The Nomination and Remuneration Committee and the Board of Directors at its meetings held on August 09, 2023, have recommended the re-appointment of Ms. Ntasha Berry as an independent director of the Company for a second term of 5 (five) years, from September 24, 2023 upto September 23, 2028, and she shall not be liable to retire by rotation. As per the provisions of Section 149, 152 of the Act, members' approval is required by way of special resolution for her re-appointment.

Ms. Ntasha Berry has earned her Masters of Science in Energy and Resources Management from University College London (UCL). She has also cleared CFA Level I and specializes in Private Equity/Venture Capital Investment, Finance.

The Company has received declaration from Ms. Ntasha Berry confirming that she meets with the criteria of independence as prescribed under Section 149(6) of the Act, and under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, in the opinion of the Board, she fulfils all the conditions specified in the Act, for such reappointment.

Brief resume of Ms. Ntasha Berry, along with disclosures required under Listing Regulations is provided in Annexure A of this Notice.

The Directors recommend the special resolution as set out in Item No. 4 of this Notice for the approval of the Members.

Ms. Ntasha Berry, being appointee and her relatives are deemed to be interested in the said resolution. None of the other Directors / Key Managerial Personnel of the Company and their relatives is/are in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 4 of the Notice.

Item No. 5

Mr. Jayant Goel (DIN: 01925642) was appointed as the whole-time director of the Company at its 39th Annual General Meeting held on September 24, 2018 for a term of 5 (five) years under the provisions of the Companies Act, 2013. His term as whole-time

director shall expire on September 23, 2023 and he is eligible for re-appointment for fresh term.

Basis the recommendation received from the Nomination and Remuneration Committee, the Board of Directors in their meeting held on August 09, 2023, had approved the re-appointment of Mr. Jayant Goel (DIN: 01925642) as the whole time director of the Company for a further period of five years.

Mr. Jayant Goel (DIN: 01925642) is a Chartered Accountant and a Cost and Works Accountant with over 29 years of work experience.

The Company has received from Mr. Jayant Goel (i) consent in writing to act as director in Form DIR-2; (ii) intimation in Form DIR-8 to the effect that he is not disqualified under the Act; and (iii) notice of interest in Form MBP-1. He has also confirmed that he is not debarred from holding the office of director by virtue of any order by SEBI or any other authority.

Brief resume of Mr. Jayant Goel, along with disclosures required under Listing Regulations is provided in Annexure A of this Notice.

The Directors recommend the ordinary resolution as set out in Item No. 5 of this Notice for the approval of the Members.

Mr. Jayant Goel, being appointee and his relatives are deemed to be interested in the said resolution. None of the other Directors / Key Managerial Personnel of the Company and their relatives is/are in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 5 of the Notice.

Profile of Directors

As required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (SS – 2), the particulars of Directors who are proposed to be reappointed

Name	Aparna Goel	Shao Xing Max Yang	Ntasha Berry	Jayant Goel
<i>DIN</i>	00142961	08114973	08145471	01925642
<i>Age</i>	46	34	37	52
<i>Brief resume, experience and qualification along with Nature of expertise in specific functional areas</i>	Ms. Aparna has completed her B.Com and also done Post Graduate Diploma in Interior Design	Mr. Max has completed his B.A. in Economics from the University of Southern California, USA He has also done AMD in Real Estate from the Harvard	Ntasha earned her Masters of Science in Energy and Resources Management from University College London (UCL) on full scholarship. She has published thesis on the investment	Mr. Jayant Goel is a Chartered Accountant and a Cost and Works Accountant with over 29 years of work experience, including working out of London

		<p>University Graduate School of Design</p>	<p>opportunities for new electricity generation technologies by adhering to stringent risk-return parameters for which she was bestowed with the Torrens Award (gold medal) by UCL.</p> <p>She has earned a Bachelor of Science (Hons) Finance from Lancaster University, UK.</p> <p>She has also cleared CFA Level I and specializes in Private Equity/Venture Capital Investment, Finance.</p> <p>Previously at Indian Private Equity & Venture Capital Association (IVCA) she led the initiative in investments in early stage ventures, attracting foreign venture capital funds to invest in India. Prior to that, she was entrepreneur-in-residence at Indianpetrochem.com, wherein she successfully built and launched India's first market intelligence platform for petrochemical and chemical within short duration. Before that she focused on investment analytics in India and Australia, having worked at Bloomberg New Energy Finance and ANZ bank in Adelaide, Australia.</p>	<p>and CIS countries.</p> <p>He has experience across Financial Services, Oil & Gas and Telecom sectors. He has in-depth knowledge in the areas of Corporate Strategy, Mergers & Acquisitions, Tax & Regulatory and Risk Management</p>
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			She Co-Founded Ankurit Capital to have an opportunity to drive innovation and help create world-class transformative businesses which create value for the investors!	
<i>Terms and conditions of appointment/re appointment</i>	As per the resolution at Item no. 2 of the Notice	As per the resolution at Item no. 3 of the Notice	As per the resolution at Item no. 4 of this Notice read with explanatory statement thereto.	As per the resolution at Item no. 5 of this Notice read with explanatory statement thereto.
<i>Remuneration proposed to be paid</i>	NIL She will be eligible only for sitting fees	NIL He will be eligible only for sitting fees	NIL She will be eligible only for sitting fees	NIL He will be eligible only for sitting fees
<i>Date of first appointment on Board, last drawn remuneration and number of board meetings attended</i>	Aparna was first appointed to the Board on 30/03/2015, liable to retire by rotation. No remuneration other than sitting fees is currently being paid to Ms. Aparna. She has attended 2 BM for FY 2022-23.	Max was first appointed to the Board on 30/05/2018, liable to retire by rotation No remuneration other than sitting fees is currently being paid to Mr. Max. He has attended 5 BM for FY 2022-23.	Natasha was first appointed to the Board on 30/05/2018 as Additional Director (Independent) No remuneration other than sitting fees is currently being paid to Ms. Ntasha. She has attended 5 BM for FY 2022-23.	Jayant was first appointed to the Board on 30/05/2018 as Additional Director No remuneration other than sitting fees is currently being paid to Mr. Jayant. He has attended 5 BM for FY 2022-23.
<i>Relationships with other directors and Key Managerial Personnel inter-se</i>	Aparna Goel is the spouse of Mr. Jayant Goel, Whole Time Director	None	None	Jayant Goel is the spouse of Ms. Aparna Goel, Non Executive director of the Company
<i>Directorship or Membership/ Chairmanship held in</i>	Aparna is Director in following Companies:	Max is not a Director in any other Company	Ntasha is Director in following Companies:	Jayant is Director in following Companies:

<p><i>other Companies .</i></p>	<p>1. Futura Techpark Private Limited</p>		<p>1. Venture Gurukool Mentoring Services Private Limited</p> <p>2. Ankurit Advisors Private Limited</p>	<p>1. Kishlay Foods Private Limited</p> <p>2. Bold Renewables Private Limited</p> <p>3. Astonfield Solar (Rajasthan) Private Limited</p> <p>4. Indus Clean Energy (India) Private Limited</p> <p>5. Tapp Semiconductor India Private Limited.</p> <p>6. Omaxe Heritage Private Limited</p> <p>7. Futura Techpark Private Limited</p> <p>8. Newtown Dwellers Private Limited</p> <p>9. Shrachi Virtuous Retail Projects Private Limited</p> <p>10. Nvp Venture Capital India Private Limited</p>
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<i>No. of Equity shares held</i>	NIL	Max is the beneficial holder of 5,25,000 equity shares	NIL	NIL

<i>in the Company (Including Shareholding as a beneficial owner) (As on March 31, 2023)</i>		representing 75% of the paid-up share capital of the Company		
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Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReq.jsp>
 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
 3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
 4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants
You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

Shareholders holding shares in **NSDL form, shall provide ‘D’ above*

- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘SHARE HOLDER’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

InstaVote Support Desk
Link Intime India Private Limited

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on “Login”.

