



MAHAVEER FINANCE INDIA LIMITED

# 43rd Annual Report

F.Y. 2023-24

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**E**ommitment

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Regd. Office : K.G. Plaza, 3rd Floor, No. 41-44, General Patters Road,  
Chennai - 600 002.

# MAHAVEER FINANCE INDIA LIMITED

## **BOARD OF DIRECTORS**

Sri **G. Chidambar**, Independent Director (demised on 03.05.2024)  
Sri **P.S. Balasubramaniam**, Independent Director  
Sri **K.S. Markandan**, Independent Director  
Sri **Satish Mehta**, Independent Director (w.e.f. 30.06.2023)  
Sri **Rakeshkumar Bhutoria**, Nominee Director (w.e.f. 10.08.2023)  
Sri **M. Praveen Dugar**, Deputy Managing Director & CFO  
Sri **M. Deepak Dugar**, Managing Director & CEO  
Sri **N. Mahaveerchand Dugar**, Executive - Vice Chairman  
Sri **Abhishek Poddar**, Nominee Director (resigned w.e.f. 21.06.2023)  
Sri **Jayaraman Chandrasekharan**, Independent Director  
(resigned w.e.f. 31.05.2023)

## **REGISTERED OFFICE**

Agarwal Court, K.G. Plaza, '3<sup>rd</sup> Floor',  
41-44, General Patters Road,  
Chennai - 600 002.  
Phone : 28614466, 28614477 & 28614488  
E-mail : mahaveerfinance@yahoo.co.in  
info@mahaveerfinance.com  
Website : www.mahaveerfinance.com  
CIN : U65191TN1981PLC008555

## **AUDITORS**

### **STATUTORY AUDITORS**

M/s. JKVS & Co.  
Chartered Accountants  
209, Hans Bhawan 1,  
Bahadur Shah Zafar Marg,  
New Delhi - 110002

### **SECRETARIAL AUDITORS**

M/s. M. Alagar & Associates  
Practicing Company Secretaries  
"Temple Tower" H-5, 7<sup>th</sup> Floor,  
672, Anna Salai, Nandanam,  
Chennai - 600 035.

### **COMPANY SECRETARY**

Jyoti Bokade  
Email: cs@mahaveerfinance.com

## **REGISTRARS AND SHARE TRANSFER AGENT :**

### **Equity / Preference :**

CAMEO CORPORATE SERVICES LIMITED  
Subramanian Building, No. 1 Club House Road,  
Chennai - 600 002. Phone : 044-28460390 (6 Lines)  
E-mail : agm@cameoindia.com/investor@cameoindia.com  
Website : www.cameoindia.com

### **Debentures :**

LINK INTIME INDIA PVT LIMITED  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083 Tel: +91- 022 - 4918 6270  
E-mail : rnt.helpdesk@linkintime.co.in  
Website : https://linkintime.co.in/

**DEPOSITORIES :** Central Depository Services (India) Limited (CDSL)  
National Securities Depository Limited (NSDL)

## **DEBENTURE TRUSTEE :**

1. Catalyst Trusteeship Limited  
Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098.
2. Vardhman Trusteeship Private Limited  
The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai - 400051,  
Maharashtra, India.

## **BRANCH :**

**Tamil Nadu :** Attur, Coimbatore, Cuddalore, Dindigul, Gobichettipalayam, Hosur, Kallakurichy, Kanchipuram, Karaikudi, Karur, Kolathur, Kumbakonam, Madurai, Manapparai, Mayavaram, Mettur, Nagapatinam, Nagercoil, Pondicherry, Rasipuram, Salem, Sivakasi, Tambaram, Tenkasi, Theni, Thoothukudi, Tirunelveli, Trichy, Tiruvannamalai, Vellore.

**Andhra Pradesh :** Anantapur, Eluru, Guntur, Gudivada, Kadapa, Kakinada, Kurnool, Madanapalle, Naidupeta, Nellore, Nandyal, Ongole, Rajampet, Rajamundry, Tirupati, Visakhapatnam, Srikakulam, Vijayawada, Narasaraopet, Gajuwaka, Chittoor.

**Telangana :** Hyderabad, Jagtial, Jangaon, Karimnagar, Khammam, Kodada, Kukatapally, Mahabubnagar, Mancherial, Nalgonda, Nizamabad, Warangal.

# MAHAVEER FINANCE INDIA LIMITED

CIN:-U65191TN1981PLC008555

Regd. Office: Agarwal Court, K.G.Plaza Shop No. T8 & T9, 3<sup>rd</sup> Floor,  
No. 41-44, General Patters Road, Chennai – 600 002.

Phone Nos. 044 - 28614466, 28614477 & 28614488

E-mail: cs@mahaveerfinance.com, Website : www.mahaveerfinance.com

## NOTICE

**NOTICE** is hereby given that the 43<sup>rd</sup> Annual General Meeting of the Members of Mahaveer Finance India Limited will be held at South India Hire Purchase Association Premises, Desabandu Plaza, 1<sup>st</sup> Floor, 47 Whites Road, Chennai-600014 on Friday, 9<sup>th</sup> August, 2024 at 12.30 P.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive and adopt the audited financial accounts of the Company for the financial year ended 31<sup>st</sup> March, 2024 and Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri. Mahaveerchand Dugar (DIN: 00190628) who retires by rotation and being eligible, offers himself for re- appointment.

### SPECIAL BUSINESS

3. To approve issue of debt instruments on a private placement basis and in this regard, to pass the following Resolution with (or) without modification(s) as a **Special Resolution**:

**“RESOLVED THAT** in supersession of the Special Resolution passed at the Annual General Meeting held on 22<sup>nd</sup> July, 2023 and pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 and subject to such other Regulations/Guidelines, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to listed/unlisted, Secured/Unsecured, Redeemable, market linked, and/or any other Non-Convertible Debentures including but not limited to Subordinated Debentures, bonds, commercial paper and / or other debt securities, on a private placement basis, in one or more tranches, during the period from 43<sup>rd</sup> Annual General Meeting to 44<sup>th</sup> Annual General Meeting (AGM) for a sum as decided by the Board or its committee from time to time, not exceeding the overall borrowing limit approved under Section 180(1)(c) by the members of the Company”.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time, as to interest rate, tenor, repayment, security, or otherwise and listing, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution”.

4. To approve revision in the offer of partly paid up equity shares and in this regard, consider and if thought fit, to pass with (or) without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** the offer of partly paid-up shares previously approved by the Board on 27<sup>th</sup> February 2024 and subsequently by the shareholders on 25<sup>th</sup> March 2024, be revised due to the proposed revisions in the issue price and the quantity of shares to be offered to align with the terms of the Shareholders’ agreement and Share Subscription Agreement dated 29<sup>th</sup> March, 2024 and recent determination of share price”.

**“RESOLVED FURTHER THAT** in accordance with the provisions of Sections 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with applicable Rules including Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 framed there under and any other applicable laws, rules, acts (if any) including any statutory modification(s), re-enactment(s) thereof for the time being in force, and subject to the approval of members, the consent of the Board be and is hereby accorded to further invite/offer, issue and allot 8,24,176 (Eight Lakh Twenty-Four Thousand One Hundred Seventy-Six) partly paid equity shares having face value Rs. 10/- (Rupees Ten only) each, at a price of Rs. 182/- (Rupees One Hundred Eighty-Two only) which includes a premium of Rs. 172/- (Rupees One Hundred Seventy-Two only) each, aggregating to INR 15,00,00,000/- (Rupees Fifteen Crores Only), on a preferential basis through private placement to the Promoters to the following persons”.

