

**INDIAN BULLION MARKET
ASSOCIATION LIMITED**



To,
The Members of
INDIAN BULLION MARKET ASSOCIATION LIMITED.

Report on the Ind AS Standalone Financial Statements

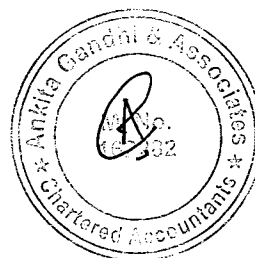
Qualified Opinion

We have audited the accompanying Ind AS standalone financial statements of **INDIAN BULLION MARKET ASSOCIATION LIMITED** ("the Company/IBMA"), which comprise the Balance Sheet as at March 31st, 2024, the Statement of Profit and Loss, the statement of cash flows and the statement of changes in equity, notes to the financial statements of then ended and a summary of significant accounting policies and other explanatory information.(herein after referred to as "Standalone Ind AS financial statements").

In our opinion and to the best of our knowledge and according to information and explanations given to us and subject to read notes on Financial Statements prepared by the Management, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs above, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give the 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 2024 and its losses, cash flows and its statement of change in equity for the year ended on that date.

Basis for Qualified Opinion

a) As per standalone Ind AS financial statements, it has been observed that the trade receivables and the other receivables have been considered as doubtful and hence have been provided at full value. The management has explained that as per principal of conservatism, the receivables have been provided for completely, although legal matters for recovery of debts are still under pendency (detailed summary has been provided by the Company in notes to accounts). Management is hopeful for recovery of the debts and quantification of the same is not possible. For receivables without conflict, management has stated that efforts were made in prior years by sending balance confirmation communication, yet the same could not be confirmed. Company had sent legal notices for recovery.



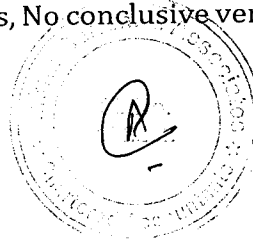
- b) *During the year, the Company has not provided interest on Loan from National Spot Exchange Limited (NSEL) @ 10% which comes to Rs.1,47,90,000/-. NSEL has Written off the loans in their books however they have conserved the legal right to recover loan and interest for all the years, thereon, if the same is demanded in future, it will result in understatement of losses.*
- c) *As per the standalone Ind AS financial statement, Company has recorded losses of Rs.3,46,855/-for the current year resulting in negative net worth of Rs. 91,49,53,612/-. There has been discontinuation of most of the activities carried out by the Company post 31st July 2013, there have been on going litigations and civil proceedings initiated against the Company, as well as by the company.*

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

- a) The Company has negative net worth and there are no operations in the Company post 2013. Economic Offence Wing [EOW] has filed Miscellaneous Applications (MA) for attachment of Bank Accounts of the Company and Serious Fraud Investigation Office [SFIO] has filed winding up petition against Company in NCLT, there are investigations initiated under PMLA which may endanger the entities' ability to continue as going concern, however no conclusive evidence can be obtained in this behalf.
- the management has filed all the required responses/ clarifications/ affidavits in all the relevant matters and expects favorable verdicts. Also, the management of the holding Company has agreed to provide all the required financial help to the Company subject to the compliance of court/ regulatory requirements. Holding company has filed Interim application before the Bombay High Court in order to make such payments, No conclusive verdict available on the same.



Further, The Company has received Vat refunds from Delhi of Rs. 1,40,43,049/-, which will enable the Company to meet its day-to-day expenses, there are other refunds which are subject to pending assessments wherein no positive outcomes have been processed except for Delhi. However, Company is hopeful for the results to be in their favor.

There are some legal cases wherein Company was expecting favorable outcomes (as in the case of Harley Carmbel (India) Pvt. Ltd.), the processing of the same had been prolonged due to Covid conditions, and is still being postponed as the execution petition was transferred to District Court, however the attachment order is still in force vide order dated 25.10.23, and next hearing is scheduled on 25th May 2024 and management is expecting positive outcomes, thereby ensuring the ability to continue as Going Concern.

- b) The contingent VAT liability of the company is Rs. 3,701,582,291/-and Income tax Liability of Rs. 22,16,68,360/-. No interest and penalty is calculated and levied on the same for the current year. However, the same is disputed and not certain, management is of the opinion that the liability is contingent.

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

The Company's board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board Reports, Corporate Governance and Shareholder's Information, but does not include the standalone financial statement and our auditor's report there on. Our opinion on the standalone financial statement does not cover the other information and we do not express any form of assurance conclusion thereon

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

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

Management's Responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows, the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

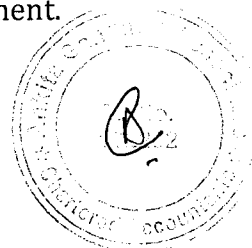
Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from materials misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is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

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

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

Obtain an understanding of internal financial controls 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. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

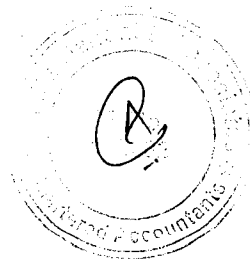
Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentations.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were the most significance in the audit of the standalone 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 regulations 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, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure B**" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, and subject to our observations, we report that:
 - a. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow statement, statement of change in equity are dealt with by this Report are in agreement with the books of account;
 - d. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule of Companies (Accounts) as applicable.
 - e. The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, unfavourable verdicts in the matters involving SFIO and EOW, may have an adverse effect on the functioning of the Company;
 - f. On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g. 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 A**".
 - 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. As per notes to financial statements, the Company is not in a position to quantify any impact of pending litigations on its financial position in its financial statements as the matters are still under investigations and are sub-judice.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



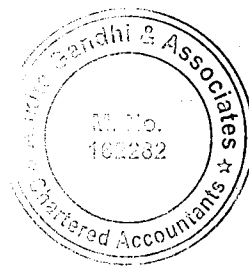
- iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in its Standalone Ind AS financial statements and these are in accordance with the books of accounts maintained by Company.
- v. Reporting on rule 11(e):
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 has 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.
- vi. The Company has not declared any dividend in the previous year.



vii. Based on our examination carried out in accordance with the *Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition)* issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by *Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014*. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.”

**For Ankita Gandhi & Associates
(Chartered Accountants)**

Reg No: 141004W



Ankita Gandhi

Ankita C Gandhi
(Proprietor)

Membership No.: 162282

Date: 10th May 2024

Place: Mumbai

UDIN - 24162282BKBYHC8342

ANNEXURE "A" TO THE AUDITOR'S REPORT

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

(Referred to in paragraph 9(f) under 'Report on other Legal and Regulatory Requirements' of our report of even date)

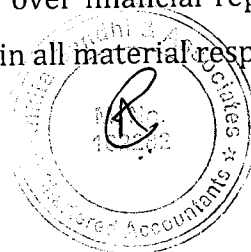
We have audited the internal financial controls over financial reporting of **Indian Bullion Market Association Limited**. ("The Company"/IBMA) as of March 31, 2024 in conjunction with our audit of the Standalone Financial statements of the Company for the year ended on that date.

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 ("Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 ("Guidance Note" and the standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 systems 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 procedure selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

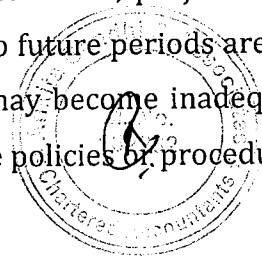
Meaning of Internal Financial controls over financial Reporting.

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 transaction and dispositions of the assets of the company;
- (2) provide reasonable assurance that transaction is 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 statements

Inherent Limitations of Internal Financial Controls over financial Reporting.

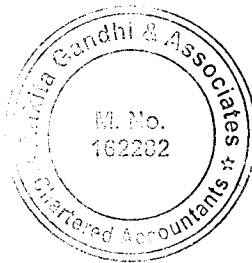
Because of the inherent limitations of inherent financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 procedure may deteriorate.



Opinion

In our opinion, to the best of our information and according to the explanations given to us, after rectifying certain discrepancies, the Company has in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal Controls stated in the Guidance Note of the Audit of Internal Financial Control Over Financial Reporting issued by the Institution of Chartered Accountants of India.