▶ Select the “Company” and ‘Event Date’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

InstaMeet Support Desk
Link Intime India Private Limited

LERTHAI FINANCE LIMITED

BOARD'S REPORT

To,
The Members,
Lerthai Finance Limited

Your Directors have pleasure in presenting the **Forty Forth Directors Report** of your Company together with audited statement of Accounts and the Auditor's Report thereon in respect of the year ended on March 31, 2023.

1. Financial Summary

Particulars	(Rs. In Lakhs)	
	For the FY 2022-23 ended on 31 st March, 2023	For the FY 2021-22 ended on 31 st March, 2022
Total Income	154.53	26.72
Total Expenditure	69.03	67.12
Profit / (Loss) before tax	85.50	(40.39)
Less: Tax Expenses		
(a) Current Tax	16.64	-
(b) Deferred Tax	(0.09)	6.78
Profit / (Loss) after Tax	68.95	(47.17)

The Company does not have any subsidiaries and hence is not required to prepare a consolidated financial statement.

2. State of Company's Affairs

Your Company has discontinued its business activities of inter alia production, manufacture & trade of refractories and bricks of all types and varieties as it was no longer a profitable venture. Thereafter, the management of your Company has been keenly looking for viable business opportunities, however the COVID-19 pandemic situation prevailing all over the world during the past two financial years have delayed the efforts of the management in terms of finding suitable business opportunities for the Company in the market. As the effects of the pandemic is subsiding and the world is gearing for economic growth the promoters are optimistic about the future of your Company.

Accordingly, during the year under consideration, the company has earned income mainly from interest earned on fixed deposits placed with the nationalized Bank.

Since the management is still looking of for options to revive the business of the Company, there is nothing at present which can be reported under Management Discussion and Analysis Report in so far industry structure, outlook, opportunities and risk are concerned. The Directors have dealt with the other aspects relating to financial performance, internal control and accounting treatment as far as possible elsewhere in this report.

Further, the obligations relating to compliance with corporate governance provisions does not apply to the Company as per the exemption criteria given under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company shall comply with the requirements with the said regulations within six months from the date on which it becomes applicable to it. Nevertheless, the

Company follows highest governance standards in spirit and believes in philosophy of transparency and disclosure. Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. Your Company's Board exercises its fiduciary responsibilities in the widest sense of the term.

3. Dividend

In view of inadequacy of profits, the Board of Directors has not recommended any dividend for the year under review.

4. Share capital

The current authorized capital of the Company is Rs.5,00,00,000/- (Rupees Five Crores Only). The paid-up share capital of the Company is Rs. 70,00,000 (Rupees Seventy Lakhs Only) consisting of 700,000 (Seven Lakhs) Equity Shares of Rs. 10 (Rupees Ten only) each. There was no change in the Share Capital of the Company during the year under review.

5. Amount to be transferred to reserves

No amount is proposed to be transferred to any reserve.

6. Subsidiary/Joint Ventures/Associate Companies

The Company did not have any subsidiaries, joint ventures or associate companies during the year under review.

7. Directors and Key Managerial personnel

The present Board of Directors consists of the following Directors:

Sr No	Name of Director	Designation
1.	Ms. Ntasha Berry	Independent Director
2.	Mr. Shao Xing Max Yang	Director and Chairman
3.	Mr. Jayant Goel	Director
4.	Ms. Aparna Goel	Director

The Board has entrusted Audit Committee and Nomination Committee to search for the Independent Directors in terms of the statutory provisions and the process for the same is underway as the committee is screening candidates suitable for the position.

Ms. Sneha Khandelwal is the Company Secretary and Chief Financial Officer of the Company.

8. Board Meetings

During the year under review the Board met **5(Five)** times inter alia to adopt and declare financial results to stock exchange.

9. Declaration by Independent Directors

The Company has received necessary declarations from Ms. Ntasha Berry, an Independent Director, under Section 149(7) of the Companies Act, 2013 that she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

10. Board Evaluation

The Board of Directors have carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act, SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The performance of the board was evaluated by the board including the independent Director after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors on the basis of criteria such as education qualification, experience of the core area in which the company operates, attendance, the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent Directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed.

Performance evaluation of independent Directors was done by the entire board, excluding the independent director being evaluated.

11. Audit Committee

Present composition of the Audit Committee is as under:

Sr No	Name of Director	Designation
1	Mr. Shao Xing Max Yang	Chairman
1.	Ms. Ntasha Berry	Member
2.	Mr. Jayant Goel	Member

During the financial year, the Audit Committee met **4 (four)** times.

12. Nomination & Remuneration Committee

Present composition of the Nomination & Remuneration Committee is as under:

Sr No	Name of Director	Designation
1	Ms. Ntasha Berry	Chairman
2	Mr. Shao Xing Max Yang	Member
3	Ms. Aprna Goel	Member

The Nomination & Remuneration Committee has not conducted any meetings during the year as there has been no requirement of any such meeting.

13. Stakeholders' Relationship Committee

Present composition of the Stakeholders' Relationship Committee is as under:

Sr No	Name of Director	Designation
1	Ms. Ntasha Berry	Chairman

2	Mr. Shao Xing Max Yang	Member
3	Mr. Jayant Goel	Member

The Stakeholders' Relationship Committee has not conducted any meetings during the year as there has been no requirement of any such meeting.

14. Company's Policy on Directors' Appointment and Remuneration

The Company has a policy, which mandates the criteria for determining qualifications, positive attributes and independence of Directors' Appointment and Remuneration while considering appointment of Director and key managerial personnel. The policy inter alia takes into account: (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully; (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and (iii) remuneration to Directors and key managerial personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

15. Remuneration Details of Directors/ Key Managerial Personnel (KMP) and Employees

Details of employees and Directors or Key Managerial Personnel who are in receipt of remuneration, as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is tabled below:

Sl. No.	Particulars	Details
1.	Designation of the employee	Company Secretary and Chief Financial Officer
2.	Remuneration received	INR 3,93,000 P.a.
3.	Nature of employment	Full Time basis
4.	Qualifications and experience of the employee	Qualification: Company Secretary Experience: Working as Company Secretary of Listed Company from +4 years
5.	Date of commencement of employment	30 th May, 2018
6.	Age	36
7.	Last employment held	NIL
8.	Percentage of equity shares held by the employee	NIL
9.	Whether any such employee is a relative of any director or manager of the company	No

Further, other the members of Board are only entitled to sitting fees as approved by the Board pursuant to provisions of Section 203 of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 ("the Act") and, based upon representations from the Management, the Board states that:

- a) in preparing the annual accounts, applicable accounting standards have been followed and there are no material departures;

- b) the Directors have selected accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- c) the Directors have taken proper and sufficient care in maintaining adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts of the Company on a “going concern” basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure proper compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. Statutory Auditors

As per provisions of the Companies Act, 2013 M/s. B D Jokhakar & Co., Chartered Accountants have been appointed as Statutory Auditors of the Company from the conclusion of the 41st AGM of the Company till the conclusion of the AGM held for FYE 31st March 2025, on such remuneration as may be decided by the Board.