Proposed Allottees	No. of Securities	Consideration (In Rupees)
Shri. M. Deepak Dugar	4,12,088	7,50,00,000
Shri. M. Praveen Dugar	4,12,088	7,50,00,000

**“RESOLVED FURTHER THAT** an amount of INR 1 (Indian Rupee One) shall be payable by the proposed allottees (“Promoters”) during the offer period, as may be decided as the application money and the balance amount be payable within a period of 7 (seven) years from the date of receiving application money”.

**“RESOLVED FURTHER THAT** Ms. Jyoti Bokade – Company Secretary, be and are hereby authorized to record the same in Form PAS 5 for the partly paid-up equity shares being offered by the Company”.

**“RESOLVED FURTHER THAT** monies received by the Company from the investor shall be kept in a separate bank account of the company and shall be utilized by the companies in accordance with Section 42 of the Act”.

**“RESOLVED FURTHER THAT** any of the Directors (except the Promoters) and Company Secretary, be and are hereby authorized jointly and severally to sign the private placement offer letter (Form PAS 4)”.

**“RESOLVED FURTHER THAT** any of the Directors (except the Promoters) and Ms. Jyoti Bokade - Company Secretary, be and are hereby authorized jointly and severally to sign on behalf of the Company all necessary letter of offers, forms, e-forms, agreements and other documents as may be required in this regard and furnish the same to the relevant authorities including but not limited to RBI, ROC, Depositories, etc and also to do any such acts, things and deeds as may be deemed necessary to give effect to the aforesaid resolutions and do all such activities to finalize and execute the aforementioned transaction”.

5. To consider the appointment of M/s. G. M. Kapadia & Co. statutory auditor to fill the casual vacancy caused due to resignation of the existing statutory auditors M/s JKVS & Co., Chartered Accountants (Firm Registration No. 318086E)

To consider and, if thought fit, to pass with or without modifications the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), amendment(s) thereto or re-enactment(s) thereof for the time being in force) and the rules, guidelines and circulars issued by Reserve Bank of India (RBI), in this regard, from time to time and as per the recommendation of the Audit Committee and the Board of Directors, M/s G.M. Kapadia & Co., Chartered Accountants, (FRN: 104767W), be and are hereby appointed as the Statutory Auditors of the Company, to fill the casual vacancy caused due to resignation of the existing

Statutory Auditors, M/s JKVS & Co., Chartered Accountants (Firm Registration No. 318086E) and they shall hold the office from 05<sup>th</sup> July 2024 until the conclusion of this 43<sup>rd</sup> Annual General Meeting at a remuneration for conducting statutory audit for FY 2024-25, as may be determined and recommended by Audit Committee and duly approved by the Board of Directors”.

**RESOLVED FURTHER THAT** Mr. N. Mahaveerchand Dugar – Executive Vice Chairman, Mr. M. Deepak Dugar - Managing Director & CEO, Mr. M.Praveen Dugar – Deputy Managing Director & CFO and Ms. Jyoti Bokade – Company Secretary, be and are hereby severally authorized to take such steps in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution and to file necessary e-forms with Registrar of Companies”.

6. To consider appointment of M/s. G. M. Kapadia & co. as statutory auditors for the term of 5 years

To consider and, if thought fit, to pass with or without modifications the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), amendment(s) thereto or re-enactment(s) thereof for the time being in force) and the rules, guidelines and circulars issued by Reserve Bank of India (RBI), in this regard, from time to time and as per the recommendation of Audit Committee and the Board of Directors, M/s G.M. Kapadia & Co., Chartered Accountants, (FRN: 104767W), be and are hereby appointed as the Statutory Auditors of the Company, to hold the office for a period of 5 years from the conclusion of this 43<sup>rd</sup> Annual General Meeting till the conclusion of 48<sup>th</sup> Annual General Meeting to be held in the year 2029, subject to the fulfilment of eligibility criteria by the auditors every year, at a remuneration as may be determined and recommended by Audit Committee and duly approved by the Board of Directors, with the power to the Board of Directors to alter and vary the terms and conditions of appointment and revision in remuneration as may be mutually agreed with the Statutory Auditors:

**“RESOLVED FURTHER THAT** Mr. N. Mahaveerchand Dugar – Executive Vice Chairman, Mr. M. Deepak Dugar - Managing Director & CEO, Mr. M. Praveen Dugar – Deputy Managing Director & CFO and Ms. Jyoti Bokade – Company Secretary, be and are hereby severally authorized to take such steps in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution and to file necessary e-forms with Registrar of Companies”.

For and on behalf of the Board  
sd/-

**Jyoti Bokade**  
Company Secretary

Place : Chennai  
Date : 12.06.2024

**Notes:**

1. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business of this notice is annexed hereto.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of him/her. The proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. Proxies in order to be effective must be properly, Stamped, executed and filed with the Company at the registered office not later than 48 hours before the commencement of the meeting.
3. Members/ Proxies should fill the attendance slip for attending the Meeting.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
5. Shareholders are requested to bring their copy of the Annual Report to the meeting.
6. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection by the Members during the continuance of Annual General meeting.
7. All other documents which are referred in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company during office hours on working days up to the date of Annual General Meeting.
8. E-mail id to be provided by the shareholders to facilitate easy and faster dispatch of Notices of the general meetings and other communications by electronic mode from time to time under Rule 18(3) of the Companies (Management and Administration) Rules, 2014.
9. Dematerialization facility to be availed at the earliest by the Shareholders who are holding shares in the Physical form. As per MCA notification dated 10<sup>th</sup> September, 2018 every holder of securities of an unlisted public company, who intends to transfer such securities after 2<sup>nd</sup> October, 2018 shall get such securities dematerialized before the transfer. You are therefore, requested to convert your shares into Demat mode.
10. In case of any queries, the Members may write to the company at e-mail: [cs@mahaveerfinance.com](mailto:cs@mahaveerfinance.com)
11. All correspondence relating to change of address, e-mail ID, transfer / transmission of shares, issue of duplicate share certificates, bank mandates and all other matters relating to the shareholding in the company may be made to Cameo Corporate Services Limited, the registrar and share transfer agent (RTA) on [investor@cameoindia.com](mailto:investor@cameoindia.com) mentioning shareholder's name, Folio no., Mobile Number and reference of Mahaveer Finance India Limited. The members holding shares in dematerialized form may send such communication to their respective depository participant/s (DPs).

## **Explanatory statement under sec 102 (1) of the Companies Act, 2013**

### **Item No. 3: To approve issue of debt instruments on a private placement basis**

As per Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company offering or making an invitation to subscribe to Debentures on a private placement basis, is required to obtain the prior approval of the Members by way of a Special Resolution. In the case of Non-Convertible Debentures however, such an approval can be obtained once in a year for all the offers and invitations for such NCD's and debt securities if the amount of such offer or invitation exceeds the limit specified under clause (c) of Section 180(1). The Company seeks approval to issue debt instruments within the borrowing limit as the company will be in need of additional funds to augment its working capital requirements, since there is enough potential available for growth of business. The Company, during the year, is planning to raise funds by the issue of Debt Instruments on such terms and conditions as may be mutually agreed upon.

The Board recommends passing the Resolution as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, are concerned or interested (financially or otherwise) in this Resolution.