For Ankita Gandhi & Associates
Chartered Accountants
Reg No: 141004W



Ankita Gandhi

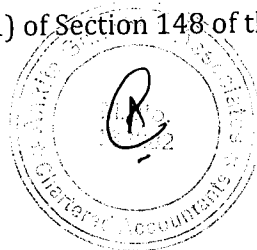
Ankita C Gandhi
(Proprietor)
Membership No.: 162282
Date: 10th May 2024.
Place: Mumbai
UDIN - 24162282BKBYHC8342

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE
FINANCIAL STATEMENTS OF

INDIAN BULLION MARKET ASSOCIATION LIMITED

(Referred to in paragraph 8 under 'Report on other Legal and Regulatory Requirements'
of our report of even date)

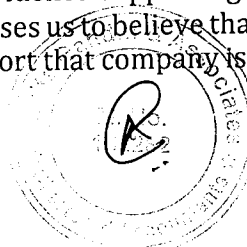
- i.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Tangible and intangible Assets.
 - b. During the year, Company has carried out physical verification of Fixed Assets. No material discrepancies noticed.
 - c. There are no Immovable properties held by Company, so this clause is not applicable.
 - d. The Company has not revalued its tangible and intangible assets.
 - e. No Proceedings have been initiated or pending against the company for holding any Benami property under Benami Transaction Act.
- ii.
 - a. The Company does not hold any inventory at the end of the financial year.
 - b. The Company has not been sanctioned working capital limits in excess of Rs. 5 Crore in aggregate from bank or financial institutions on the basis of security of current assets.
- iii. The company has not made any investments in, provided any guarantee or security or granted any loans, or advances in form of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(a) to (f) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- v. According to explanation and information given to us, the Company has not accepted any deposit during the year and hence reporting under clause V of the order is not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



- vii. According to the information and explanation given to us in respect of statutory dues:
- a. The undisputed statutory dues for the year, including Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Value Added Tax, TDS, other material statutory dues have been regularly deposited with the appropriate authorities ESIC is not applicable to the company, the dues of TDS & GST which are payable after the balance sheet date are updated in **Annexure "C"**.
 - b. Dues of Income tax, sales tax, service tax, duty of customs, duty of excise, value added tax have not been deposited on account of any disputes and the amount involved in the forum before which dispute is pending. According to information and explanations given to us, following demands are disputed in respect of Income Tax and Sales Tax as at 31st March 2024 as per **Annexure "D"**.
- viii. As per the information provided to us, no transactions are recorded in the books of accounts have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. a) The Company has not taken any loans or borrowings from financial institutions, banks and government and hence not declared willful defaulter. However, the company has loan from holding Company amounting to Rs.14,79,00,000/-pertaining to earlier years, however as the per the management the same has been written off in the books of holding company, but they have retained the legal right to recover the loan and interest. Since there is no repayment schedule defined, there is no default.
- b) No term loans were taken by the company in the current year and hence no application of term loans defaulted
- c) No funds were raised for short term or long-term purposes, hence no default in utilization.
- d)The Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, associates, or joint ventures.
- e) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year hence reporting under this clause of the order is not applicable to the Company.
- b) The Company has not made any preferential allotments or private placement of shares or convertible debentures during the year; hence this clause is not applicable.



- xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, Serious Fraud Investigation Office [SFIO] has filed winding up petition against the company in NCLT, which pertains to the earlier years, when the company was operational.
b) As per the information provided to us, no whistle blower complaints have been received during the year by the company.
- xii. The Company is not a Nidhi Company and hence reporting under this clause of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable; for all the transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. a) Based on the size and transactions of the company, the company has an adequate internal audit system.
b) The reports of Internal Auditor have been considered while the audit of the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.
- xvii. The Company has incurred cash loss of Rs. 21,48,372/- in the current year and Rs. 3,55,712/- in the preceding year.
- xviii. There is no resignation of statutory auditor in the current year. Hence this clause is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its



liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company as there are many litigations pending by and against the companies. 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. There is no unspent amount toward Corporate Social Responsibility (CSR) on ongoing as well as other than ongoing projects. Accordingly, report on para 3(xx)(a)/(b) of the order is not applicable.



For Ankita Gandhi & Associates
Chartered Accountants
Reg No: 141004W

Ankita Gandhi

Ankita C Gandhi
(Proprietor)
Membership No.: 162282
Date: 10th May 2024
Place: Mumbai
UDIN - 24162282BKBYHC8342

Annexure - "C"

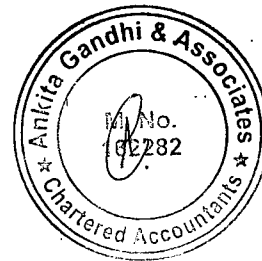
Undisputed Liability

TDS Liability	-
GST Liability	-

Annexure - "D"

Disputed Liability

S No	Name of the statute	Nature of dues	Principal Amount	Interest	Penalty	Total Demand	Period		Stage
1	Income tax	Income Tax Demands	1,50,31,090	-		1,50,31,090	AY 2011-12		Under ITAT Appeal
2	Income tax	Income Tax Demands	11,97,52,020	-		11,97,52,020	AY 2012-13		Under ITAT Appeal
3	Income tax	Income Tax Demands	6,75,02,780	-		6,75,02,780	AY 2013-14		Under ITAT Appeal
4	Income tax	Income Tax Demands	1,93,82,470	-		1,93,82,470	AY 2014-15		
			22,16,68,360	-	-	22,16,68,360			
1	Gujarat	Sales tax	35,67,710	-	31,11,375	66,79,085	FY 2010-11	Demand VAT	Appeal
2	Gujarat	Sales tax	12,75,481	-		12,75,481	FY 2012-13	Demand VAT	Appeal
3	Gujarat	Sales tax	5,85,660	-		5,85,660	FY 2012-13	Demand CST	Appeal
4	Gujarat	Sales tax	7,59,218	-		7,59,218	FY 2013-14	Demand VAT	Appeal
5	Gujarat	Sales tax	1,59,42,960	-		1,59,42,960	FY 2013-14	Demand CST	Appeal
6	Maharashtra	Sales tax	3,73,03,581	3,01,08,459	93,49,196	7,67,61,236	Fy 2013-14	Demand VAT	Tribunal Appeal
7	Andhrapradesh	Sales tax		4,31,250	5,00,000	9,31,250	Fy 2014-15	Penalty	Appeal
8	Punjab	Sales tax	1,65,62,58,967	-		1,65,62,58,967	Fy 2012-13	Demand VAT	Writ Filed at High Court
9	Punjab	Sales tax	1,16,70,69,741	-		1,16,70,69,741	Fy 2013-14	Demand VAT	Writ Filed at High Court
10	Uttar Pradesh	Sales tax	9,10,500	-		9,10,500	FY 2010-11	Demand VAT	Tribunal Appeal
11	Uttar Pradesh	Sales tax	2,08,53,000	-		2,08,53,000	FY 2011-12	Demand VAT	Tribunal Appeal
12	Uttar Pradesh	Sales tax	10,10,00,000	-		10,10,00,000	FY 2012-13	Demand VAT	Tribunal Appeal
13	Haryana	Sales tax	57,36,46,358	2,62,50,024	3,79,95,750	63,78,92,132	Fy 2013-14	Demand VAT	Writ Filed at High Court
14	Haryana	Sales tax	1,46,63,061	-		1,46,63,061	FY 2012-13		Appeal
		Total	3,59,38,36,237	5,67,89,733	5,09,56,321	3,70,15,82,291			



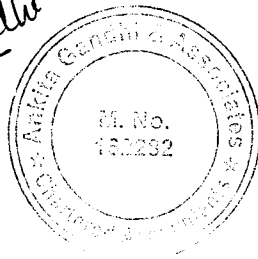
Indian Bullion Market Association Limited

Balance Sheet as at 31st March, 2024

			(Rs. in Lakhs)	(Rs. in Lakhs)
Assets		Note	As at 31 st March, 2024 (Audited)	As at 31 st March, 2023 (Audited)
Non-current assets				
(a)	Property, Plant and Equipment	4	2.21	2.51
(b)	Intangible assets	5	0.45	0.47
(c)	<u>Financial Assets</u>		-	-
	(i) Investments	6	-	-
	(ii) Other Financial Assets	7	38.75	35.59
(d)	Other Assets	8	14.04	12.93
Total Non- Current Assets			55.44	51.50
Current assets				
a)	Inventories		-	-
(b)	Financial Assets		-	-
	(i) Investments	9	84.86	-
	(ii) Trade receivables	10	-	-
	(iii) Cash and cash equivalents	11	11.02	0.70
	(iv) Bank balances other than (iii) above	12	-	-
	(v) Other Financial Assets	13	1,883.00	1,879.80
(c)	Other current assets	14	401.12	541.54
Total Current Assets			2,380.00	2,422.04
Total Assets			2,435.44	2,472.54
EQUITY AND LIABILITIES				
(a)	Equity Share capital	15	1,453.89	1,453.89
	Retained Earning		(10,603.43)	(10,599.96)
Total Equity			(9,149.54)	(9,146.07)
Current liabilities				
(a)	Financial Liabilities			
	i) Borrowings	16	1,479.00	1,479.00
	ii) Trade payables	17	436.74	441.63
	iii) Other financial liabilities	18	7,610.32	7,616.67
(b)	Provisions		-	-
(c)	Current Tax Liabilities (Net)		-	-
(d)	Other current liabilities	19	2,058.92	2,082.31
Total Current Liabilities			11,584.98	11,619.61
Total Equity and Liabilities			2,435.44	2,472.54

For Ankita Gandhi & Associates
Chartered Accountants
FRN No. 1410097W

Ankita Gandhi
Ankita C. Gandhi
Proprietor
Membership No.162282
Place : Mumbai
Date : 10-05-2024



For and on behalf of Board
Indian Bullion Market Association Limited

Anand Daksha
Anand Daksha
WTD & CEO
DIN 08600992

Girish Gangir
Girish Gangir
Director
DIN 10516284

Negraj Mishra
Negraj Mishra
Chief Financial Officer

Akshay Kallil
Akshay Kallil
Company Secretary
M No.A61492

Bipin Dhanesha
Bipin Dhanesha
Independent Director
DIN 05223465

Ujjwala Deshpande
Ujjwala Deshpande
Independent Director
DIN 07556885

Place : Mumbai
Date :10-05-2024

Indian Bullion Market Association Limited

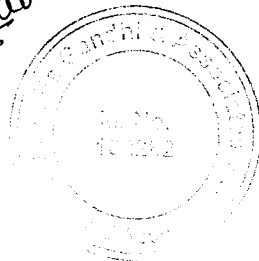
Statement of Profit and Loss for the year ended 31st March, 2024