M/s. B D Jokhakar & Co., Chartered Accountants being the current statutory auditor have audited the financials of the Company for current FY. There are no qualifications or adverse remarks in the Statutory Auditors’ Report which require any explanation from the Board of Directors.

18. Material changes and commitments

There are no material changes and commitment’s affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report;

19. Internal Auditors

In accordance with Section 138 of the Companies Act, 2013 read with Rule 13 of Chapter IX of the said Act, the Board appointed Ms. Mayuri Rupareliya, Practicing Company Secretary (C.P. No. 18634) (Peer Review No. 2017/2022) as Internal Auditor of the Company for the Financial Year 2022-23 to conduct internal audit.

20. Explanation on auditor’s qualification, reservation, adverse remark or disclaimer

There are no qualifications, reservations or adverse remarks given or disclaimers made by the auditor in his audit report for the financial year under review.

21. Secretarial Audit

The Secretarial Audit Report for the year ended March 31, 2023 issued by Ms. Mayuri Rupareliya, Practicing Company Secretary (C.P. No. 18634)(Peer Review No. 2017/2022) in accordance with the provisions of Section 204 of the Companies Act, 2013, forms part of the Annual Report.

22. Orders passed by the Regulators or Courts or Tribunals

During the year under review, there have been no orders passed by any of the regulators or courts or tribunals impacting the going concern status of the Company and the Company’s operations in future.

23. Related Party transactions

During the financial year under review, there have been no transactions between the Company and related parties which requires compliances as referred to in section 188(1) of the Companies Act, 2013. Accordingly, Form AOC-2 as per the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013 does not form part of this report.

24. Loan, Guarantees or Investments

During the financial year under review, the Company has not granted any loans or guarantees or made any investments in respect of which the provisions of section 186 of Companies Act, 2013 are applicable.

25. Deposits from public

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

26. Risk management policy

Since the Company has already closed its manufacturing operations and is in the process of identifying business opportunities, the Company has no such policy in place as of now. The Board shall take steps to formulate the requisite policy as soon as it identifies business opportunity.

27. Vigil Mechanism/Whistle Blower Policy

Company has in place a Whistle Blower Policy for its directors and employees to report concerns about unethical behavior, actual or suspected fraud in accordance with Section 177(9) of the Companies Act, 2013. The policy provides for protected disclosures, which can be made by a complainant through e-mail or a letter to the Chairperson of the audit committee. The Company did not receive any complaint during the year 2022-23.

28. Corporate Social Responsibility

For the year under review, the provisions of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company.

29. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) ACT, 2013

The Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2022-23.

30. Conservation of Energy and Technology Absorption

Particulars regarding conservation of energy and technology absorption as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 are not applicable since the Company is not engaged in any manufacturing / power intensive activity.

31. Foreign exchange earnings and Outgo:

There was no foreign exchange inflow or Outflow during the year under review.

32. Transfer of Amounts to Investor Education and Protection Fund

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

33. Annual Return

The draft Annual Return as required under subsection (3) of Section 92 of the Companies Act, 2013 (hereinafter referred to as 'the Act') in form MGT-7 is made available on the website of the Company and can be accessed through the web link <http://www.lerthainance.com/investor-relations/annual-reports/>

34. Acknowledgment

The Directors take this opportunity of thanking their shareholders, bankers, business associates and government authorities for their co-operation and support during the year.

We look forward to their continued support and encouragement.

For and on behalf of the Board of Directors
Lerthai Finance Limited

Shao Xing Max Yang
Chairperson
DIN: 08114903

Place: Los Angeles
Date: 30th May, 2023



M. Rupareliya & Associates
Practising Company Secretary

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
Lerthai Finance Limited
Bangalore

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LERTHAI FINANCE LIMITED - L65100KA1979PLC061580** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

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

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

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;



Office : 305, Heera Panna Complex, Dr. Yagnik Road, Rajkot - 360001.

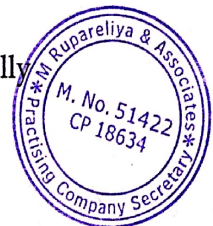
Cell : +91 81412 82672 | E-mail : csmayurirupareliya@gmail.com





M. Rupareliya & Associates
Practising Company Secretary

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable during the audit period);
 - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable during the audit period);
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable during the audit period);
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the audit period); and
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable during the audit period).
- vi. I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable acts, laws, rules and regulations to the Company and the management has identified and confirmed the following laws as specifically applicable to the Company:
 - a. Income Tax Act, 1961;



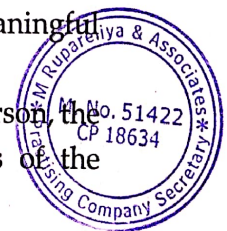
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- b. Goods & Services tax Act,
 - c. The Professional Tax Act, 1975.
 - d. The Negotiable Instrument Act, 1881
 - e. The Information Technology Act, 2000
 - f. The Indian Contract Act, 1872
- vii. I have also examined compliance with applicable clauses of the following:
- a. Secretarial Standards issued by The Institute of Company Secretaries of India i.e. SS-1 for Board Meeting and SS-2 for General Meeting;
 - b. Pursuant to Regulation 109 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company has executed a uniform listing agreement with BSE Limited and The Calcutta Stock Exchange Limited with effect from 1st December, 2015.

I further report that:

- a. the compliances by the Company of applicable financial laws like direct and indirect tax laws, have not been reviewed in this Audit since the same are subject to review by statutory financial audit. **During the Period under review Professional tax registration was not done by the Company.**
- b. the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, *except that the Company is in process of identifying the independent directors to make board composition in line with the Companies Act, 2013. During the year under review, there is one independent director in board of the company, hence separate meeting of Independent director was not held during the year.*
- c. adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.
- d. as per the minutes of the meetings recorded and signed by the Chairperson, the decisions of the Board were unanimous and no dissenting views of the Directors have been noticed in the Minutes.



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M. Rupareliya & Associates
Practising Company Secretary

- e. there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.
- f. during the audit period following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc: NA.

For Mayuri Rupareliya & Associates
Company Secretaries

M. Rupareliya

CS Mayuri Rupareliya
Proprietor
M. No. ACS 51422
C. P. No. 18634
PR No. 2017/2022
UDIN A051422E000357618

Place: Rajkot
Date: 23/05/2023



Office : 305, Heera Panna Complex, Dr. Yagnik Road, Rajkot - 360001.
Cell : +91 81412 82672 | E-mail : csmayurirupareliya@gmail.com





M. Rupareliya & Associates
Practising Company Secretary

ANNEXURE I

To,
The Members,
M/S. Lerthai Finance Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Mayuri Rupareliya & Associates
Company Secretaries

M. Rupareliya

CS Mayuri Rupareliya
Proprietor
M. No. ACS 51422
C. P. No. 18634
PR No. 2017/2022
UDIN A051422E000357618

Place: Rajkot
Date: 23/05/2023



Office : 305, Heera Panna Complex, Dr. Yagnik Road, Rajkot - 360001.