### **Item No. 4: To align and finalise the issue price and offer Partly Paid-Up Equity Shares with the terms of Shareholder's Agreement**

The shareholders, in the meeting dated 25<sup>th</sup> March 2024, have given their approval to the issuance of partly paid-up equity shares aggregating to Rs. 15 Crores, following the Board's consent on 27<sup>th</sup> February 2024. It was decided that the offer would be opened to subscribers at a future date, which has not occurred as of yet.

To align with the terms outlined in the Shareholder's agreement and Share Subscription Agreement dated 29<sup>th</sup> March 2024, and the recent determination of share price, the offer will be at issue price of shares at Rs. 182/- (Rupees One hundred and eighty-two only) each, with the total number of shares being 8,24,176 (Eight Lakh Twenty-Four Thousand One Hundred Seventy-Six), amounting to Rs. 15 Crore.

Accordingly, to ensure alignment with the proposed changes, and subject to approval of members, the Board of Directors, in its meeting held on 12<sup>th</sup> June, 2024, has approved the revision of previous offer and to finalise the offer and issuance of, 8,24,176 (Eight Lakh Twenty-Four Thousand One Hundred Seventy-Six) partly paid equity shares having face value Rs. 10/- (Rupees Ten only) each at a price of Rs. 182/- (Indian Rupees One Hundred Eighty-Two only) which includes premium of Rs. 172/- (Indian Rupees One Hundred Seventy-Two only) each aggregating to INR 15,00,00,000/- (Indian Rupees Fifteen Crores Only), on preferential basis through a private placement, in accordance with the provisions of Sections 42 and 62(1)(c) and other applicable provisions, if any, of the Act read with applicable Rules including Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the following persons.

Proposed Allottees	No. of Securities	Consideration (In Rupees)
Shri. M. Deepak Dugar	4,12,088	7,50,00,000
Shri. M. Praveen Dugar	4,12,088	7,50,00,000

The promoters shall pay up to Rs.1/- per share on or before the date of allotment of equity shares as the application money and the balance amount shall be payable within a period of 7 (Seven) years from the date of receiving the application money.



The consent of the members is being sought by way of special resolution pursuant to the provisions of section 42 and Section 62(1) (c) and all other applicable provisions of Act including rules framed thereunder.

The disclosures as required under Rule 14 of the Companies (Prospectus and allotment of securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 are as under:

**(i) Objects of the Private Placement Issue:**

To avail additional funds for business expansion and growth plans.

**(ii) The total number of shares or other securities to be issued: -**

Sl. No	Type of shares offered	No. of shares offered	Issue price	Premium	Whether partly paid-up or fully paid-up
1	Equity shares	8,24,176	Rs. 182/-	Rs. 172/-	Partly paid-up

**(iii) Price or price band at/within which the allotment is proposed**

The issue price of equity shares shall be at Rs. 182/- (Rs. 10/- as nominal value and Rs.172/- as premium)

**(iv) Basis on which the price has been arrived at along with report of registered valuer:**

The securities are valued, based on the Valuation Report provided by M/s. M Alagar & Associates dated 27<sup>th</sup> February, 2024. Further, the Issue price has been finalised based on the audited financials as of 31<sup>st</sup> March 2024 of the Company, to align it with the terms of the Shareholders Agreement and Share Subscription Agreement dated 29<sup>th</sup> March 2024.

**Name of the Registered Valuer:** Mr. M. Alagar

**Address:** Temple Tower, H-5, 7<sup>th</sup> Floor, 672, Anna Salai, Nandanam, Chennai 600035.

**(v) Relevant date with reference to which the price has been arrived at:**

The Securities are valued, based on the Valuation Report provided by M/s. M Alagar & Associates dated 27<sup>th</sup> February, 2024. the Issue price has been finalised based on the audited financials as of 31<sup>st</sup> March 2024 of the Company, to align it with the terms of the Shareholders Agreement and Share Subscription Agreement dated 29<sup>th</sup> March 2024.

**(vi) The class or classes of persons to whom the allotment is proposed to be made:**

Class of shares	Proposed allottees	Class of person	No. of shares	Fully paid up/ Partly paid up
Equity	Mr. M. Deepak Dugar	Promoter	4,12,088	Partly paid-up
Equity	Mr. M. Praveen Dugar	Promoter	4,12,088	Partly paid-up

**(vii) Intention of promoters / directors to subscribe to the offer:**

Mr. M. Deepak Dugar and Mr. M. Praveen Dugar, promoters, of the Company intend to subscribe to equity shares up to 8,24,176 (Eight Lakh Twenty-Four Thousand One Hundred Seventy-Six) aggregating to Rs. 15 Crores.

**(viii) The proposed time within which the allotment shall be completed:**

As required under the Act, the Company shall complete the allotment of the equity shares to the Promoters in one or more tranches within 60 (Sixty) days from the date of receipt of such monies.



- (ix) The name of the proposed allottees, the identities of the persons who are the ultimate beneficial owners of the shares and/ or who ultimately control the proposed allottees, the percentage of post private placement issue capital that may be held by them and change in control.

S.No	Details of subscribers	Category of subscriber	Pre issue % holding (fully diluted)	Number of securities proposed to be allotted	Post issue % holding (fully diluted)
1	Mr. M. Deepak Dugar	Promoter	16.04%	4,12,088	17.63%
2	Mr. M. Praveen Dugar	Promoter	16.04%	4,12,088	17.63%

- (x) No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

NIL

- (xi) Change in control, if any, in the Company that would occur consequent to the private placement offer: None

- (xii) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not Applicable.

- (xiii) The pre issue and post issue shareholding pattern of the Company:

S.No	Category	Pre-issue		Post issue	
		No of shares held	% of shareholding (fully diluted)	No. of shares held	% of shareholding (fully diluted)
A.	Promoter				
1.	Indian				
	Individuals	65,33,450	40.51%	73,57,626	43.25%
	Body corporate	0		0	
	<b>Sub Total</b>	<b>65,33,450</b>	<b>40.51%</b>	<b>73,57,626</b>	<b>43.25%</b>
2.	Foreign Promoters	0		0	
	<b>Sub Total(A)</b>	<b>65,33,450</b>	<b>40.51%</b>	<b>73,57,626</b>	<b>43.25%</b>
B	Non-Promoter Holding				
1.	Institutional Investor	81,29,813*	50.40%	81,88,761*	48.13%
2.	<b>Non-Institution Investors</b>				
	Directors	0	0.00%	0	0.00%
	Promoter Relatives	13,04,354	8.09%	13,04,354	7.67%
	Other Public non-promoters	1,62,196	1.01%	1,62,196	0.95%
	<b>Sub Total (B)</b>	<b>95,96,363</b>	<b>59.49%</b>	<b>96,55,311</b>	<b>56.75%</b>
	<b>Grand Total (A+B)</b>	<b>1,61,29,813</b>	<b>100.00%</b>	<b>1,70,12,937</b>	<b>100.00%</b>

\* The % Shareholding and no. of shares of Institutional Investor also includes Blacksoil Capital Private Limited and First Bridge India Growth Fund, it is taken on approx. basis and may or may not vary due to pricing of equity shares to be issued as per the mechanism provided in the SHA and the SSA.

Save and except, Mr. M Deepak Dugar and Mr. M Praveen Dugar, being proposed allottees, None of the Directors, KMP and their relatives is concerned or interested in the resolution except to the extent of their shareholding, if any in the Company.

The Board of Directors of your Company recommends the same to the shareholders for passing of Special Resolution.