PARTICULARS	Note	(Rs. in Lakhs)	(Rs. in Lakhs)
		Year Ended 31 st March, 2024 (Audited)	Year Ended 31 st March, 2023 (Audited)
Income			
Revenue from operations	20	0.00	0.00
Other income	21	21.60	2.20
Total Income		21.60	2.20
Expenses			
Employee benefits expense	23	2.46	0.00
Finance costs	24	0.02	0.02
Depreciation and amortisation expense	25	0.32	0.33
Other expenses	26	22.26	5.74
Total expenses		25.07	6.09
(Loss) before tax		-3.47	-3.89
Tax expense / (credit):			
(a) Current tax expense		0.00	0.00
(c) Current tax expense relating to prior years		0.00	0.00
(b) Deferred Tax		0.00	0.00
Total tax expense		0.00	0.00
Total Comprehensive Income/(loss) for the year		-3.47	-3.89
Earnings per share: 27			
Basic per share (in Rs.)		0.00	0.00
Diluted per share (in Rs.)		0.00	0.00
Face Value Per Share (in Rs.)		10.00	10.00

The accompanying notes are an integral part of the financial statements

For Ankita Gandhi & Associates
Chartered Accountants
FRN No. 141004W

Ankita C. Gandhi
Proprietor
Membership No:162282
Place : Mumbai
Date : 10-05-2024



For and on behalf of the Board
Indian Bullion Market Association Limited

Anand Daksha
Whole-time Director & CEO
DIN 08600992

Girish Gangir
Director
DIN 10516284

Teeraj Mishra
Chief Financial Officer

Akshay Kallil
Company Secretary
M No. A61492

Bipin Dhanesha
Independent Director
DIN 05223465

Ujjwala Deshpande
Independent Director
DIN 07556885

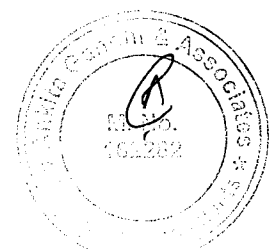
Place : Mumbai
Date : 10-05-2024

Indian Bullion Market Association Limited
Statement of change in equity (SOCIE) as at 31.03.2024

(Rs. in Lakhs)

(Rs. in Lakhs)

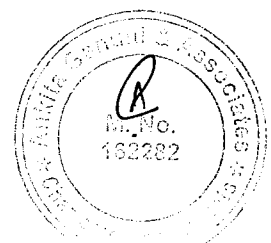
Particulars	Equity share capital	Retained earnings	Total attributable to equity shareholders
Balance as at 1st April, 2022	14 53 89 490	(10,596.07)	(10,596.07)
Total comprehensive income/(loss) for the year ended 31st March 2023	-	(3.89)	(3.89)
Changes in accounting policy or prior period errors	-	-	-
Balance as at 1st April, 2023	-	(10,599.96)	(10,599.96)
Changes in accounting policy or prior period errors	-	-	-
Total comprehensive income/(loss) for the year ended 31st March, 2024	-	(3.47)	(3.47)
Balance as at 31st March, 2024	14 53 89 490	(10,603.43)	(10,603.43)



INDIAN BULLION MARKET ASSOCIATION LIMITED

Cash Flow Statement for the Year Ended 31st March, 2024

PARTICULARS	(Rs. in Lakhs)	(Rs. in Lakhs)
	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash Flow from Operating Activities before taxation		
(Loss) before taxation	-3.47	-3.89
Adjustments for -		
Depreciation and amortisation	0.32	0.33
Interest Expenses	0.02	0.02
Interest Income	-2.61	-2.20
Profit(loss) on sale of investments	0.65	0.00
Operating profit/ (loss) before working capital changes	-5.09	-5.74
Movements in working capital :		
Increase / (Decrease) in trade payables	-4.89	-2.38
Increase / (Decrease) in other current liabilities	-29.74	3.66
Decrease / (Increase) in Investments	0.00	0.00
Decrease / (Increase) in other Financial Assets	-1.11	-0.82
Decrease / (Increase) in trade receivables	0.00	0.00
Decrease / (Increase) in short term loans and advances	-3.19	-1.38
Decrease / (Increase) in other current assets	140.42	-2.19
Decrease / (Increase) in other financial assets	-3.16	6.49
Cash generated from/ (used in) operations	93.24	-2.36
Less: Taxes paid/ (refunds)	0.00	0.00
Net cash flow from/ (used in) operating activities	93.24	-2.36
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	0.00	0.00
Proceeds from sale of current Investments	-85.51	0.00
Purchase of Investments	0.00	0.00
Interest Income	2.61	2.20
Net cash flow from/ (used in) Investing Activities	-82.90	2.20
C. Cash Flow from Financing Activities		
Interest Paid	-0.02	-0.02
Net Cash flow from/(sued in) Financing Activities	-0.02	-0.02
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	10.32	-0.18
Cash and Cash Equivalents (Opening Balance)	0.70	0.88
Cash and Cash Equivalents (Closing Balance)	11.02	0.70



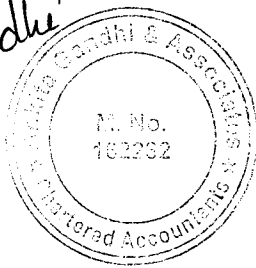
Closing Balance of Cash and Cash Equivalents consists of:		
Components of cash and cash equivalents		
Cash and Cheques on Hand	0.00	0.00
Bank Balances:		
- In Current Accounts	11.02	0.70
- In Deposits Accounts (Maturing Less than 3 Months)	0.00	0.00
Cash and Cash Equivalents in Cash Flow Statement	11.02	0.70
- In Deposit Accounts (Maturing More than 3 Months)	0.00	0.00
Cash and bank balance	11.02	0.70

Note :- The above cashflow statement has been prepared under the Indian Accounting Standard 7 - Statement of Cash Flow Statement, notified pursuant to the Companies (Accounting Standards Rules), 2006 (as amended).

The accompanying notes are an integral part of the financial statements

For Ankita Gandhi & Associates
Chartered Accountants
FRN No. 141004W

Ankita C. Gandhi
Proprietor
Membership No:162282
Place : Mumbai
Date : 10-05-2024



For and on behalf of the Board
Indian Bullion Market Association Limited

Anand Daksha
Whole-time Director & CEO
DIN 08600992

Girish Gangir
Director
DIN 10516284

Neeraj Mishra
Chief Financial Officer

Akshay Kallil
Company Secretary
M No.A61492

Bipin Dhanesha
Independent Director
DIN 05223465

Ujjwala Deshpande
Independent Director
DIN 07556885

Place : Mumbai
Date :10-05-2024

1. Company overview

Indian Bullion Market Association Limited (hereafter IBMA/Company) has been incorporated on 15th June, 2007 to carry on trading business as a buyer, seller and commission agent in physical market and through as an Institutional Trading and Clearing Member (ITCM) of National Spot Exchange Ltd (NSEL) which offered trading, clearing and settlement services to its constituent Members and commodity exchanges in gold, silver, base metals and agricultural commodities.

2. Basis of Preparation

2.1. Statement of compliance and Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 ("the 2013 Act") read with Companies (Indian Accounting Standards) Rules, 2015, subsequent amendments thereto and the relevant provision of the 2013 Act.

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments which are measured at fair values as required by relevant Ind-AS.

Accounting policies have been consistently applied except where a newly issued Ind-AS is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2. Functional and presentation currency

These financial statements are presented in Indian Rupees in Lakhs, which is the Company's functional currency. All amounts have been rounded to the nearest Rupees, unless otherwise indicated.

2.3. Going Concern Basis Assumption

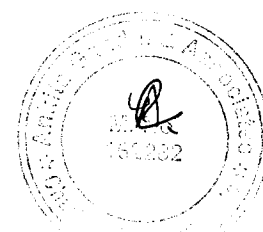
A) Management's assessment of entity's ability to continue as going concern:

Following events/ conditions that individually or collectively may cast significant doubt on Company's ability to continue as going concern:

- a) Negative net worth of the Company as at 31st March, 2024.
- b) Stoppage of operational activities since August 2013 i.e.: for more than 5 years therefore negligible revenue from operations
- c) Negative operational losses in last few years.
- d) Pending legal and regulatory proceedings against the Company if successful, will result in claims that the Company is not likely to satisfy:
 - (i) Winding up petition filed against the Company
 - (ii) Several legal cases filed against the Company

B) Management's plan to alleviate substantial doubt on Company's ability of continue as going concern

- a. Holding Company (National Spot Exchange Limited, "NSEL") has committed to provide financial support by way paying all statutory dues and legal expenses.



- b. During the year company has received refund of Rs. 140.43 lakhs from Delhi sales Tax Department. This refund will help company to float for at least next 2 years. Moreover, Company is expecting cash refund of VAT from other states.
- c. Company has received award in its favour in case of Harley Carmbel (India) Pvt Ltd. Once the same is executed it will help in improving cash flow of the Company.
- d. Management is hopeful that it will get favorable decision in cases wherein the Company has filed cases against various parties and also will successfully defend the cases filed against the Company.
- e. Company is contesting the winding up petition filed against the Company and hopeful of getting favorable order. At appropriate time, the Company is contemplating to commence one of the activities as specified in the Memorandum of Association, subject to necessary regulatory approvals.
- f. The Company is making all out efforts in monetizing its trade and other receivables.