Cell : +91 81412 82672 | E-mail : csmayurirupareliya@gmail.com



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LERTHAI FINANCE LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Lerthai Finance Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2023 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

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 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit (including other comprehensive loss), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key audit Matters

We have determined that there are no key audit matters to communicate in our report

Other Information

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Director’s Report including Annexure to Directors’ Report, Report on Corporate Governance, but does not include the financial statements and our auditor’s report thereon. The aforesaid other information is expected to be made available to us after the date of this Auditor’s 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 during the course of our audit or otherwise appears to be materially misstated. When, we read aforesaid other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 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. 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 safeguard.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) 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 Balance Sheet, the Statement of Profit and Loss, the Statement of changes in Equity and the CashFlow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 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 our separate Report in "**Annexure B**".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration is not paid or provided by the Company to its directors during the year hence provisions of section 197 of the Act is not applicable.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact the financial position of the Company as on 31st March 2023.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor

Education and Protection Fund by the Company.

- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 31 (vi) to the financial statements, 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, 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, as disclosed in the Note 31 (vii) to the financial statements, 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, 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.
- v. The Company has not declared or paid any dividend during the year.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

Place: Mumbai
Date: 30th May ,2023

Raman Jokhakar
Partner
Membership No. 103241
UDIN: 23103241BGSWDI2822

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditor's Report on financial statements of even date)

- (i) According to the information and explanations given to us, the Company does not hold Property, Plant & Equipment or Intangible Assets during the year under report. Therefore Clause 3 (i) (a) to (d) of the Order are not applicable.

(e) According to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, sub clause (e) of the paragraph 3 (i) of the Order is not applicable to the Company.
- (ii) (a) According to the information and explanations given by the management, the Company does not have any inventory and no working capital limits are sanctioned. Therefore, clause (a) and (b) of the paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) As informed to us, during the year the Company has not made investments, provided guarantees or securities, given any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Consequently, sub clause (a), (b), (c), (d), (e) and (f) of the paragraph 3 (iii) of the Order are not applicable to the Company
- (iv) According to the information and explanations given to us, the Company has not given any loans, made investments, provided guarantees and securities during the year as contemplated under section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Act, and other relevant provisions of the Act and the relevant rules framed thereunder. Therefore, paragraph 3(v) of the Order is not applicable
- (vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Sub-Section (1) of Section 148 of the Act. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii)
 - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service-tax, , duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable to it have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, there were no undisputed statutory dues as mentioned above in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable
 - b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed amounts payable in respect of statutory dues referred

to in sub-clause (a) as at the year end.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company there are no transactions which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) According to the information and explanation given by the management, the Company has not borrowed any amount from any financial institutions, banks or debenture holders during the year. Therefore, sub clause (a), (b), (c), (d), (e) and (f) of paragraph 3(ix) of the order not applicable.
- (x) (a) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of paragraph 3 (x) of the Order are not applicable to the Company.
- (b) According to the information and explanations provided to us and based on our audit procedures and records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year. Consequently, paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out based upon the generally accepted audit procedures performed for the purpose of reporting the true and fair view of the financial statements, to the best of our knowledge and belief as per the information and explanation given to us by the Management, and the representations obtained from the Management, no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations provided to us and based on our audit procedures, no report has been filed by any auditor under section 143(12) in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year. Therefore, sub clause (c) of paragraph 3(xi) of the Order is not applicable.
- (xii) According to the information and explanations provided to us and based on our audit procedures, in our opinion, the Company is not a Nidhi Company. Therefore, sub clause (a), (b) and (c) of paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards
- (xiv) (a) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit report for the period under audit

- (xv) According to the information and explanations given to us and based on our audit procedures, we are of the opinion that during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the provisions of section 192 of the Act are not applicable to the Company. Therefore, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company is not required to obtain any registration under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, sub clauses (a), (b), (c) & (d) of the paragraph 3 (xvi) are not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit. The Company has incurred cash losses of Rs. 40.39 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) According to the information and explanations given to us and on the basis of the 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 and our knowledge of the Board of Directors and Management plans so far received/ applicable and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of section 135 of the Act are not applicable to the Company for the year under report and hence reporting under clause 3(xx) of the Order is not applicable.

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

Place: Mumbai
Date: 30th May ,2023

Raman Jokhakar
Partner
Membership No. 103241
UDIN: 23103241BGSWDI2822

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditor's Report on financial statements of even date)

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

We have audited the internal financial controls over financial reporting of **Lerthai Finance Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

Place: Mumbai
Date: 30th May, 2023

Raman Jokhakar
Partner
Membership No. 103241
UDIN: 23103241BGSWDI2822

LERTHAI FINANCE LIMITED
Balance Sheet as at 31st March 2023

(Rs. in lakhs)

Particulars	Notes	31-Mar-23	31-Mar-22
ASSETS			
Non-current assets			
Financial Assets			
i. Investments	4	-	42.91
Deferred Tax Asset (Net)	5	-	-
Total Non-current assets		-	42.91
Current assets			
Financial Assets			
i. Cash and Cash equivalents	6(a)	542.11	129.90
ii. Bank Balance other than (i)	6(b)	400.00	710.00
Current Tax assets (net)	7	0.06	2.77
Other Current Assets	8	9.02	1.14
Total Current assets		951.19	843.81
Total Assets		951.19	886.72
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	70.00	70.00
Other Equity	10	868.20	799.25
Total Equity		938.20	869.25
LIABILITIES			
Non-current liabilities			
Deferred Tax Liability (Net)	5	-	0.09
Total Non-current liabilities		-	0.09
Current liabilities			
Financial liabilities			
i. Trade Payables (Ref Note. 21)	11		
- Total outstanding dues of Micro enterprises and Small enterprises		3.24	11.84
- Total outstanding dues of creditors other than Micro enterprises and Small enterprises		8.81	4.51
ii. Other Financial Liabilities	12	-	0.33
Other Current Liabilities	13	0.94	0.71
Total Current liabilities		12.99	17.38
Total Equity and Liabilities		951.19	886.72

Summary of significant accounting policies 3

The accompanying notes 1 to 31 are an integral part of the financial statements

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

For and on behalf of the board of Director of
Lerthai Finance Limited

Raman Haren Jokhakar
Partner
Membership No: 103241

Date:30/05/2023

Mr. Shao Xing Max Yang
Chairman and Director
DIN 08114973
Place: Los Angeles
Date: 30/05/2023

Mr. Jayant Goel
Executive Director
DIN 01925642
Place: Delhi
Date: 30/05/2023

Ms. Sneha Khandelwal
Company Secretary
M. No : A55597
Place: Delhi
Date: 30/05/2023

LERTHAI FINANCE LIMITED
Statement of Profit & Loss Account for the year ended 31st March 2023

(Rs. in lakhs Except Equity Share & Equity Share Data)

Particulars	Notes	31-Mar-23	31-Mar-22
Income			
Other Income	14	154.53	26.72
Total Income (A)		154.53	26.72
Expenses			
Employee Benefits Expense	15	3.93	3.93
Other Expenses	16	65.10	63.19
Total Expenses (B)		69.03	67.12
Profit/(loss) for the year (A-B)		85.50	(40.39)
Tax expenses			
Current tax	17	16.64	-
Tax for earlier years		-	-
Deferred tax		(0.09)	6.78
Profit/(loss) for the year		68.95	(47.17)
Other Comprehensive Income			
Items that not be reclassified to profit or loss in subsequent periods.		-	-
Items that will be reclassified to profit or loss in subsequent periods.		-	-
Total Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		68.95	(47.17)
Earnings per equity share			
[Nominal value of Rs. 10/- (31 March 2022: Rs. 10/-)]			
Basic		9.85	(6.74)
Diluted		9.85	(6.74)