**Item No. 5: To consider the appointment of M/s. G. M. Kapadia, as a statutory auditor to fill the casual vacancy caused due to resignation of statutory auditor**

The Members of the Company at its 41<sup>st</sup> Annual General Meeting held on 25th July, 2022 had appointed M/s. JKVS & Co., Chartered Accountants, (FRN: 318086E) as the Statutory Auditors of the Company to hold office from the conclusion of 41<sup>st</sup> Annual General Meeting until the conclusion of 46<sup>th</sup> Annual General Meeting.

M/s. JKVS & Co., vide their letter dated 2<sup>nd</sup> July, 2024 have resigned from the position of Statutory Auditor of the Company due to pre-occupation with other pressing assignments, resulting into a casual vacancy in the office of Statutory Auditor of the Company as envisaged by section 139(8) of the Companies Act, 2013.

The Board of Directors has passed the circular resolution on 05<sup>th</sup> July 2024, as per the recommendation of the Audit Committee vide circular resolution dated 05<sup>th</sup> July 2024, and pursuant to the provisions of Section 139(8) of the Companies Act, 2013, has appointed, M/s. G.M. Kapadia & Co., Chartered Accountants, (FRN: 104767W), to hold office as the Statutory Auditors of the Company till the conclusion of 43<sup>rd</sup> Annual General Meeting and to fill the casual vacancy caused by the resignation of M/s JKVS & Co., Chartered Accountants (Firm Registration No. 318086E) subject to the approval by the shareholders at the 43<sup>rd</sup> Annual General Meeting at a remuneration as may be determined and recommended by Audit Committee and duly approved by the Board of Directors.

The Company has received consent letter and eligibility certificate from M/s. G.M. Kapadia & Co., Chartered Accountants to act as Statutory Auditor of the Company in place M/s JKVS & Co., Chartered Accountants along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 5 for approval of the Members.

**Item No. 6 : To consider appointment of M/s. G. M. Kapadia & co. as statutory auditor for the term of 5 years**

The Board of Directors has passed the circular resolution dated 05<sup>th</sup> July 2024, as per the recommendation of the Audit Committee vide circular resolution dated 05<sup>th</sup> July 2024 and pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, recommended the appointment of M/s. G.M. Kapadia & Co., Chartered Accountants, (FRN: 104767W), as Statutory Auditor of the Company to hold office for a period of five years, from the conclusion of this 43<sup>rd</sup> Annual General Meeting till the conclusion of 48<sup>th</sup> Annual General Meeting to be held in the year 2029, subject to fulfilment of eligibility criteria by the auditors at every year.

The Company has received consent letter and eligibility certificate from M/s. G.M. Kapadia & Co., Chartered Accountants firm ranking under Top 15 CA Firms of India, having more than 80 years of experience and had been engaged with the audit of Bajaj Finance, AU Small Finance Bank, HDFC and RBI, to act as Statutory Auditor of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 6 for approval of the Members.

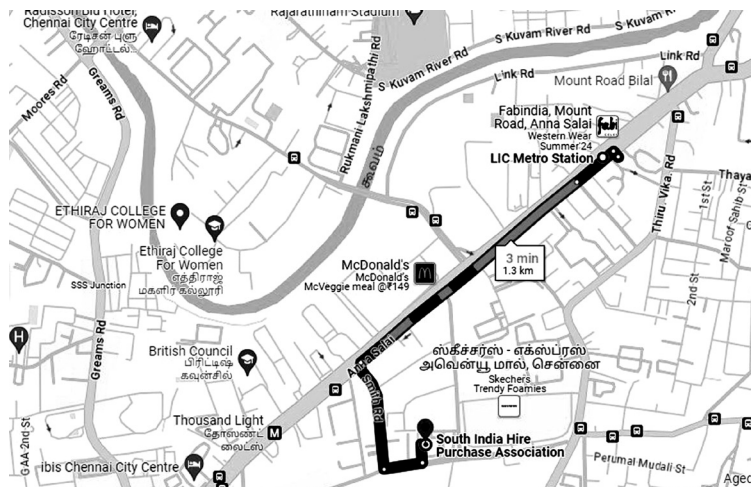
## **Annexure for Item no. 2**

Details of Directors being reappointed in this Annual General Meeting as set out in the notice in terms of Secretarial Standard on General Meetings (SS-2) is as under::

Particulars	Shri Mahaveerchand Dugar
Age	77 years
Qualification and Experience	Overall experience of more than 40 years in financing and around 30 years in hire purchase and leasing. He is promoter of Mahaveer Finance India Limited
Date of first appointment in Board	01/10/1987
Shareholding in the Company	11.09%
Relationship with other Directors/KMP	F/O Shri Deepak Dugar and Shri Praveen Dugar
No. of meetings of the Board attended during the year	Attended all the Board meetings and Committee meetings in which appointed as a member.
Other Directorship, Membership/Chairmanship of Committees of other Boards	Finance Companies Association (India), Finance Industry Development Council, Mumbai.

### **Route Map of Annual General Meeting (AGM)**

**VENUE: South India Hire Purchase Association Premises, Desabandu Plaza,  
1<sup>st</sup> Floor, 47 Whites Road, Chennai - 600014.**



## DIRECTOR'S REPORT

Dear Members,

Your Directors present the 43<sup>rd</sup> Annual report with Audited Accounts for the year ended 31<sup>st</sup> March, 2024.

### 1. FINANCIAL SUMMARY & HIGHLIGHTS

(Rs. in lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2024	Year ended 31 <sup>st</sup> March 2023
Total Income	13,674.91	10,525.23
Less: Total Expenses	11,229.67	8674.40
<b>Profit Before Tax</b>	<b>2,445.24</b>	<b>1850.33</b>
<b>Profit After Tax</b>	<b>1,664.11</b>	<b>1467.61</b>
Surplus brought forward	4052.71	2,893.96
Other Comprehensive Income (net of tax)	(29.98)	(5.34)
Transfer to :		
- Statutory Reserve	332.82	293.52
- General Reserve	10.00	10.00
<b>Surplus to be carried forward to balance sheet</b>	<b>5344.02</b>	<b>4052.71</b>

### 2. COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIRS

Your Company present the performance during the financial year 2023-24, as follows:

Particulars	2023-24	2022-23	Growth
Disbursement	594.33 Cr	474.63 Cr	25.22%
Total Income	136.75 Cr	105.25 Cr	29.93%
Profit before tax	24.45 Cr	18.50 Cr	32.16%
Net profit from operations	16.64 Cr	14.67 Cr	13.43%

The Company's sustained focus on strict credit acceptance norms and collection skills has ensured good asset quality of the company. Below are the details of NPA as on 31<sup>st</sup> March, 2024.

Gross Stage 3 % before RBI Circular impact	2.11%
Net Stage 3 % before RBI Circular impact	1.09%
Provision Coverage Ratio	47.45%
GNPA as per IRAC Norms	3.96%
NNPA as per IRAC Norms	2.76%
Provision Coverage Ratio	30.45%

### 3. CHANGE IN NATURE OF BUSINESS

There has been no change in nature of business during the period under review.

### 4. TRANSFER TO RESERVES

Your Company has transferred an amount of Rs. 332.82 lakhs to statutory reserve and Rs. 10.00 lakhs to General Reserve for F.Y 2023-24.