Management has made a fair estimate of the ability of the company to carry on business for near term period. In view of the above support and reduction in the operating costs the company believes that it will have sustainable cash flow which in near term will support the company's future plans.

Accordingly, Management has considered above mitigating factors, and on the above basis, Standalone Ind-AS Financial Statements have been prepared on Going Concern basis and that no adjustments are required to the carrying value of assets and liabilities.

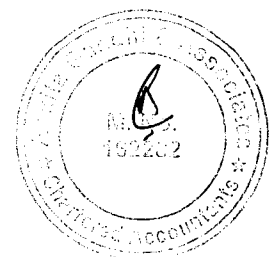
The management is also of the opinion that business activities shall resume in due course of time and thereby the future Cash flow will be in order.

2.4. Use of estimates and making judgements

The preparation of Standalone Ind-AS Financial Statements is in conformity with Ind AS which requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (disclosure of contingent liabilities) at the date of the Financial Statements and the results of operations during the reporting period. Although, these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Areas involving critical estimates & judgements are:

- Measurement of defined benefit obligation-key actuarial assumptions
- Recognitions of deferred tax asset: availability of future taxable profits
- Impairment testing
- Recognition and measurement of provisions and contingencies
- Estimations of income tax
- Estimation of useful life of PPA and intangible assets
- Estimation of contingent liabilities
- Impairment of trade and other receivables



3. Summary of Material Accounting Policies

3.1. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company regularly reviews significant unobservable inputs and valuation adjustments.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible.

3.2. Revenue

Revenue from sale of goods is recognized when the substantial risk and rewards of ownership are transferred to the buyer and are stated gross of commercial taxes as applicable on the date of transaction.

3.3. Other income

- (i) Dividend income is recognized when the Company's right to receive dividend is established.
- (ii) Interest income on Bank FDR is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate.
- (iii) In case of interest income on recoverable under litigation, are recognized on receipt basis.

3.4. Property, plant and equipment

i. Recognition and measurement:

Property, Plant and Equipment (PPE) are carried at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of PPE comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bring in the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent expenditure relating to PPE is capitalized only when it is probable / convinced that future economic benefits will contribute to these flow to the company and cost of the item can be measured reliably.

The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically via a vis Replacement Market Cost, at each financial year-end.

Borrowing costs / Financial Cost that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of the asset. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of such asset in the form / an item of property, plant and equipment is / are accounted / recognized in profit or loss.



ii. **Depreciation**

Depreciation is calculated to write off the proportionate cost of items of property, plant and equipment in ratio of their estimated life measured at the time of assets acquired / installed for use, less their estimated residual values using the straight-line method over their estimated useful lives, and is recognized in profit or loss.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation has been provided on the straight-line method on the basis of useful life as follows.

Assets	Use full life
Office Equipment	2 to 10 Years
Computer Hardware	3 to 6 Years
Furniture and Fixtures	5 to 10 Years

Assets costing up to Rs. 5,000/- are fully depreciated in the year of acquisition.

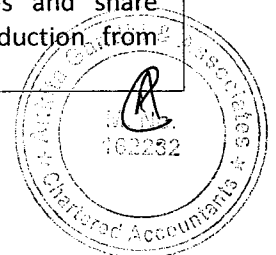
The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in net profit in the statement of profit and loss.

a) **Intangible assets**

Trademarks are amortized over 8 years, considering their related useful life. Software is amortized over 6 years, considering their related useful life. Any additions to the base software are amortized over the remaining useful life of the software.

b) **Financial instruments**

Particulars	Initial recognition	Subsequent recognition
Non-derivative financial instruments		
a) Financial assets	At fair value including directly attributable transaction costs	At amortised cost: if it is held within business model where purpose is to hold asset for contractual cash flows that are solely payments of principal and interest on principal outstanding.
b) Financial assets	At fair value excluding directly attributable transaction costs	At fair value through statement of profit and loss: if financial asset is not classified in any of the above categories.
c) Financial liabilities	At fair value including directly attributable transaction costs	At amortised cost: using effective interest method except certain items.
Derivative financial instruments		
Share capital		
	Ordinary shares classified as equity.	Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.



c) Impairment

Financial assets:

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

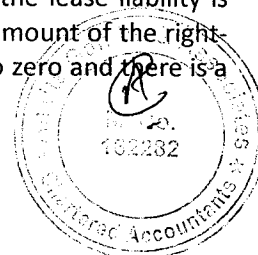
d) Leases

Effective April 01, 2019, the Company had adopted Ind AS 116 "Leases" by applying the modified retrospective approach. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

Company as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company's incremental borrowing rate is used. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a



further reduction in the measurement of the lease liability, any remaining amount of the re-measurement is recorded in statement of profit and loss.

Company has selected not to apply the requirements in paragraphs 22–49 of Ind As 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value and are recognized as an expense on a straight-line basis over the lease term.

Company as a Lessor: Company does not lease out any asset, hence no policy is disclosed.

e) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-Current investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary in the opinion of the management. The difference between average carrying amount of the investments and sale proceeds, net of expenses, is recognized as profit or loss on sale of investments.

f) Other Income

- a) Dividend income is recognized when the Company's right to receive dividend is established.
- b) Interest income on Bank FDR is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate.
- c) In case of interest income on recoverable under litigation, are recognized on receipt basis.

g) Finance Costs:

Interest expense is recognized using the effective interest method.

h) Cash and Cash Equivalents:

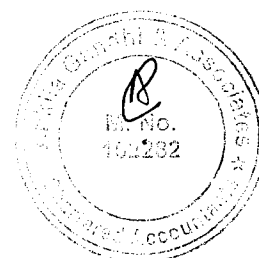
Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

i) Provisions, Contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent Liabilities are disclosed by way of notes to financial after careful evaluation by the management of the facts and legal aspects of the matter involved.

Contingent assets are neither recognized nor disclosed.



j) Operating cycle

Since there is no operating activity during the year, the Company has assumed its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

k) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

l) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

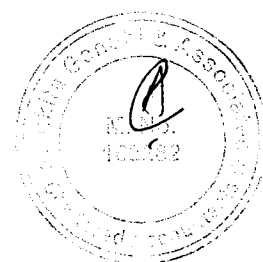
When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

m) IND AS STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified any IndAS or amendment to existing Ind AS which is not yet effective. Hence their impact on current or future financial statements, if any, cannot be ascertained.



INDIAN BULLION MARKET ASSOCIATION LIMITED

Notes to financial statements for the year ended 31.03.2024

Fixed Assets

4. Property Plant and Equipment

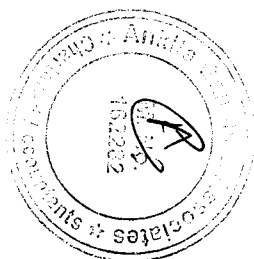
(Rs. in Lakhs)

Particulars	Gross Block			Depreciation / Amortization/ Impairment			Net Block		
	Cost as at 01.04.2023	Additions during the Year	As at 31.03.2024	Upto 01.04.2023	Depreciation 31.03.2024	Other Adjustments	As at 31.03.2024	As at 31.03.2024	As at 01.04.2023
<u>TANGIBLE ASSETS</u>									
Office Equipments	0.92	0.00	0.92	0.88	0.00	0.00	0.88	0.04	0.04
Computers Hardware	10.49	0.00	10.49	9.97	0.01	0.00	9.98	0.51	0.52
Furnitures & Fixtures	2.65	0.00	2.65	0.70	0.29	0.00	0.99	1.66	1.95
Total	14.06	-	14.06	11.55	0.30	-	11.85	3.21	3.51

5. Intangible assets

(Rs. in Lakhs)

Particulars	Gross Block			Depreciation / Amortization/ Impairment			Net Block		
	Cost as at 01.04.2023	Additions during the Year	As at 31.03.2024	Upto 01.04.2023	Depreciation 31.03.2024	Other Adjustments	As at 31.03.2024	As at 31.03.2024	As at 01.04.2023
<u>INTANGIBLE ASSETS</u>									
Trade Mark	0.94	0.00	0.94	0.78	0.02	0.00	0.81	0.13	0.15
Computer Software	6.39	0.00	6.39	6.07	0.00	0.00	6.07	0.32	0.32
Total	7.33	-	7.33	6.86	0.02	-	6.88	0.45	0.47



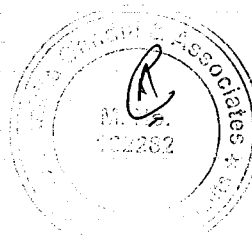
Indian Bullion Market Association Limited

Notes forming part of the financial statements for the year ended 31st March, 2024

(Rs. in Lakhs)

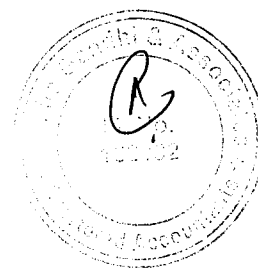
(Rs. in Lakhs)