Summary of significant accounting policies 3

The accompanying notes 1 to 31 are an integral part of the financial statements

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

**For and on behalf of the board of Director of
Lerthai Finance Limited**

Raman Haren Jokhakar
Partner
Membership No: 103241
Date:30/05/2023

Mr. Shao Xing Max Yang
Chairman and Director
DIN 08114973
Place: Los Angeles
Date: 30/05/2023

Mr. Jayant Goel
Executive Director
DIN 01925642
Place: Delhi
Date: 30/05/2023

Ms. Sneha Khandelwal
Company Secretary
M. No : A55597
Place: Delhi
Date:30/05/2023

LERTHAI FINANCE LIMITED
Cash Flow Statement for the Year ended 31st March 2023

(Rs. in lakhs)

Particulars	Notes	31-Mar-23	31-Mar-22
Cash flow from operating activities			
Profit/(Loss) before Tax		85.50	(40.39)
Profit/ (Loss) before Tax		85.50	(40.39)
Non-cash adjustment to reconcile profit before tax to net cash flows			
Profit on sale of investment		(119.09)	-
Interest income		(35.44)	(26.72)
Operating Loss before working capital changes		(69.03)	(67.12)
Movements in working capital :			
Increase/(decrease) in other current liabilities		0.23	0.03
Increase/(decrease) in other Financial liabilities		-	-
Increase/(decrease) in other payables		(0.33)	-
Increase/(decrease) in Trade Payables		(4.30)	(0.14)
Decrease/(increase) Non current Assets		-	-
Decrease/(increase) in Trade Receivables		-	-
Decrease/(increase) in Other financial assets		-	1.50
Decrease/(increase) in Current Tax assets		-	-
Decrease/(increase) in other current assets		(7.89)	5.39
Cash generated from / (used in) operations		(81.31)	(60.33)
Direct taxes paid (net of refunds)		(13.82)	6.30
Net cash flow from/ (used in) operating activities (A)		(95.13)	(54.03)
Cash flows from investing activities			
Proceeds of non-current investments		162.00	-
Revaluation of non-current investments		-	-
Interest received on Investments in deposits		35.34	26.19
Investments in Deposits having maturity more than 3 months		310.00	100.00
Recovery of advances		-	-
Net cash flow from/ (used in) investing activities (B)		507.34	126.19
Cash flows from financing activities			
Net cash flow from/ (used in) in financing activities (C)		-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)		412.21	72.16
Cash and cash equivalents at the beginning of the year		129.90	57.74
Cash and cash equivalents at the end of the year (Refer Note6(a))		542.11	129.90
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:			
Balances with banks:			
- On current accounts	6(a)	17.02	105.59
- Deposits with less than three months maturity	6(a)	525.09	24.31
Total cash and cash equivalents		542.11	129.90

The above Cash Flow Statement has been prepared under the Indirect Method set out in Ind AS 7

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

For and on behalf of the board of Director of
Lerthai Finance Limited

Raman Haren Jokhakar
Partner
Membership No: 103241

Date: 30/05/2023

Mr. Shao King Max Yang
Chairman and Director
DIN 08114973
Place: Los Angeles
Date: 30/05/2023

Mr. Jayant Goel
Executive Director
DIN 01925642
Place: Delhi
Date: 30/05/2023

Ms. Sneha Khandelwal
Company Secretary
M. No : A55597
Place: Delhi
Date: 30/05/2023

LERTHAI FINANCE LIMITED
Notes to Financial Statement for the year ended 31 st March 2023

1. Company Information

Lerthai Finance Limited [formerly known as Marathwada Refractories Ltd (the company)] was engaged in the activities relating to production, manufacture or trade refractories of all kind and bricks of all types and varieties with different properties and components.

The company has amended its object clause in the Memorandum of association w.e.f. 28 Dec 2018. Now, the Company is engaged into the business activity of financing and investment.

The financial statements are approved for issue by the Company's Board of Directors on 30/05/2023.

2. Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are presented in INR and all values are rounded to the nearest lakh, except when otherwise indicated.

3 Summary of significant accounting policies

a) Revenue Recognition

i. Dividend income

Revenue is recognised when the shareholders' or unit holders' right to receive payment is established, which is generally when shareholders approve the dividend.

ii. Interest income

Interest income from FD, if any is recognized in the books on time proportion basis taking into account the amount outstanding and the rates applicable. Interest income is included under the head "Interest income" in the statement of profit and loss. Other income is recognized in the books when the same is accrued to the company.

b) Current versus non-current classification

The Company presents assets and liabilities in balance sheet based on current/non-current classification. An asset is current when it is:

- a. Expected to be realised or intended to sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realised within twelve months after the reporting period, or
- d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All Other Assets are classified as non current

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The company has identified twelve months as its operating cycle.

LERTHAI FINANCE LIMITED
Notes to Financial Statement for the year ended 31 st March 2023

A liability is current when it is:

- a. Expected to be settled in normal operating cycle
- b. It is held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand.

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

d) Impairment of Financial Assets

The Company assesses, at each reporting date, whether there is objective evidence that a financial asset or a financial assets of Company is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the financial assets of Company that can be reliably estimated.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

e) Retirement and other employee benefits

Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. Undiscounted value of benefits such as salaries and bonus are recognised in the period in which the employee renders the related service.

LERTHAI FINANCE LIMITED
Notes to Financial Statement for the year ended 31 st March 2023

f) Income Tax

Tax expense comprises of current and deferred tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 recognised only to the extent that there is probable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

g) Provisions and Contingent Liability

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

LERTHAI FINANCE LIMITED
Notes to Financial Statement for the year ended 31 st March 2023

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

h) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

i) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at fair value through profit and loss

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

j) Estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

LERTHAI FINANCE LIMITED
Statement of Changes in equity for the year ended 31 st March 2023

A. Equity shares of INR 10 each issued, subscribed and fully paid

(a) **Equity share capital** (In Lakhs)
FY 2022-23

Balance as at 01st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01st April, 2022	Changes in equity share capital during the current year	Balance as at 31st March, 2023
70.00	-	70.00	-	70.00

FY 2021-22

Balance as at 01st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01st April, 2021	Changes in equity share capital during the current year	Balance as at 31st March, 2022
70.00	-	70.00	-	70.00

(b) **Other equity**

FY 2022-23

Particulars	Reserve and Surplus			Other Comprehensive Income arising from measurement of Defined Benefit Obligation	Total Other Equity
	Capital Reserve	General reserve	Retained Earnings		
Balance as at 01st April, 2022	30.24	30.00	739.01	-	799.25
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated Balance as at 01st April, 2022	30.24	30.00	739.01	-	799.25
Total Comprehensive Income for the year (net of tax)	-	-	-	-	-
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-
Profit/(Loss) for the period	-	-	68.95	-	68.95
Balance as at 31st March, 2023	30.24	30.00	807.96	-	868.20

FY 2021-22

Particulars	Reserve and Surplus			Other Comprehensive Income arising from measurement of Defined Benefit Obligation	Total Other Equity
	Capital Reserve	General reserve	Retained Earnings		
Balance as at 01st April, 2021	30.24	30.00	786.18	-	846.42
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated Balance as at 01st April, 2021	30.24	30.00	786.18	-	846.42
Total Comprehensive Income for the year (net of tax)	-	-	-	-	-
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-
- Profit/(Loss) for the period	-	-	(47.17)	-	(47.17)
Balance as at 31st March, 2022	30.24	30.00	739.01	-	799.25