### 5. DEPOSITS

Your company is a non-banking financial Company and is exempted from the provisions of Section 73 of the Companies Act, 2013. Further, your company is a non- deposit taking NBFC registered with RBI and not accepting any deposits.

### 6. DIVIDEND

Considering the need to conserve funds for future growth, your directors have decided to plough back the profit to reserves for strengthening the assets of the Company. Hence the Board does not recommend any dividend for the financial year ended 31<sup>st</sup> March 2024.

### 7. NON-CONVERTIBLE DEBENTURES (NCD)

The details of Non-Convertible Debentures for the year under review is as follows:

#### Issuance of NCD:

Date of allotment	ISIN	Secured / Unsecured	Coupon rate	No. of debentures	Maturity date	Issue Price Rs.	Amount in Cr.
28-03-2024	INE911L07105	Secured	13.15%	1,340	20-08-2025	1,00,000	Rs. 13.4 Cr

#### Repayment of NCD:

ISIN	Listed / Unlisted	Principal amount in Rs.	Coupon rate	No. of debentures	Maturity date	Repayment date	Reason of Redemption
INE911L07030	Listed	Rs. 15 Cr	11.50%	150	21-04-2023	20-04-2023	Maturity
INE911L07048	Listed	Rs. 15 Cr	12.00%	150	30-07-2023	28-07-2023	Maturity
INE911L08061	Unlisted	Rs. 15 Cr	12.00%	150	01-02-2024	31-01-2024	Maturity

As on 31<sup>st</sup> March, Company has outstanding 1700 no. of NCDs aggregating to Rs. 49.4 Cr (Rupees Forty-Nine Crore Forty Lakhs only) held in dematerialized form.

### 8. DEBENTURE TRUSTEE

As at March 31, 2024, the total outstanding Debentures allotted by the Company are held by Debenture Trustee. Name of the Debenture Trustees and contact details are given below;

- Catalyst Trusteeship Limited** having their office at Windsor, 6<sup>th</sup> Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400098.  
Contact details:  
**Mail:** ComplianceCTL-Mumbai@ctltrustee.com  
**Contact No:** (022) 49220555 Ext: 413
- Vardhman Trusteeship Private Limited** having its registered office at 3<sup>rd</sup> Floor, Room No-15,6, Lyons Range, Turner Morrison House, Kolkata - 700001, West Bengal, India and acting through its office at The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India.  
Contact details:  
**Mail:** compliance@vardhmantrustee.com  
**Contact No:** +91 8657002633

## 9. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary or Joint Ventures or Associate company.

## 10. RBI GUIDELINES / PRUDENTIAL NORMS

The Company continues to comply with all the regulations prescribed by the Reserve Bank of India, from time to time. As on March 31, 2024, the Capital Adequacy Ratio of the Company is 28.21%.

## 11. CREDIT RATING

**CRISIL Ratings Limited** assigned a rating of “**CRISIL BBB; Stable**” for long term Bank facilities and subordinated Non-Convertible Debentures of the Company.

**CARE Ratings Limited** assigned a rating of “**CARE BBB; Stable**” for Long Term Bank facilities and Non-Convertible Debentures of the Company.

## 12. SHARE CAPITAL

During the year, the Company has issued 26,88,202 (Twenty-Six Lakh Eighty-Eight Thousand Two Hundred Two only) Compulsorily Convertible Preference Shares (CCPS) at a fixed dividend rate of 0.001%, having a face value of INR 10/- (Indian Rupees Ten only) each, and 100 (One Hundred) equity shares having a face value at INR 10/- (Indian Rupees Ten only) each to the First Bridge India Growth Fund (“FBIGF”).

Further, the Company has changed the share capital in following manner:

	As on 31 <sup>st</sup> March, 2023	Change	As on 31 <sup>st</sup> March, 2024
<b>Authorized Share Capital</b>	Rs. 25,00,00,000/- (Rupees Twenty Five Crores only)	Reclassification	Rs.25,00,00,000/- (Rupees Twenty Five Crores only)
Equity	2,50,00,000 (Two Crore Fifty Lakhs only) Equity Shares of Rs.10/- (Rupees Ten only) each.		2,10,00,000 Equity shares of Rs. 10 each aggregating to Rs. 21,00,00,000/- (Rupees Twenty-One Crores only)
Preference	Nil		40,00,000 Compulsorily Convertible Preference Shares of Rs.10 (Rupees Ten only) each aggregating to Rs.4,00,00,000/- (Rupees Four Crores only).
<b>Issued, Subscribed and Paid-Up Share Capital</b>	Rs. 12,26,38,660 (Rupees Twelve Crore Twenty Six Lakh Thirty Eight Thousand Six Hundred Sixty only)	Increase	Rs. 14,95,21,680 (Rupees Fourteen Crore Ninety Five Lakh Twenty one Thousand Six Hundred Eighty only).
Equity	Rs. 12,26,38,660 (Rupees Twelve Crore Twenty Six Lakh Thirty Eight Thousand Six Hundred Sixty only) consisting of 1,22,63,866 Equity shares of Rs. 10 each.		Rs. 12,26,39,660 (Rupees Twelve Crore Twenty Six Lakh Thirty Nine Thousand Six Hundred Sixty only) consisting of 1,22,63,966 Equity shares of Rs. 10 each.
Preference	Nil		Rs. 2,68,82,020 (Rupees Two Crore Sixty Eight Lakh Eighty Two Thousand Twenty only) consisting of 26,88,202 Compulsorily Convertible Preference Shares of Rs. 10 each.

### 13. MEETINGS OF THE BOARD OF DIRECTORS WITH ATTENDANCE DETAILS

#### I. BOARD MEETINGS

During the year ended March 31, 2024, Four Board meetings were held on the following dates 26<sup>th</sup> May, 2023, 10<sup>th</sup> August, 2023, 3<sup>rd</sup> November, 2023 and 27<sup>th</sup> February, 2024. The intervening gap between two meetings was within the period as prescribed under the Companies Act, 2013 and MCA circulars thereon. Details of Board of Directors and their attendance in meetings are given in report on Corporate Governance annexed to this Report as **Annexure I**.

#### II. COMMITTEE MEETINGS

As on 31<sup>st</sup> March 2024, your Board has formed all the statutory committees as required which is detailed in the report on Corporate Governance annexed to this Report as **Annexure I**. During the year under review, all recommendations made by the committees are accepted by the Board of Directors.

### 14. BOARD OF DIRECTORS/ KMP

#### I. Change in Directors

During the year under review, following are the changes in Directors:

Date	Name of the Director	Details of change	Designation
31-05-2023	Jayaraman Chandrasekharan	Resignation	Independent Director
21-06-2023	Abhishek Poddar	Resignation	Nominee Director
30-06-2023	Satish Mehta	Appointment	Additional Director – Independent
22-07-2023	Mahaveerchand Dugar	Elevation & change in designation	Whole-time Director (Executive Vice Chairman) (from Managing Director)
22-07-2023	Deepak Dugar	Elevation & Change in Designation	Managing Director (from Joint Managing Director – Whole time Director)
22-07-2023	Praveen Dugar	Elevation & Change in Designation	Deputy Managing Director (from Executive Director)
22-07-2023	Praveen Dugar	Retire by rotation and re-appointment	Deputy Managing Director (from Executive Director)
10-08-2023	Rakeshkumar Bhutoria	Appointment	Additional Director - Nominee
10-08-2023	Deepak Dugar	Appointment	Chief Executive Officer
25-03-2024	Satish Mehta	Change in designation	Independent Director
25-03-2024	Rakeshkumar Bhutoria	Change in designation	Nominee Director

#### II. Director liable to retire by rotation:

Shri. Mahaveerchand Dugar, Executive Vice Chairman (DIN 00190628), shall retire from the Board this year and, being eligible, shall be recommended for re-appointment in 43<sup>rd</sup> Annual General Meeting.