PARTICULARS	As at	
	31 st March, 2024	As at 31 st March, 2023
7 Other Non Current Financial Assets		
(considered good unless otherwise stated)		
Deposits with banks	23.32	20.33
Investment in National Savings Certificate (Held in the name of individual c/o Indian Bullion Market Association Ltd given to VAT authorities)	0.46	0.46
Balances in current accounts with Banks	13.65	13.50
Security deposits	1.51	1.51
Less: Provision for doubtful Deposits	0.51	0.51
	1.00	1.00
Interest accrued on investment	0.31	0.31
Other Receivable		
Considered Good	-	-
Considered Doubtful	7,667.48	7,667.48
	7,667.48	7,667.48
Less :- Provision for doubtful other receivables	7,667.48	7,667.48
	-	-
TOTAL	38.75	35.60
8 Other non current assets		
Unsecured, considered good unless stated otherwise		
Grauity Receivable from LIC	14.04	12.11
TOTAL	14.04	12.11
9 Investments		
Mutual Fund		
Nippon India Direct Growth Plan Mutual Fund	84.86	-
(Investment valued at 1436.14 units @ Rs. 5908.93 per unit)		
TOTAL	84.86	-
10 Trade receivables		
Unsecured, considered good unless stated otherwise		
Receivable from-		
a Related parties		
Undisputed Trade Receivables - considered good	-	-
Disputed Trade Receivables - Credit Impaired	-	-
More than 3 years	-	-
Less: Provision for doubtful trade receivables	-	-
b other than related parties		
Undisputed Trade Receivables - considered good		
More than 3 years	-	-
Disputed Trade Receivables - Credit Impaired	751.82	751.82
More than 3 years		
Less: Provision for doubtful trade receivables	751.82	751.82
Total	-	-



(Rs. in Lakhs)

	As at 31st March, 2024	As at 31st March, 2023
11 Cash and Cash equivalents		
Balances that meet the definition of Cash and Cash equivalents as per IND AS 7 - Cash Flow Statements		
Cash in hand	0.00	0.00
Balances with banks		
In current accounts	11.02	0.88
TOTAL	11.02	0.88
13 Other Financial assets		
Other Receivable		-
Receivable from NSEL(holding company) for settlement obligation (Net)	1,876.44	1,876.44
Disputed Other Receivable - Credit Impaired More than 3 years	6.15	1.29
Less: Provision for Receivable	(1.29)	(1.29)
	-	-
Interest accrued on fixed deposits	1.70	1.98
TOTAL	1,878.14	1,878.42
14 Other current assets		
Balance with Government authorities	106.40	241.69
Advance tax & tax deducted at source (net of provision for tax)	294.72	294.72
TOTAL	401.12	536.40



Indian Bullion Market Association Ltd.

Notes forming part of the financial statements for the year ended 31st March, 2024

15 Equity Share capital	Balance at the end of the year		Balance at the beginning of the year	
	Number of shares	Amount Rs	Number of shares	Amount Rs
Authorised:				
Equity shares of Rs 10/- each	1,50,00,000	15,00,00,000	1 50 00 000	15 00 00 000
Preference shares of Rs.10 each	1,50,00,000	15,00,00,000	1 50 00 000	15 00 00 000
Issued, subscribed and fully paid up:				
Equity shares of Rs 10/- each	1,45,38,949	14,53,89,490	1 45 38 949	14 53 89 490
Changes in Equity Share Capital due to prior period errors				
TOTAL	1,45,38,949	14,53,89,490	1 45 38 949	14 53 89 490

Rights, preferences and restrictions attached to equity shares:

- a) 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. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the proportion of equity shares held.
- b) No bonus shares have been issued to equity share holders in last five years (or since incorporation of the company)
- c) No equity shares have been bought back in last five years (or since incorporation of the company)
- d) Details of shareholders holding more than 5% shares in the company

As on 31 st March, 2024		As on 31 st March, 2023		
No.	% holding in the class	No.	% holding in the class	
National Spot Exchange Ltd	88,51,725	60.88%	88,51,725	60.88%

- e) Details of equity shares held by promoters in the company

As on 31 st March, 2024		As on 31 st March, 2023		
No.	% holding in the class	No.	% holding in the class	
National Spot Exchange Ltd	88,51,725	60.88%	88,51,725	60.88%

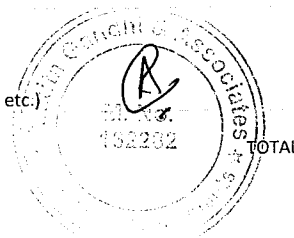
(Rs. in Lakhs) (Rs. in Lakhs)

16 Short-term borrowings	As on	
	31 st March, 2024	31 st March, 2023
Loans from Related Parties (Unsecured)	1,479.00	1,479.00
The above amount includes		
- Secured borrowings	-	-
- Unsecured borrowings	1,479.00	1,479.00
TOTAL	1,479.00	1,479.00

17 Trade payables	As on	
	31 st March, 2024	31 st March, 2023
1 MSME		
Less than 1 year		
2 Other than MSME		
Less than 1 year	1.10	5.72
1-2 years	-	-
2-3 years	-	-
More than 3 years	435.64	435.91
TOTAL	436.74	441.63

18 Other Financial Liabilities	As on	
	31 st March, 2024	31 st March, 2023
Amount Payable to Related Parties	7,365.91	7,372.26
Margin from client & trading members	244.28	244.28
Advance received against goods and services	0.12	0.12
TOTAL	7,610.32	7,616.67

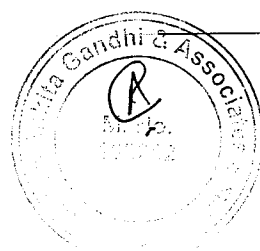
19 Other Current Liabilities	As on	
	31 st March, 2024	31 st March, 2023
Statutory dues	2,058.92	2,082.31
(includes contributions to PF, TDS, VAT, GST etc.)		
TOTAL	2,058.92	2,082.31



Indian Bullion Market Association Ltd.

Notes forming part of the financial statements for the year ended 31st March, 2024

	(Rs. in Lakhs)	(Rs. in Lakhs)
	Year ended 31st March, 2024	Year ended 31st March, 2023
20 Revenue from operations		
Sale of traded goods	-	-
TOTAL	-	-
21 Other income		
Interest income on		
Fixed Deposit with Banks *	1.50	1.38
Gratuity fund with LIC	1.11	0.82
	2.61	2.20
Income on sale of Investment *	0.65	-
Fair value change in Mutual Fund (Nippon India) *	2.22	-
Provision for written back	16.12	-
TOTAL	21.60	2.20
* Return on Investment	5.55%	6.59%
23 Employee benefits expense		
Salary to Staff	2.46	-
TOTAL	2.46	-
24 Finance Costs		
Interest expense on:		
Delayed payment of tax	0.02	0.02
TOTAL	0.02	0.02
25 Depreciation and amortisation expense		
Depreciation on tangible assets	0.30	0.31
Amortisation of intangible assets	0.02	0.02
TOTAL	0.32	0.33
26 Other expenses		
Travelling and conveyance	0.30	0.16
Directors' sitting fees	6.11	5.06
Rent-Office	-	1.98
Legal Expenses	5.00	-5.00
Professional Fees	9.18	1.85
Statutory Audit fees to auditor	1.00	1.00
Damage Charges	-	0.09
Demat Charges	0.53	0.53
Miscellaneous expenses	0.14	0.08
TOTAL	22.26	5.74
27 Earnings per share (EPS)		
Total comprehensive income for the year	-3.47	-7.52
Weighted average number of equity shares in calculating basic and diluted EPS(Nos.)	1,45,38,949	1,45,38,949
EPS- Basic & Diluted (excluding extra ordinary items)	(0.00)	(0.00)
Face Value per share	10	10



Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

28. Financial Instrument Disclosure

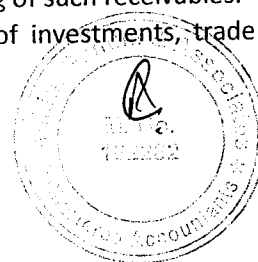
Financial Instrument	(Rs. in Lakhs)			
Particulars	Amortised cost/ cost	FVTPL	FVTOCI	Fair value/ carrying value
As at 31st March, 2024				
Assets				
Investments				
In mutual funds	-	84.86	-	84.86
Other Financial Assets	1,921.74	-	-	1,921.74
Cash and cash equivalent	11.02	-	-	11.02
Financial Assets	1,932.77	84.86	-	2,017.63
Liabilities				
Trade Payables	436.74	-	-	436.74
Borrowings	1,479.00	-	-	1,479.00
Other Financial Liabilities	7,610.32	-	-	7,610.32
Total Liabilities	9,526.06	-	-	9,526.06
As at 31st March, 2023				
Assets				
Other Financial Assets	1,915.39	-	-	1,915.39
Cash and cash equivalent	0.70	-	-	0.70
Financial Assets	1,916.09	-	-	1,916.09
Liabilities				
Trade Payables	441.63	-	-	441.63
Borrowings	1,479.00	-	-	1,479.00
Other Financial Liabilities	7,616.67	-	-	7,616.67
Total Liabilities	9,537.30	-	-	9,537.30

29. The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis, Credit rating	Diversification of bank, deposits
Liquidity risk	Business commitment and other liabilities	Rolling Cash flow forecast	Availability of committed credit lines and borrowing facilities
Market risk – security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

(A) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, analysis of historical bad debts and ageing of such receivables. Financial instruments that are subject to such risk, principally consist of investments, trade and other receivables and loans and advances.



Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

(B) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

(i) Financing arrangements

Undrawn borrowing facilities at the end of the reporting year to which the Company had access is Rs. Nil (Previous Year Rs. Nil)

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of Financial Liabilities

(Rs. in Lakhs)

Particulars	Less than 1 Year	More than 3 Years	Total
As at 31st March 2024			
Borrowings	1,479.00	-	1,479.00
Trade Payables	-	-	-
1 - MSME	-	-	-
2 - Other than MSME			
Less than 1 year	1.10	-	1.10
More than 3 years	-	435.64	435.64
Other Financial Liabilities	-	7,610.32	7,610.32
	1,480.10	8,045.96	9,526.06

(Rs. in Lakhs)

Particulars	Less than 1 Year	More than 3 Years	Total
As at 31st March 2023			
Borrowings	1,479.00	-	1,479.00
Trade Payables	-	-	-
1 - MSME	-	-	-
2 - Other than MSME			
Less than 1 year	0.40	-	0.40
More than 3 years	-	443.62	443.62
Other Financial Liabilities	-	7,612.12	7,612.12
	1,479.40	8,055.74	9,535.14

(C) Market risk

(ii) Interest rate risk



Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

Liabilities

The Company's policy is to minimize interest rate cash flow risk exposures on external financing. At 31 March, 2024 and 31 March, 2023, the Company is not exposed to changes in interest rates, as there is no borrowings carrying variable interest rates.

Assets

The Company's fixed deposits are carried at amortized cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Capital management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

30. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

Disclosures Required Under Section 22 Of The Micro, Small and Medium Enterprises Development Act, 2006:

- a. An amount of NIL (Previous Year Rs. Nil) and Rs Nil (Previous Year Rs. Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
- b. No interest paid during the year.
- c. Rs Nil interest is accrued and remains unpaid at the end of the year.

Based on the records available with the Company, it had not received any positive confirmation from any of the 'suppliers' regarding their status under MSMED Act, 2006 and hence disclosure if any, relating to amounts paid/unpaid as at the year-end together with interest paid/accrued and payable as required have not been furnished.

31. Related Party information

Names of related parties and nature of relationship:

(A) Company whose control exists (Holding company)
National Spot Exchange Limited

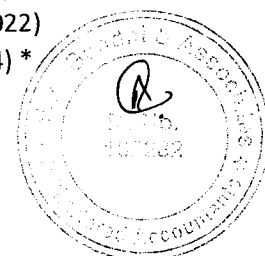
(B) Company having significant influence over the company
(Ultimate holding company)
63 Moons Technologies Ltd. (Formerly known as Financial Technologies (India) Ltd.)

(C) Fellow subsidiaries and subsidiary of ultimate holding company

1. Farmer Agricultural Integrated Development Alliances Limited (FAIDA)
2. Westernghats Agro Growers Company Limited (WAGCL)
3. Ticker plant Limited

(D) Key Management Personnel (KMP):

1. Mr. Anand Daksha: WTD & Chief Executive Officer (Appointed w.e.f. 1st August, 2020)
2. Mr. Neeraj Mishra: Chief Financial officer (Appointed w.e.f. 3rd November, 2022)
3. Mr. Bipin Dhanesha: Independent Director (Appointed w.e.f. 10th January 2019)
4. Ms. Ujjwala Deshpande: Independent Director (Appointed w.e.f. 10th January, 2019)
5. Mr. Yogesh Borkar: Non-Executive Directors (Resigned w.e.f. 1st March, 2024)
6. Mr. Girish Gangir: Chief Financial officer (Resigned w.e.f. 22nd September, 2022)
7. Mr. Girish Gangir: Non-Executive Directors (Appointed w.e.f. 1st March, 2024) *
8. Mr. Urvish Desai: Company Secretary (Resigned w.e.f. 2nd February, 2024)



Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

9. Mr. Akshay Kallil: Company Secretary (Appointed w.e.f 6th February, 2024) *

*Remuneration to Key Managerial Personnel have been paid by Holding company NSEL.

Transactions with related parties:

(Rs. In Lakhs)

Sr. No.	Nature of transactions	Holding Company	Fellow Subsidiaries of Holding Company	Ultimate Holding Company	Key Management Personnel (Managing Director, Whole time director, Manager and other managerial personnel)
1.	<u>Short Term Borrowing taken</u>				
	Balance as at the start of the year	1,479 (1,479)	- (-)	- (-)	- (-)
	Balance as at March 31, 2024	1,479 (1,479)	- (-)	- (-)	- (-)
2.	Sundry Creditors & Other Payable Balance at the end of the year	7,338.56 (7,338.56)	- (-)	27.36 (27.36)	- (-)
3.	Contingent liabilities Interest payable to NSEL	1035.30 (887.40)	- (-)	- (-)	- (-)
4.	Director Sitting Fees				
	During the year	- (-)	- (-)	- (-)	6.11 (5.05)
	Balance as at March 31, 2024	- (-)	- (-)	- (-)	- (6.35)
5.	Remuneration to KMP paid during the year	- (-)	- (-)	- (-)	2.46 (-)

Note: (i) Related party relationship is as identified by the Company and relied upon by the auditors.

(ii) Previous year figures are given in brackets.

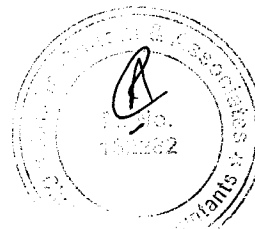
32. Leases

Company as a Lessee:

Company has taken office premises on lease. Company has considered such leases as "short term leases" and accounted accordingly.

Disclosure for Non-cancellable leases is as follow:

(Amount Rs in Lakhs)



Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

Particulars	As at 31.03.2024	As at 31.03.2023
Lease expenditure charged to P&L		
Lease rentals	NIL	1.97 Lakhs
Future minimum lease rentals		
Not later than 1 years	NIL	NIL
Later than one year but not later than 5 years	NIL	NIL
Later than 5 years	NIL	NIL

Commitments (To the extent not provided):

33. Contingent liability

(Amount Rs in Lakhs)

	Particulars	As at 31.03.2024	As at 31.03.2023
a)	Estimated amount of contract to be executed in capital account and not provided for (net of advances).	NIL	NIL
b)	For commitments relating to lease arrangements.	NIL	NIL
c)	Contingent liabilities not provided towards Sales tax demand. (refer note 53(A)(b))	37,015.82	36,509.21
d)	Contingent liabilities towards Bank guarantees not provided for.	3.90	3.90
e)	Disputed liabilities not provided towards Income tax demand. (refer note 53(B))	2,216.68	2,216.68
f)	Interest on Loan from NSEL (refer note 51)	1,035.30	887.40

34. Actuarial Assumptions:

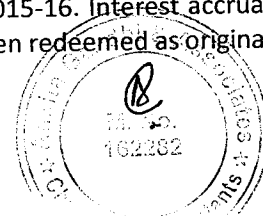
Gratuity Plan:

During the year, Company has not made any annual contributions to the Gratuity-cum-Life Assurance (Cash Accumulation) Scheme administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

Notes:

- All employees of the company were transferred to the holding company, NSEL on 31st December 2013. As the company did not have employees as on 31st March 2024 actuarial valuation is not carried out. The liability pertaining to gratuity and leave encashment were transferred to NSEL on actual basis considering the period of employment, current salary cost and leave balance as on the date of transfer of employees. As per the instruction of Holding Company (NSEL), IBMA has started to pay salary of its deputed employees from March 2024 onwards. However, Retirement benefit would be borne by the NSEL.
- The value of funds maintained with LIC of Rs. 14.03 Lakhs as on the balance sheet date which has been arrived at considering rate of interest of 7.67% p.a. for FY 2023-24. (Refer Note 7).

35. National Savings certificates (NSC) value shown in note no 6 as Non-current investments of Rs. 46,000 under lien to Rajasthan Vat department. All NSC was for 6 Years which matured in FY 2015-16. Interest accrual upto the date of maturity has been accounted in Books of Accounts. NSC has not been redeemed as original NSC lien to Rajasthan Vat department.



Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

36.a) As on 31st July, 2013 Rs.1,17,009.86 Lakhs was the settlement payout receivable by IBMA from NSEL on account of trades executed by its affiliated members and clients that were part of the revised settlement plan. This figure has been arrived at on the basis of information received from NSEL. The company has relied on such information. Up to 16th May, 2015, NSEL has completed 65 weekly payouts and has released Rs. 11,036.90 Lakhs towards the obligation of IBMA's affiliated members and clients. Payout after 20th November 2013 has been made by NSEL directly to constituent members and clients of IBMA. The amount receivable by affiliated members and clients were not fully received from NSEL as per the revised settlement plan. On the basis of the legal opinion received by the company, and as the company acted as a member broker, the company may not have any liability on net basis towards such unsettled obligation to its members and clients. In view thereof, no provision for the same is made in the books of accounts of the Company.

b) While NSEL had completed the settlement to other ITCM's and TCM's (Trading cum clearing members) for settlement period up to 30th July, 2013, certain amount was due to the company pertaining to settlement obligation up to such period. Such funds were receivable for onward payment to the company's constituent members and clients. In the absence of the release of the amounts in the aforesaid settlement the company had released such payments, in favor of its constituents out of funds available at its disposal. The outstanding settlement obligation receivable as on the balance sheet date is presented on net basis after reducing amount payable to the constituent members and clients along with other credits in the trading member and client ledger. Accordingly, an amount of Rs. 1,876.44 Lakhs is shown as "Receivable from NSEL settlement obligation" under "Other current assets" in the balance sheet. (Refer Note 14).

c.) An amount of Rs. 3,128.43 Lakhs pertaining to VAT on unsettled trades on NSEL exchange platform is outstanding as on balance sheet date. This amount is receivable from the defaulting members on NSEL exchange platform and is in turn payable to the constituent members and clients of the company as part of outstanding settlement obligation.

d.) Out of the recoveries made from defaulting members of Exchange, Competent Authority (CA) have disbursed some amounts to members and clients. Company had sought the details of disbursement, however, no details has been received from CA of such recoveries and disbursement to members. In absence of details of such recoveries and disbursement with the Company, Company has not updated it.

e) Company has carried out reconciliation of balance between IBMA & NSEL in respect of exchange operations in the year 2020-21 and found that there is no difference between IBMA & NSEL balance pertaining to Exchange trade obligations. The difference of Rs. 53.58 Lakhs is relating to other charges receivable from various TM/Clients. The classification of transaction between TM/clients could not be specifically identified due to non-availability of balance confirmation from clients/TM. Hence, the amount of Rs. 53.58 Lakhs is transferred to "Receivable from Various Clients/TM" Account.

COURT CASES INITIATED BY THE COMPANY:

37. IBMA had entered into an agreement with M/s SNP Design Pvt. Ltd. (hereinafter referred as "SNP") Trades were executed by the Company on behalf of SNP till July 31, 2013 and a sum of Rs.7,747 Lakhs along with interest is due and recoverable from SNP as the Company has filed a Commercial Suit 30 of 2015 before the Hon'ble High Court of Bombay against SNP Designs Pvt. Ltd. and Others. As per the recent amendment in pecuniary Jurisdiction City Civil Court rules the matter is transferred to the City Civil Court.

38. IBMA had entered into procurement agreement with Harley Carmbel Pvt. Ltd. (hereinafter referred as "Harley") Harley failed to make full payment of its obligations. IBMA has obtained an Arbitration Award amounting to Rs. 234.84 Lakhs along with interest at 12% p.a. in its favour, IBMA has filed Execution Petition before the Alappuzha Court (Kerala) which is pending.

COURT CASES PENDING AGAINST THE COMPANY: -



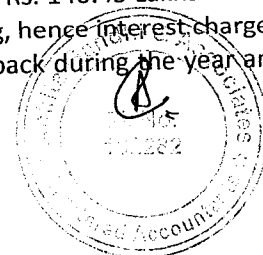
Indian Bullion Market Association Limited

Notes to Financial Statements for the year ended 31st March 2024

39. Due to the payment defaults on the exchange platform of National Spot Exchange Limited (NSEL) / Holding Company of IBMA, an FIR dated 30.9.2013 got registered against various persons under Indian Penal Code, 1860. Subsequently, provisions of the Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 ("MPID Act") were added to the FIR. EOW has filed the 4th charge sheet in the Designated MPID Court against IBMA & Others which is numbered as MPID Special Case 05 of 2019. The MPID Court was pleased to take the cognizance and issued process. The said MPID Case No. 5 of 2019 is merged in MPID Case No. 1 of 2014 and pending before the Designated MPID Court. As a result, the State of Maharashtra has attached properties of the Company. Competent Authority has filed Miscellaneous Application against IBMA before the Designated MPID Court, Mumbai praying therein to make attachment absolute of the banks account mentioned in the notification dated 19th October, 2018 issued under the MPID Act which is pending before the Designated MPID Court, Mumbai.
40. As FIR invoked several Sections of the IPC, which are mentioned in Paragraph 1 of Part A of the Schedule to the PMLA (as amended) therefore, investigation by Enforcement Directorate ("ED") commenced under the PMLA by registering ECIR. After investigation the ED filed a prosecution complaint dated 30.03.2015 before the Ld. PMLA Court, Mumbai. ED filed Special PMLA case 21 of 2018, Directorate of Enforcement v/s. IBMA and Others before Designated PMLA Court, Mumbai. The Learned Special PMLA Court has taken cognizance of the complaints and the matter is pending before the Special PMLA Court.
41. Union of India (SFIO) v/s IBMA: SFIO has filed the Company Petition for winding up of IBMA. An Additional affidavit has been filed by IBMA seeking maintainability of the present Winding up Petition. Matter is pending pending before NCLT, Mumbai for hearing.
42. Company Petition No. 19 of 2019: The SFIO has filed complaint before City Sessions Court, Mumbai under the various provisions of Companies Act and IPC. The City Sessions Court was pleased to take cognizance of the complaint and issued process against IBMA on 29.07.2019, said matter is pending.
43. M/s. Issan Overseas Pvt. Ltd filed a complaint against IBMA and its ex-directors alleging that VAT is not paid by IBMA to Issan Overseas Pvt. Ltd. As Police did not register FIR against IBMA, Issan Overseas Pvt. Ltd. filed Criminal Case before the Ld. Addl. Chief Metropolitan Magistrate, Ahmedabad which is pending. IBMA has filed Writ Petition before the Hon'ble Gujarat High Court for quashing the Criminal Case filed by Issan Overseas Pvt. Ltd.
44. M/s Shri Khemisati Exims Pvt. Ltd has filed Commercial Suit before the Hon'ble High Court of Bombay against various parties including IBMA (IBMA) for recovery of an amount of Rs.3,80,43,567.67 with interest thereon @ 18% per annum. IBMA has filed its Written Statement on record and the Suit is pending before High Court. As per the recent amendment in pecuniary Jurisdiction City Civil Court rules the matter is transferred to the City Civil Court.
45. Commercial Suit no. 70 of 2017 has been filed (by NSEL Trader) before the Hon'ble High Court of Bombay against various parties including IBMA (IBMA) for recovery of an amount of Rs.22,67,14,466.81 with interest thereon @ 18% per annum which is pending.

OTHER MATTERS & DISCLOSURES:

46. Company has put all efforts to recover the trade debts and other receivables. The likelihood of recoverability of such receivables has been impacted due to the abrupt closure of the business, loss of credibility of the Company and several other factors. The company has made full provision against such receivables. Total provision till 31st March, 2024 for such doubtful trade receivable is Rs 751.82 Lakhs (previous year Rs 751.82 Lakhs) and for other receivables is Rs 7,667.48 Lakhs (previous year Rs 7,667.48 Lakhs).
47. During the year company has received refund from Delhi Sales Tax Department of Rs. 140.43 Lakhs for the year 2013-14. Since the company has received refund and no dues are outstanding, hence interest charged on Delhi Vat suo-moto basis in earlier years of Rs 16.12 Lakhs has been written back during the year and considered as other income of the company.



Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

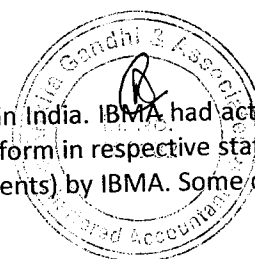
48. As an ITCM the company had received margin money from its constituent trading members and clients. The outstanding margin amount as on the balance sheet date was Rs.244.28 Lakhs and is shown under the head "Other Financial Liabilities" (Refer Note 18). Out of the aforesaid amount the company had given cash margin of Rs.25 Lakhs to NSEL and same is shown under the head "Receivable from NSEL settlement obligation" under "Other Current assets" in the balance sheet. (Refer Note 14)
49. M/s Karvy Comtrade Ltd., has informed vide letter dated 30th March, 2017 that interest and penalty debited by MCX on account of shortage of Margin and cross deals by IBMA. The said amount is in turn debited to our account without our knowledge / consent. We have not accounted/accepted the said debit amount of Rs. 42.12 Lakhs and Company had denied the said charges. Company till date has not received any notice/communication from Karvy Comtrade Ltd with regards aforesaid and as per limitation Act, aforesaid claim is barred.
50. Company's most of the Bank Accounts and Mutual fund investments have been frozen by the State of Maharashtra under MPID and therefore the company is not able to use the funds lying with it. The applicability of MPID on the 63MTL and NSEL was challenged by 63MTL. The Hon'ble High Court of Bombay vide Order pronounced on 22 August 2019 was pleased to declare that NSEL is not a financial establishment under the MPID Act. The said order dated 22.08.2019 is challenged by the State of Maharashtra before the Hon'ble Supreme Court. The Hon'ble Supreme Court has set aside the order of the Bombay High Court.
51. IBMA has outstanding payable balance of Rs 1,479 Lakhs against loan taken in earlier years from NSEL towards working capital needs. Applicable rate of interest on loan is 10% pa. However, IBMA has not accounted interest expenses on above loan from FY 2017-18 onwards since amount is not debited by NSEL. Loan has been written off in the books of NSEL in earlier year but NSEL has kept legal right to recover the Loan and interest, based on the confirmation given by NSEL. Company had requested NSEL to give waiver of interest. In view of the above factors and to reflect fair position, and disclosed the same under Contingent liability. Had the company made the provision for interest of current year, loss for the year would have been higher by Rs 147.90 Lakhs. Total Interest upto current year is Rs. 1035.30 Lakhs. (refer note 33)
52. As per the assessment of the Management, necessary disclosures which arise from the irregularities as stated above, have been made in the financial statements. Since matters relating to several of the irregularities are sub-judice and the various investigations are on-going, any further adjustments/disclosures, if required, be made in the financial statements of the Company as and when the outcome of the above investigations is known and the consequential adjustments/disclosures are identified. However, following risks are still not fully covered.
- a) Risk of un-identified financial irregularities
In view of the specific scope of the forensic audits and the limitations in the forensic audits and investigations, there is an inherent risk that material errors, fraud and other illegal acts may exist that could remain undetected.
 - b) Risk of adverse outcome of investigation/enquiry by law enforcement agencies
Several agencies such as the Economic Offence Wing (EOW), Ministry of Corporate Affairs (MCA), Enforcement Directorate (ED), Serious Fraud Investigation Office (SFIO), Central Bureau Investigation (CBI) and the Income Tax Department etc. are currently investigating/enquiring the extent of alleged irregularities and any breach of law. The matters are also sub-judice before various forums. The Company may be exposed to liabilities in case of any adverse outcome of these investigations or any other investigation which may arise at a later date.