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

For and on behalf of the board of Director of
Lerthai Finance Limited

Raman Haren Jokhakar
Partner
Membership No: 103241

Date: 30/05/2023

Mr. Shao Xing Max Yang
Chairman and Director
DIN 08114973
Place: Los Angeles
Date: 30/05/2023

Mr. Jayant Goel
Executive Director
DIN 01925642
Place: Delhi
Date: 30/05/2023

Ms. Sneha Khandelwal
Company Secretary
M. No : A55597
Place: Delhi
Date: 30/05/2023

LERTHAI FINANCE LIMITED
Notes forming part of Balance Sheet

(Rs. in lakhs)

Non Current Assets	31-Mar-23	31-Mar-22
Financial Assets		
4 Investments		
Investment in preference shares		
Unquoted investments		
Valued at fair value through profit and loss*		
NIL (31 March 2022: 162) Compulsarily Convertible Preference Shares of Rs.10 each fully paid, in Homeville Consulting Private Limited	-	42.91
	<u>-</u>	<u>42.91</u>
Aggregate amount of Unquoted Investments	-	42.91
Aggregate amount of Impairment in Value of Investments	<u>-</u>	<u>-</u>
	<u>-</u>	<u>42.91</u>
*The Fair Value as on 31st Mar 2022, has been used for the purpose of fair valuing the Investments above. The Management is of the opinion that there has been substantial reduction in the fair value of the investment as on 31-03-2022 and above recognition, classification & measurement are in compliance with applicable Ind AS		
5 Deferred Tax Asset/(Liability)		
Deferred Tax Asset		
Deferred rent	-	-
Rental Deposit	-	-
Investment in Preference shares	-	-
	<u>-</u>	<u>-</u>
Deferred Tax Liability		
Investment in Preference shares	-	0.09
	<u>-</u>	<u>0.09</u>
Deferred Tax Asset/(Liability) Net	A-B	(0.09)
	<u>-</u>	<u>(0.09)</u>
Current assets	31-Mar-23	31-Mar-22
Financial Assets		
6 Cash and Bank balances		
(a) Cash and Cash equivalents		
Cash on hand	-	-
Balances with banks:		
On current accounts	17.02	105.59
Deposits with original maturity of less than three months	525.09	24.31
(b) Bank balances other than cash and cash equivalents		
Deposits with original maturity of less than twelve months	400.00	710.00
	<u>942.11</u>	<u>839.90</u>
7 Current Tax assets		
Taxes Paid	16.70	2.77
Less: Provision for Income Tax	(16.64)	-
	<u>0.06</u>	<u>2.77</u>
8 Other Current Assets		
Interest Accrued	9.00	1.12
Prepaid Expenses	-	-
Advance to Service provider	0.01	0.01
	<u>9.02</u>	<u>1.14</u>
Equity	31-Mar-23	31-Mar-22
9 Share capital		
Authorized		
45,00,000 (31 March 2022: 45,00,000) Equity Shares of Rs.10/- each.	450.00	450.00
50,000 (31 March 2022: 50,000) 11% Redeemable Cumulative Preference Shares of Rs.	50.00	50.00
	<u>500.00</u>	<u>500.00</u>
Issued, subscribed and fully paid-up		
700,000 (31 March 2022: 700,000) Equity Shares of Rs.10/- each	70.00	70.00
	<u>70.00</u>	<u>70.00</u>

LERTHAI FINANCE LIMITED
Notes forming part of Balance Sheet

(Rs. in lakhs)

9.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31-Mar-23		31-Mar-22	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the period	700,000	70.00	700,000	70.00
Issued during the period	-	-	-	-
Bought back during the period	-	-	-	-
Outstanding at the end of the period	700,000	70.00	700,000.00	70.00

Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year, the company has not proposed for any dividend payable to the share holders .

9.2 Details of shareholders holding more than 5% shares in the company

Particulars	31-Mar-23		31-Mar-22	
	No	%	No	%
Calvera Capital Pte Ltd	420,000	60%	420,000	60%
LT Investment Limited	105,000	15%	105,000	15%
Sparrow Asia Diversified Opportunities Fund	61,132	9%	61,132	9%
BAO Value Fund	51,600	7%	51,600	7%

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

9.3 Details of promoters holding shares in the company

S. No.	Promoter Name	Shares held by Promoters at the end of the year		Shares held by Promoters at the beginning of the year		% change during the
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Calvera Capital Pte Ltd	420,000.00	60%	420,000.00	60%	No change
2	LT Investment Limited	105,000.00	15%	105,000.00	15%	No change
	Total	525,000.00	75%	525,000.00	75%	

10 Other Equity

	31-Mar-23	31-Mar-22
Capital Reserve		
Balance as per the last financial statements	30.24	30.24
Add: Amount transferred from surplus balance in the statement of profit and loss	-	-
Closing Balance	30.24	30.24
General reserve		
Balance as per the last financial statements	30.00	30.00
Add: Amount transferred from surplus balance in the statement of profit and loss	-	-
Closing Balance	30.00	30.00
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	739.01	786.18
Profit/(loss) for the year	68.95	(47.17)
Less: Appropriations	-	-
Net surplus in the statement of profit and loss	807.96	739.01
Total Reserves And Surplus	868.20	799.25

Note -

1. Capital Reserves: Amount received on reissue of forfeited shares and debentures is treated as capital reserve.

2. General Reserve: The Company had transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

3. Retained Earnings: Retained earnings are the profits/Loss that the Company has earned/Incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

LERTHAI FINANCE LIMITED
Notes forming part of Balance Sheet

(Rs. in lakhs)

Current Liabilities	31-Mar-23	31-Mar-22				
Financial liabilities						
11 Trade Payables (Ref Note. 21)						
- Total outstanding dues of Micro enterprises and Small enterprises	3.24	11.84				
- Total outstanding dues of creditors other than Micro and Small enterprises	8.81	4.51				
	<u>12.05</u>	<u>16.35</u>				
F.Y.-2022-23						
Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
(i)MSME	3.24	-	-	-	-	-
(ii)Others	-	-	7.73	1.08	-	-
(iii) Disputed dues – MSME						
(iv) Disputed dues - Others						
F.Y.-2021-22						
Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
(i)MSME	2.75	-	9.08	-	-	-
(ii)Others	-	-	4.51	-	-	-
(iii) Disputed dues – MSME						
(iv) Disputed dues - Others						
12 Other Financial Liabilities						
Employee related dues	-	0.33				
	<u>-</u>	<u>0.33</u>				
13 Other Current liabilities						
Statutory Liabilities Payable	0.94	0.71				
	<u>0.94</u>	<u>0.71</u>				
Income	31-Mar-23	31-Mar-22				
14 Other Income						
Interest Income						
from Bank Deposits	35.34	26.19				
from Income tax refund	0.10	0.53				
Profit on sale of Investment	119.09	-				
Other Income	-	-				
	<u>154.53</u>	<u>26.72</u>				
Expenses	31-Mar-23	31-Mar-22				
15 Employee Benefits Expenses						
Salaries	3.93	3.93				
	<u>3.93</u>	<u>-</u>				
16 Other expenses						
Professional Charges	53.70	50.83				
Rent	1.17	1.17				
Listing Fee	3.54	3.54				
Payment to auditor (refer note)	3.60	4.51				
Rates & Taxes	0.09	-				
Advertisement Expenses	1.17	1.00				
Insurance	-	0.95				
Other Expenses	1.76	1.19				
Bank Charges	0.00	-				
Penalty	0.07	-				
	<u>65.10</u>	<u>63.19</u>				
Note: Payment to auditor (inclusive of GST)						
As Auditor						
Statutory Audit	1.95	1.95				
Limited review	1.59	1.59				
Reimbursement of expenses	0.06	-				
In other capacity:						
For other matters	-	-				
	<u>3.60</u>	<u>3.54</u>				