#### III. Key Managerial Personnel

During the year under review, Shri. Deepak Dugar (Managing Director) was appointed as Chief Executive Officer w.e.f 10<sup>th</sup> August, 2023.

Pursuant to the provisions of Section 203 of the Act read with rules made thereunder, the following are the Key-Managerial Personnel of the Company as on 31<sup>st</sup> March, 2024.



<b>Name of the KMP</b>	<b>Designation</b>
Mahaveerchand Dugar	Executive – Vice Chairman (Whole-time Director)
Deepak Dugar	Managing Director & Chief Executive Officer
Praveen Dugar	Deputy Managing Director & Chief Financial Officer (Whole-time Director)
Jyoti Bokade	Company Secretary

#### **15. DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received requisite declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

Further, the Board after taking these declarations on record concluded that the Independent Directors are persons of Integrity and possess relevant proficiency, expertise and experience to qualify as independent directors of the Company and are independent of the Management of the Company.

#### **16. SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, a separate meeting of the independent directors of the Company was held on 19<sup>th</sup> March, 2024 without the attendance of the non-independent directors.

#### **17. BOARD EVALUATION :**

Board of Directors has carried out an annual evaluation of its own performance, its Committees, the Directors individually including Independent Directors.

Feedback was sought by way of well-defined structured questionnaire covering various aspects of the Board's functioning and the evaluation was carried out based on responses received from the Directors.

The Board also considered the evaluation results as collated by the Chairman of the Nomination and Remuneration Committee ("NRC") while conducting the evaluation and expressed their satisfaction with the evaluation process. The evaluation process endorsed cohesiveness amongst directors, smooth communication between the Board and the management and the openness of the management in sharing the information with the Board and placing various proposals for the Board's consideration and approval.

#### **18. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

During the year under review, there are no such instances.

#### **19. INTERNAL FINANCIAL CONTROLS:**

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies (b) safeguarding of assets (c) prevention and detection of frauds/errors (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

## 20. AUDITORS:

### Statutory Auditors:

M/s. JKVS & Co., Chartered Accountants, (FRN: 318086E) were appointed as statutory Auditors of the Company, in the 41<sup>st</sup> Annual General Meeting for a period of 5 years to hold office upto 46<sup>th</sup> Annual General Meeting.

### Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board of Directors appointed M/s. M. Alagar & Associates as the Secretarial Auditor. Their report is annexed as “Annexure II” to this Report.

## 21. EXPLANATION TO THE COMMENTS OF THE STATUTORY AND SECRETARIAL AUDITOR AND REPORTING OF FRAUDS:

There are no qualifications, reservations or adverse remarks made by Statutory and Secretarial Auditor of the Company, in their report for the year ended on 31<sup>st</sup> March, 2024. Further, there has been no fraud reported by the auditors of the company under Section 143 (12) of the Companies Act, 2013.

## 22. EXTRACT OF THE ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 the annual return has been placed on the website. Link to access the same is <https://www.mahaveerfinance.com/disclosures.php>.

## 23. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Particulars	Remarks
<b>I. Conservation of energy</b>	
● the steps taken or impact on conservation of energy;	The operations of the Company, being financial services do not require intensive consumption of electricity. However, the Company is taking all possible Measures to conserve energy. Conservation of energy covers use of LED lights in new branches and in Regional Offices.
● the steps taken by the Company for utilizing alternate sources of energy;	Nil
● the capital investment on energy conservation equipments	Nil
<b>II. Technology absorption</b>	
● the efforts made towards technology absorption	Nil
● the benefits derived like product improvement, cost reduction, product development or import substitution	Nil
● in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Nil
● the details of technology imported	Nil
● the year of import;	Nil
● whether the technology been fully absorbed;	Nil
● if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	Nil
● the expenditure incurred on Research and Development	Nil
<b>III. Foreign exchange earnings and outgo:</b>	
● the Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	Nil

## 24. LOANS, GUARANTEES OR INVESTMENTS

All the loans given, guarantees and securities provided by the Company is in the ordinary course of business of the Company, which is exempted in pursuance of the Section 186 of the Act read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014. Investments of the company are detailed in Note no. 8 of Notes to accounts annexed to financial statement.

## 25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis. Form AOC -2, as required under Section 134 (3) (h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules 2014, is attached as part of this report as **Annexure III**. Disclosure of related party as per Regulation 53 (f) is included in the Note No. 37 of Notes to accounts annexed to financial statement.

## 26. PARTICULARS OF EMPLOYEES REMUNERATION:

Details of every employee of the Company as required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### I. Statement showing the names of the top ten employees in terms of remuneration drawn:

Sr. No.	Employee Name	Designation	Remuneration received (Annual CTC)	Qualification and experience of the employee	Date of commencement of employment	Age of employee	Last employment held before joining the company
1	Mahaveerchand Dugar	Executive Vice Chairman	67,50,000	Promoter Director/ 50+ years	01/10/1987	77	NO
2	Deepak Dugar	Managing Director & CEO	66,00,000	MBA Finance/ 20+ years	23/05/1996	48	NO
3	Praveen Dugar	Deputy Managing Director and CFO	66,00,000	MBA Finance/ 18+ years	29/01/2005	45	NO
4	Srinivasrangan	State Sales Head - TN	25,46,128	B.Com/ 33 Years	07/05/2021	59	Tata Motors Finance
5	Madambile Giridharan	State Collection Head - AP&TS	17,18,860	B.Com/ 32 Years	06/11/2020	56	SREI Equipment Finance
6	Mohammed Feroz	State Sales Head - AP&TS	17,06,250	BA/25 YEARS	07/06/2019	51	IKF Finance Ltd.
7	Marimuthu	Deputy General Manager - LEGAL	15,50,081	BL / 13 Years	16/02/2023	46	Orange Finance
8	Purushotham J	General Manager - CREDIT	14,54,544	MMM / 28 Years	23/12/2016	53	Shriram Transport Finance
9	S N Varadharajan	General Manager - HR	14,21,043	BA / 46 Years	05/03/2014	73	L & T Housing Finance
10	S V Ezhil	State Collection Head - TN	13,90,051	B.Com / 24 Years	01/04/2008	54	Malhotra Marketing

- All the top ten employees are permanent employees of the company. The Executive Vice Chairman, Managing Director and Deputy Managing Director were appointed in the 42<sup>nd</sup> Annual General meeting for a term of 3 years.
- Shri. Mahaveerchand Dugar, Shri. Deepak Dugar and Shri. Praveen Dugar holds 11.09%, 16.01% and 16.00% of equity shares respectively of the company as on 31<sup>st</sup> March, 2024.
- None of the other employees hold equity shares of the Company.
- None of the employee except Shri. Mahaveerchand Dugar, Shri. Deepak Dugar and Shri. Praveen Dugar is related to each other.

**II. The Company does not have any employee drawing:**

- (i) Rs. 1.02 Crores or more per annum
- (ii) Rs. 8.50 Lakhs or more per month

**27. MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013: Not Applicable**

**28. FORMATION OF INTERNAL COMPLAINT COMMITTEE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Your Company has constituted an Internal Complaint Committee in compliance with the provisions of the said Act.