53. Sales Tax and Income Tax liabilities/compliances

(A) Sales Tax

(a) Where company has acted as an agent for members/clients:

The company had obtained sales tax registrations in seventeen states in India. IBMA had acted as an agent for few of selling and buying members on NSEL exchange platform in respective states as "dealer". Such transactions were carried out for principals (member/clients) by IBMA. Some of the



Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

state sales tax authorities are in advances stage or have completed assessments of such transactions. In some cases, input tax credits (ITC) on purchases have been denied on account of following reasons:

- i. Non- payment of Sales Tax (VAT/CST) by selling party.
- ii. Non-filing of sales tax (VAT /CST) returns by selling party.
- iii. Non-matching of sales tax amount with the Sales Tax returns filed by selling party.
- iv. Lack of confirmation of sales tax payment by selling party etc.

As a fall out of above, demands have been raised against the company by several state government sales tax authorities. All such demands are contested at various forums. In all such cases, the company has taken steps to ensure that ITC on purchases are not denied and credits are promptly given to the company.

In cases where the selling dealer has collected tax, but not deposited to state treasury, the company has requested administration to recover from the selling dealer/ not to hold company responsible for the same. In cases where confirmation of proof of payment by selling party is concerned, the company is using its resources to seek the same and furnish before the authorities.

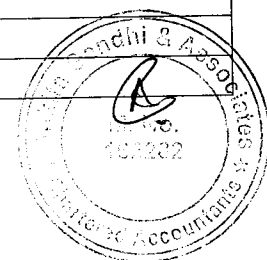
As per the legal advice received by the company, such liabilities, if any, which arises for acting as an agent, primarily pertains to the principal for whom the company had acted as an agent. The liability of the company qua such demands shall be to the sales tax registering authorities shall be total, if the company is held responsible to make such payments, ultimately. In all such cases, at present the company has treated such liabilities as contingent liabilities in its books of accounts, pending arriving at final liability on assessment and pending recovery of such amounts from principals.

(b) Where company has carried out own trading activities:

In case of denial of input tax credit (ITC) on all transactions where purchases were made by the company, on its account, such liabilities on sales tax account is considered as "contingent liabilities" till assessment is completed. In case of demands, which are disputed and where the liability of payment of tax is not on the company, the same is disclosed for as contingent liability.

The summary of such demands and their treatment in the books of accounts of the company are as under. (Rs. In Lakhs)

Particulars	For trades as an agent for members Disputed and disclosed as contingent	For proprietary trades Disputed and disclosed as contingent
Gujarat VAT		
F.Y. 10-11	66.79	-
F.Y. 11-12	12.75	-
F.Y. 13-14	7.59	-
F.Y. 11-12 CST	5.86	-
F.Y. 13-14 CST	159.43	-
Andhra Pradesh VAT		
F.Y. 13-14 (Penalty)	5.00	-
F.Y. 13-14 (Interest)	4.31	-
Punjab VAT		
F.Y. 12-13	16,562.59	-
F.Y. 13-14	11,670.70	-
Maharashtra VAT		
F.Y. 13-14	767.61	-



Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

Haryana VAT		
F.Y. 12-13	146.63	-
F.Y. 13-14	6378.92	-
Uttar Pradesh VAT		
F.Y.10-11	9.11	-
F.Y.11-12	158.66	49.87
F.Y.12-13	943.33	66.67
Total	36,899.28	116.54

(c) Interest on Vat liability

Company had liability of VAT of earlier years in various states against which interest and penalty of Rs 1,247.24 Lakhs on delayed payment has already been provided in books of accounts till FY 2017-18. Company has not provided any interest and penalty during the year on said liability as the Company expects waiver of interest and penalty under VAT departments' amnesty scheme coming in to effect time to time in various states.

(B) Income tax Appeal and demand status: -

Income tax assessment and outstanding demands for A.Y. 2010-11 to A.Y. 2014-15:

Income tax assessment/appeal for period from AY 2008-09 is under progress at various levels. There are certain demands raised by the department. Additions have been made by department which are not justified and in certain cases appeal effect is not given or there are errors in orders which are not rectified. Company has filed objections and appeal to such additions, errors and demands. Matter is pending under various forum for hearing.

Year wise break up demand and forum where the same is pending is given below.

Sr.no	Assessment year	Demand (Rs. In Lakhs)	Forum where same is pending
1	2011-12	150.31	Income tax Appellate Tribunal
2	2012-13	1,197.52	Income tax Appellate Tribunal
3	2013-14	675.02	Income tax Appellate Tribunal
4	2014-15	193.82	Income tax Appellate Tribunal

In all the years under appeal. CIT(A) has given very little relief against addition made by assessing officer. Company is hopeful that all additions will be deleted and it will get sizeable relief. Against above demands, Company had paid Rs 20 Lakhs in the year 2019-20 under protest.

54.No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- Crypto Currency or Virtual Currency
- Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- Registration of charges or satisfaction with Registrar of Companies
- Relating to borrowed funds:
 - Wilful defaulter
 - Utilisation of borrowed funds & share premium
 - Borrowings obtained on the basis of security of current assets
 - Discrepancy in utilisation of borrowings
 - Current maturity of long term borrowings



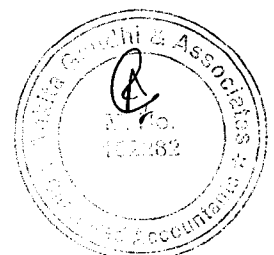
Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

55.Accounting Ratios:

Sr No	Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% variance	Reason for variance
(a)	Current ratio	Total Current assets	Total Current liabilities	0.2054	0.2084	-1.44%	Ratio is lower due to Increase in investment
(b)	Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.00038	0.00043	-10.83%	Loss is reduced in current year due to other income
(c)	Net profit ratio	Net profit	Total Income as per P&L	-16.06%	-176.98%	-90.92%	Decrease due to other income
(d)	Return on capital employed	Earning before interest and taxes	Capital Employed	0.04%	0.04%	-10.83%	Loss is reduced in current year due to other income
(e)	Debt-equity ratio	Borrowings+Interest Accrued	Total Equity	(0.16)	(0.16)	-0.04%	
(f)	Return on Investment(ROI)	Income generated from Investment	Time weighted average Investment	5.55%	6.59%	-15.78%	Return on Investment is lower in current year due to MF newly added in current year
(g)	Net capital turnover ratio	Revenue	Working Capital	Not applicable since company has no turnover in current year and previous year			
(h)	Trade receivables turnover ratio	Not applicable as no trade receivable in current year and previous year					
(i)	Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	5.63%	1.30%	333.58%	Increase due to incese in professional and legal fees
(j)	Debt service coverage ratio	Not applicable since company has incurred losses in current year and previous year					
(k)	Inventory turnover ratio	Not applicable as the Company has no inventor					

56.The Compliance of Schedule III of the Companies Act, 2013 has been adopted to the extent applicable to the Company.

57.The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

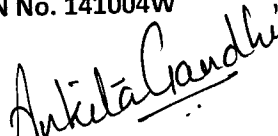


Indian Bullion Market Association Limited
Notes to Financial Statements for the year ended 31st March 2024

58. Previous Year Comparatives:

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. The company had business operations only for part of the current year and hence the figures for the current financial year are not comparable with the earlier financial year.

For Ankita Gandhi & Associates
Chartered Accountants
FRN No. 141004W

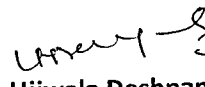

Ankita C. Gandhi
Proprietor
Membership No 162282
Place : Mumbai
Date : 10-05-2024



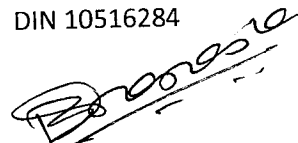
For and on behalf of Board
Indian Bullion Market Association Limited


Anand Daksha
Whole-time Director & CEO
DIN 08600992


Neeraj Mishra
Chief Financial Officer


Ujjwala Deshpande
Independent Director
DIN 07556885
Place : Mumbai
Date : 10-05-2024


Girish Gangir
Director
DIN 10516284


Bipin Dhanesha
Independent Director
DIN 05223465


Akshay Kallil
Company Secretary
Membership No. A61492