LERTHAI FINANCE LIMITED
Notes forming part of Balance Sheet

(Rs. in lakhs)

17 Income Tax

Major components of income tax expense for the year ended 31-Mar-23 and 31-Mar-22 are :

Statement of profit and loss :

Profit or Loss section

Current income tax :		
Current Income tax charge	16.64	-
Expense earlier year's tax adjustments	-	-
	<u>16.64</u>	<u>-</u>
Deferred tax :		
Deferred tax adjustments for timing differences	-	-
Deferred tax adjustments for Ind AS adjustments	(0.09)	6.78
	<u>(0.09)</u>	<u>6.78</u>
Tax expense reported in the statement of profit or loss	<u>16.55</u>	<u>6.78</u>

Reconciliation of tax expenses and the accounting profit multiplied by india's domestic tax rate for the year ended 31-Mar-23 and 31-Mar-22:

Accounting loss before tax	85.50	(40.39)
Tax on accounting profit at statutory income tax rate 26% (March 31, 2023 :26%)	22.23	(10.50)
Adjustment for Non creation of deferred tax for Current year losses	(22.23)	10.50
Deferred tax adjustments for Ind AS adjustments	0.09	6.78
Deferred tax adjustments for timing differences	-	-
Adjustments for Eariler year's income tax adjustments	(16.64)	-
Adjustments for permanent differences	-	-
At the effective income tax rate	(16.55)	6.78
Tax expense reported in the statement of profit or loss	16.55	6.78

18 Related Party Disclosure

Names of Related Parties and Related Party relationships

Executive Director	Mr. Shao Xing Max Yang (wef. 30 May 2018)	
Executive Director	Mr. Jayant Goel (wef. 30 May 2018)	
Independent Director	Ms. Ntasha Berry (wef. 30 May 2018)	
Director	Ms. Aparna Goel	
Company Secretary	Ms. Sneha Khandelwal (wef. 30 May 2018)	
Ultimate Holding company (Beneficial owner)	LT International Investment Holdings Limited	
Holding Company	Calvera Capital Pte Ltd	
Member	LT Investment Limited	
Companies in which Directors are interested	Futura Techpark Pvt. Ltd.	Jayant
	Sinew Developers Pvt. Ltd.	Aparna
	Vessel Warehousing Pvt. Ltd.	Aparna
	ASL Advisory Services Pvt. Ltd.	Aparna
	Brightbridge Advisors LLP	Aparna &
	Shrachi Virtuous Retail Projects Private Limited	Jayant
	TAPP Semiconductor India Pvt Ltd	Jayant
	Kishlay Foods Private Limited	Jayant
	Astonfield Solar (Rajasthan) Private Limited	Jayant
	Indus Clean Energy (India) Private Limited	Jayant
	Noida Towers Private Limited	Jayant
	Newtown Dwellers Pvt Ltd	Jayant
	NVP Venture Capital India private Limited	Jayant
	Base Buildwell Pvt Ltd	Jayant
	G P Realtors Pvt Ltd	Jayant
	Success BuildHome Private Limited	Jayant
	Game Infinity Studio Private Limited	Jayant
	Rusk Media Private Limited	Jayant
	SPPIN India Private Limited	Jayant
	Busybees Logistics Solutions Private Limited	Jayant
	ASL Advisory Services LLP	Jayant
	Strategic Global Group Inc.	Max
	LT Commercial Real Estate Limited	Max
	Calvera Capital Pte. Ltd.	Max
	Lerthai Investment Group Limited	Max
	Venture Gurukool Mentoring Services Private Limited	Ntasha
	Ankurit Advisors Private Limited (Previously Avocado Management S	Ntasha

LERTHAI FINANCE LIMITED
Notes forming part of Balance Sheet

(Rs. in lakhs)

Related Party Transactions

The table below shows the total amount of transactions that have been entered into with related parties for the relevant financial year.

(Rs. in lakhs)				
Name of the Related Party	Description of Relationship	Description of the nature of transaction	31-Mar-23	31-Mar-22
Mantri Developers Private Limited	Other Related Party	Loans advances given to Related	-	-
		Loan recovered	-	-
		Expenses incurred / Payments	-	-
		Closing balance receivable	-	-
LT Commercial real Estate Limited	Member	Expenses incurred / Payments	-	-
		Closing balance receivable	-	-
Ms. Sneha Khandelwal	Company	Salary	3.93	3.93
	Secretary	Salary payable	-	0.33
Mr. Jayant Goel	Executive Director	Director Sitting fees	7.36	7.36
		Reimbursement of expenses	-	-
		Closing balance payable	-	-
Ms. Aparna Goel	Director	Director Sitting fees	1.66	1.66
		Reimbursement of expenses	-	-
		Closing balance payable	-	-
Ms. Ntasha Berry	Independent	Director Sitting fees	2.30	2.30
	Director	Reimbursement of expenses	-	-
		Closing balance payable	0.53	0.53

(Rs. in lakhs)		
Aggregate of amount of transactions by nature:		
Description of the nature of transactions	31-Mar-23	31-Mar-22
(A) During the year		
Loans advances given to Related parties	-	-
Expenses incurred / Payments made by related party on behalf of the company	-	-
Expenses incurred / Payments made on behalf of related party	-	-
Director Sitting fees	11.32	11.32
Reimbursement of expenses	-	-
Salary	3.93	3.93
Receipt of Loans	-	-
Loan recovered	-	-
Interest Income	-	-
(B) Closing balance		
Closing balance payable	0.53	0.53
Closing balance receivable	-	-
Salary Payable	-	0.33

19 Capital and Other Commitments

There are no commitments of capital or other nature falling on the company as on the reporting date, no such commitments are due to be settled or which requires outflow of cash or cash equivalent.

20 Earnings Per share (EPS)

Note: All figures are in lakhs except earning per share and nominal value of shares

Basic earnings per share

	31-Mar-23	31-Mar-22
Profit / (Loss) after Tax	68.95	(47.17)
Weighted Average No. of Equity Shares (Face Value of Rs.10/- Each)	7.00	7.00
Earnings Per Share	9.85	(6.74)

Diluted earnings per share

	31-Mar-23	31-Mar-22
Profit / (Loss) after Tax	68.95	(47.17)
Weighted Average No. of Equity Shares (Face Value of Rs.10/- Each)	7.00	7.00
Earnings Per Share	9.85	(6.74)

21 Micro, Small and Medium Enterprises

As per the information available with the Company and as certified by the management, the dues outstanding including interest as on 31 St March, 2023 and comparative year 2022 to Small and Micro enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 stand as below:

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
(i) Amounts remaining unpaid to micro and small suppliers as at the end of the year:		
-Principal	3.24	11.84
-Interest	-	-
(ii) The amount of interest (other than the interest under Section 16) paid along with the	-	-
(iii) Interest paid under Section 16 to suppliers registered under MSMED act, beyond the	-	-
(iv) The amount of interest due and payable for the year.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such	-	-

22 Contingent Liabilities

There are no possible obligation on the company as on the reporting date, that may probably require an outflow of resources from the company and as such no disclosure is required for any Contingent Liability.