- a. number of complaints filed during the financial year : NIL
- b. number of complaints disposed of during the financial year : NIL
- c. number of complaints pending as on end of the financial year: NIL

**29. RISK MANAGEMENT POLICY**

Pursuant to the provisions of RBI Master Directions, your company has adopted a Risk Management policy which identifies the various types of risk for the Company and ways to mitigate the risks.

Moreover, your Company being in the business of financing commercial vehicles, cars etc. it is expected that there would be abundant opportunities for the growth of NBFC sector in financing of commercial vehicles and cars. Competition from private and public sector banks in the retail financing and competitive interest rates are challenges to the industry.

With strong and dynamic management, experienced and skilled staff, retention of trustworthy customers, improvement of assessment procedures and quality of appraisal, the Company is confident of converting challenges into opportunities.

Any operational risk, market risk and financial risk can have adverse impact on the operations of the Company. Through continuous emphasis on cost control and cost reduction measures and taking corrective action wherever necessary, the Company will minimize risk.

Since money is the raw material for the finance company, the inflow of funds steadily throughout the year is a prerequisite. The Company constantly endeavours to access the required funds.

**30. ESTABLISHMENT OF VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

The Company has a Board approved policy on Vigil mechanism and Whistle Blower where Audit Committee of the Company is given the authority to investigate in case of any complaint received by the Management or by the Chairman of the Audit Committee. The policy is available in company website: <https://mahaveerfinance.com/policies.php>. During the year, no whistle blower event was reported and no personnel have been denied access to the Audit Committee.

**32. CORPORATE SOCIAL RESPONSIBILITY POLICY**

The CSR policy of the Company articulates the areas and activities under which CSR expenditure shall be made. The CSR policy is available on the website of the Company: <https://mahaveerfinance.com/policies.php>. Details as per the CSR rules is given in **Annexure IV** of the Board report.

### **32. SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of your Company and its future operations.

### **33. DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (3) (c) of the Companies Act, 2013 the Directors state that:-

- a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) Adequate internal financial controls have been put in place and they are operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **34. SECRETARIAL STANDARDS:**

The Company is in compliance with all the applicable Secretarial standards.

### **35. NOMINATION & REMUNERATION POLICY:**

The Company's Nomination and Remuneration policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) is available on the website of the Company: <https://mahaveerfinance.com/policies.php>.

### **36. DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year.

### **37. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

As Company has not done any one-time settlement during the year under review hence no disclosure is given.

### **38. ACKNOWLEDGEMENT:**

Your directors thank all the shareholders, customers, vehicle manufacturers, dealers, bankers and financial institution for their continued support to your company. Your directors also place record their appreciation of the excellent teamwork and dedication displayed by the employees at all levels.

**Place : Chennai**

**Date : 12.06.2024**

**For and on behalf of the Board,**

Sd/-

**Deepak Dugar**

Managing Director & Chief Executive Officer  
DIN:00190705

Sd/-

**Praveen Dugar**

Deputy Managing Director & Chief Financial Officer  
DIN:00190780

## REPORT ON CORPORATE GOVERNANCE <sup>1</sup>

This section on Corporate Governance forms part of the Report of the Directors to the Members.

Mahaveer Finance India Limited (MFIL) has been following healthy governance practices since its inception. The strong structure of the Company, built in 1981, is supported by the pillars of Motivated Team, Customer Faith, Integrity and Continuous learning. Your Company maintains the highest standards of integrity and transparency in operations, excellence in service to all stakeholders and strong Corporate Governance standards.

### 1. BOARD OF DIRECTORS:

The Board has been constituted in a manner, which will result in an appropriate mix of promoter and independent Directors to ensure proper governance and management. As on 31<sup>st</sup> March, 2024, the Board comprises eight members who have experience in diverse fields like Finance, Accounts and Management. Non-Executive Directors/Independent Directors bring independent judgement in the Board's deliberations and decisions.

### 2. BOARD MEETINGS:

During the year ended March 31, 2024, Four Board meetings were held on the following dates 26<sup>th</sup> May, 2023, 10<sup>th</sup> August, 2023, 3<sup>rd</sup> November, 2023 and 27<sup>th</sup> February, 2024.

The Board Attendance details are furnished herein below:

Name and Introduction of the Directors	Designation	Category	Attendance at Board Meetings		Last AGM 22/07/2023	No. of other Directorships	No. of Committee Memberships in MFIL
			No. of Meetings Held during his tenure	No. of Meetings attended			
Sri G.Chidambar <sup>2</sup> (Retired Managing Director of LIC)	Chairman	Non-Executive Independent	4	4	Yes	1	2
Sri K.S. Markandan (Served as DGM of State Bank of India and Bharat Overseas Bank Ltd.)	Director	Non-Executive Independent	4	4	Yes	-	2

<sup>1</sup> this Report is prepared on a selective basis based on the format prescribed under RBI. This report forms an integral part of the Board report and contains disclosures as required under the Companies Act, 2013.

<sup>2</sup>Demised on 3<sup>rd</sup> May, 2024

Name and Introduction of the Directors	Designation	Category	Attendance at Board Meetings		Last AGM 22/07/2023	No. of other Director-ships	No. of Committee Memberships in MFIL
			No. of Meetings Held during his tenure	No. of Meetings attended			
Sri P. S. Balasubramaniam (Members of ICAI, ICSI, Served as Managing Director of Investment Trust of India Ltd.)	Director	Non-Executive Independent	4	4	No	2	3
Shri. Satish Mehta <sup>3</sup> (Founding MD and CEO of CIBIL, India's first Credit Bureau)	Director	Non-Executive Independent	3	3	No	7	2
Shri. Rakeshkumar Bhutoria <sup>4</sup> (Nominee Director representing Banyan Tree Growth Capital II, LLC-equity investor of the company)	Director	Non-Executive nominee	3	3	No	2	-
Shri J. Chandrasekaran <sup>5</sup> (Served as CGM of State Bank of India, served on the Board of SIDBI and presently in the Board of SBICAP Trustee Company Limited)	Director	Non-Executive Independent	1	1	No	4	-

<sup>3</sup> Shri. Satish Mehta, Independent Director was appointed w.e.f 30<sup>th</sup> June, 2023.

<sup>4</sup> Shri. Rakeshkumar Bhutoria, Nominee Director was appointed w.e.f 10<sup>th</sup> August, 2023.

<sup>5</sup> Shri. J Chandrasekaran, Independent Director resigned w.e.f 31<sup>st</sup> May, 2023.



Name and Introduction of the Directors	Designation	Category	Attendance at Board Meetings		Last AGM 22/07/2023	No. of other Director-ships	No. of Committee Memberships in MFIL
			No. of Meetings during his tenure	No. of Meetings attended			
Shri Abhishek G. Poddar <sup>6</sup> , Nominee Director. (Nominee Director representing Banyan Tree Growth Capital II, LLC-equity investor of the company)	Director	Non-Executive Nominee	1	1	No	3	-
Sri M.Deepak Dugar (Associated with MFIL since 1996 and has more than 25 years of experience in Asset Finance)	Managing Director	Promoter Executive	4	4	Yes	1	5
Sri M Praveen Dugar (Associated with MFIL since 2005 and has more than 19 years of experience in Asset Finance)	Deputy Managing Director	Promoter Executive	4	4	Yes	2	3
Sri N. Mahaveerchand Dugar (He is the promoter of MFIL and has 5 decades of experience in Financing)	Executive-Vice Chairman	Promoter Executive	4	4	Yes	1	5

<sup>6</sup> Shri Abhishek Poddar, Nominee Director resigned w.e.f 21<sup>st</sup> June, 2023.