LERTHAI FINANCE LIMITED
Notes to financial statements for the year ended March 31, 2023

23 Fair Value Measurements

The carrying value of financial instruments by categories is as follows:

(Rs. in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Fair value through profit or loss	Fair value through OCI	At Amortised Cost	Total Carrying Value	Fair value through profit or loss	Fair value through OCI	At Amortised Cost	Total Carrying Value
Financial Assets								
Investment	-	-	-	-	42.91	-	-	42.91
Cash and cash equivalents	-	-	942.11	942.11	-	-	839.90	839.90
Security deposit	-	-	-	-	-	-	-	-
Receivable from related parties	-	-	-	-	-	-	-	-
Total	-	-	942.11	942.11	42.91	-	839.90	882.81
Financial Liabilities								
Trade payable	-	-	12.05	12.05	-	-	16.35	16.35
Employee related payment	-	-	-	-	-	-	0.33	0.33
Other financial liability	-	-	-	-	-	-	-	-
Total	-	-	12.05	12.05	-	-	16.68	16.68

LERTHAI FINANCE LIMITED
Notes to financial statements for the year ended March 31, 2023

24 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Particulars	As at March 31, 2023				As at March 31, 2022			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
Cash and cash equivalents	942.11	-	-	942.11	839.90	-	-	839.90
Security deposit	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	-	-
	942.11	-	-	942.11	839.90	-	-	839.90
Investment	-	-	-	-	42.91	42.91	-	-
	-	-	-	-	42.91	42.91	-	-
Financial liabilities								
Trade payable	12.05	-	-	12.05	16.35	-	-	16.35
Employee related payment	-	-	-	-	0.33	-	-	0.33
Other financial liability	-	-	-	-	-	-	-	-
	12.05	-	-	12.05	16.68	-	-	16.68

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date,
Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the assets or liability, either directly or indirectly,
Level 3 inputs are unobservable inputs for assets or liability.

- a. There have been no transfers between the levels during the period.
- b. The carrying amount of trade payables, employee related payment, loans (financial assets), trade receivable, cash and cash equivalents, security deposit, interest accrued and other financial assets and liabilities are considered to be same as fair values, due to their short-term nature.
- c. For financial assets & liabilities that are measured at fair value, the carrying amounts are equal to fair values.

LERTHAI FINANCE LIMITED
Notes to financial statements for the year ended March 31, 2023

25 Financial risk management objectives and policies

The Company's principal financial liabilities comprises trade and other payables. The Company's principal financial assets include investments, loans and advances given, cash and cash equivalents and security deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

a. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company's exposure to market risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. The exposure of the Company is limited to the fair value of the preference shares held by it.

b. Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts, loans and advances receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past trend, industry practices and business environment in which company operates.

Financial Instrument and Cash Deposit

Credit risk from balances with banks and financial institutions is managed accordance with the Company's board approved SOP. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2023 and 2022 is the carrying amounts.

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Notes to financial statements for the year ended March 31, 2023

c. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flow.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 1 year	1 to 5 years	>5 years	(Rs. in lakhs)
					Total
For the year ended 31st March 2023					
Trade and other payables	12.05	-	-	-	12.05
	12.05	-	-	-	12.05
For the year ended 31st March 2022					
Trade and other payables	16.68	-	-	-	16.68
	16.68	-	-	-	16.68

26 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

LERTHAI FINANCE LIMITED
Notes to financial statements for the year ended March 31, 2023

27 Segment Reporting

The Chief Operating Decision maker reviews the operations of the company as a Investment activity, which is considered to be the only reportable segment by the management. Hence there are no additional disclosures to be provided under IND AS 108 'Operating Segments'. Further, the Company's operations are in India only.

28 Disclosure required under Section 186(4) of the Companies Act 2013

Loans, advances and guarantees given and securities was not provided to related parties during the financial year

29 New Ind AS standards / amendments issued, but not yet effective:

Ministry of Corporate Affairs (MCA), vide notification dated 31st March 2023, has made the following key amendments which are effective from 1st April, 2023:

a) Ind AS 1- Presentation of Financials Statements: This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors : This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

c) Ind AS 12 - Income Taxes: This amendment clarifies how companies account for deferred tax on transactions such as leases and decommissioning obligations. These amendments narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The company has evaluated the above amendments and the impact of above amendments is insignificant on its financial statements.

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LERTHAI FINANCE LIMITED

Following Ratios to be disclosed :-

(Rs. in lakhs)

Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	% Variance	Reasons for Variance
(a) Current Ratio,	Current Assets	Current Liabilities	73.20	48.54	24.66	Current Assets Increases and Current liabilities reduced for cuurent period
(b) Debt-Equity Ratio,	Total Debt	Shareholder's Equity	0.00	0.00	-	
(c) Debt Service Coverage Ratio,	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	0.00	0.00	-	
(d) Return on Equity Ratio,	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	7.63	-5.28	12.91	Gain on investment sold
(e) Inventory turnover ratio,	Revenue from sale of products	Average Inventory	0.00	0.00	-	
(f) Trade Receivables turnover ratio,	Revenue from Operation	Average Accounts Receivable	0.00	0.00	-	
(g) Trade payables turnover ratio,	Net Purchases and Expenses	Average Trade Payables	4.58	4.42	0.16	Increase in Trade Payable for current period
(h) Net capital turnover ratio,	Revenue from Operation	Average Working Capital	0.00	0.00	-	
(i) Net profit ratio,	Net Profit	Revenue from Operation	0.00	0.00	-	
(j) Return on Capital employed,	Earning before Interest and Taxes	Capital Employed (Total Assets-Current Liabilities excluding current borrowings)	9.11	-4.65	13.76	Increase in Profit amount for current period
(k) Return on investment. T1 = End of time period T0 = Beginning of time period t = Specific date falling between T1 and T0 MV(T1) = Market Value at T1 MV(T0) = Market Value at T0 C(t) = Cash inflow, cash outflow on specific date W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $(T1 - t) / (T1 - T0)$	$\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t)]\}$	0.00	0.00	-	

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Notes to financial statements for the year ended March 31, 2023

DISCLOSURE REQUIRED AS PER AMENDED SCHEDULE III OF COMPANIES ACT, 2013 vide MCA notification dated 24th March, 2021

- (i) The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.
- (ii) No proceedings have been initiated or pending against the Company for holding any Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (iii) The Company do not have sanctioned facilities from banks on the basis of security of current assets.
- (iv) There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31st March 2023.
- (v) No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
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:
- (vi) (a) 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
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary
The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (vii) (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (viii) The Company has not operated in any crypto currency or Virtual Currency transactions
- (ix) During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

**For and on behalf of the board of Director of
Lerthai Finance Limited**

Raman Haren Jokhakar
Partner
Membership No: 103241

Date:30/05/2023

Mr. Shao Xing Max Yang
Chairman and Director
DIN 08114973
Place: Los Angeles
Date:30/05/2023

Mr. Jayant Goel
Executive Director
DIN 01925642
Place: Delhi
Date:30/05/2023

Ms. Sneha Khandelwal
Company Secretary
M. No : A55597
Place: Delhi
Date:30/05/2023