### 3. AUDIT COMMITTEE

The Company has an Independent Audit Committee. The Audit Committee consist of three members out of which two members are Independent Directors. All the members of the Committee have financial and accounting knowledge. The role of Audit Committee is to review the Financial Statements, related party transactions, accounting policies and internal control system.

Composition of the Audit Committee and attendance of the members at Committee meetings are as follows:

Name	No. of Meeting entitled to attend	No. of Meeting attended	Meeting dates
Shri P.S Balasubramaniam, Chairman	4	4	26-05-2023 10-08-2023
Shri Satish Mehta	2	2	03-11-2023
Shri N. Mahaveerchand Dugar	4	4	27-02-2024

The Audit Committee was reconstituted on 10<sup>th</sup> August 2023, wherein Mr. Satish Mehta was appointed as a member of the Audit Committee, succeeding Mr. K.S. Markandan, who attended two meetings held prior to the reconstitution.

### 4. SHAREHOLDER GRIEVANCE AND SHARE TRANSFER COMMITTEE

The Shareholder grievance and Share transfer Committee

- approves and monitors transfers, transmission of securities of the Company.
- reviews the redressal of grievances/complaints from shareholders on matters relating to transfer/ transmission of shares, issue of new/duplicate certificates etc, and
- reviews the compliances with various statutory and regulatory requirements.

Composition of the Shareholder Grievance and Share Transfer Committee and attendance of the members at Committee meetings are as follows:

Name	No. of Meeting Held	No. of Meeting attended	Meeting dates
Sri G. Chidambar, Chairman	-	-	
Sri M. Deepak Dugar	-	-	-
Sri N. Mahaveerchand Dugar	-	-	

During the year under review, no complaints were received by the company.

### 5. NOMINATION & REMUNERATION COMMITTEE

In Compliance with the provisions of Section 178 of the Act, the Company constituted Nomination and Remuneration Committee of the Board of Directors consisting of 4 members, 3 of them being an Independent Directors. The scope of the Committee is to identify/ recommend to the Board of persons qualified to become Directors and formulate the criteria for evaluation of Independent Directors and the Board.

Composition of the Nomination & Remuneration Committee and attendance of the members at Committee meetings are as follows:

Name	No. of Meeting Held	No. of Meeting attended	Meeting dates
Sri P.S Balasubramaniam, Chairman	3	3	26-05-2023
Sri K.S Markandan	3	3	10-08-2023
Sri G. Chidambar	3	3	03-11-2023
Sri M. Deepak Dugar	3	3	

**Criteria for performance evaluation for Independent Directors:**

As per the Nomination and Remuneration policy of the Company, the performance evaluation of the Independent Director is based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

**6. ASSET LIABILITY MANAGEMENT** (Formerly Asset Liability and Risk Management Committee)

Your Company had restructured the Committee to comply with the current RBI guidelines on 10<sup>th</sup> August, 2023. This Committee was originally established as an Asset Liability and Risk Management Committee of the Board on 15<sup>th</sup> of February 2021, following the RBI guidelines in effect at that time. The Asset Liability Management Policy was adopted by the Board on the same day and later revised and approved on 3<sup>rd</sup> November 2023. The Committee's responsibilities include managing liquidity, market, credit risks, funding and capital planning, profit planning and growth projections, Forecasting and analyzing "What if Scenario" and preparation of contingency plans.

Composition of the Asset Liability Management Committee and attendance of the members at Committee meetings are as follows:

Name	No. of Meeting Held	No. of Meeting attended	Meeting dates
Sri. K.S. Markandan, Chairman	1	1	03.11.2023
Sri. P.S Balasubramaniam	1	1	
Sri Praveen Dugar	1	1	

**7. RISK MANAGEMENT COMMITTEE**

Your company restructured the ALM and Risk Management Committee to align with the RBI guidelines on 10<sup>th</sup> August 2023, and the Risk Management Committee was established as a result of this decision. The scope of the Committee is to evaluate the overall risks faced by the NBFC, including liquidity risk, and to report to the Board. The Board has adopted a policy on risk management that identifies the various risks to the company and measures to mitigate them. There has been no change in the policy since its adoption.

Composition of the Risk Management Committee and attendance of the members at Committee meetings are as follows:

Name	No. of Meeting Held	No. of Meeting attended	Meeting dates
Shri. Satish Mehta, Chairman	1	1	03.11.2023
Shri. Mahaveerchand Dugar	1	1	
Shri. Deepak Dugar	1	1	

**8. RESOURCES COMMITTEE**

Resources Committee is a Board delegated committee that is authorised to borrow funds within the overall borrowing limit of the Company. The Board has also empowered the Committee to delegate such power to any other person or persons. The resolutions passed at the Resources Committee are noted at a duly convened Board meeting.

Composition of the Resources Committee and attendance of the members at Committee meetings are as follows:

<b>Name</b>	<b>No. of Meeting Held &amp; Eligible for participation</b>	<b>No. of Meeting attended</b>	<b>Meeting dates</b>
Sri Mahaveerchand Dugar	36	36	25-05-2023
Sri Deepak Dugar	36	36	27-05-2023
Sri Praveen Dugar	36	36	06-06-2023
			16-06-2023
			21-06-2023
			24-06-2023
			28-06-2023
			11-07-2023
			21-07-2023
			24-07-2023
			27-07-2023
			09-08-2023
			26-08-2023
			31-08-2023
			21-09-2023
			23-09-2023
			27-09-2023
			29-09-2023
			21-10-2023
			28-10-2023
			27-11-2023
			29-11-2023
			20-12-2023
			27-12-2023
			10-01-2024
			23-01-2024
			27-01-2024
			30-01-2024
			13-02-2024
			24-02-2024
			29-02-2024
			19-03-2024
			21-03-2024
			25-03-2024
			27-03-2024
			28-03-2024

## 9. INVESTMENT COMMITTEE

Investment Committee is a Board delegated committee that is authorised to make investments in securities of all kinds namely Shares, Securities, Bonds, Debenture, etc., and also to sell, transfer, redeem or otherwise disburse of any such investment as the Committee may deem fit. The resolutions passed at the Investment Committee are noted at a duly convened Board meeting.

Composition of the Investment Committee and attendance of the members at Committee meetings are as follows:

Name	No. of Meeting Held	No. of Meeting attended	Meeting dates
Sri. Mahaveerchand Dugar	2	2	30-09-2023 30-03-2024
Sri. Deepak Dugar	2	2	
Sri. Praveen Dugar	2	2	

## 10. REMUNERATION OF DIRECTORS:

### I. Remuneration to Executive Directors:

The Managing Director and Whole time Directors are appointed as per the terms of Section 196(1) of the Companies Act, 2013. The details of their remuneration are as follows:

Name of the director	Annual Remuneration	Commission/Incentives/Benefits/ Bonuses/ Stock option/ Pension/ Allowances
Shri. Mahaveerchand Dugar, Executive Vice Chairman	Rs. 67,50,000	NIL
Shri. Deepak Dugar, Managing Director & CEO	Rs. 66,00,000	NIL
Shri. Praveen Dugar, Deputy Managing Director and CFO	Rs. 66,00,000	NIL

### II. Remuneration to Non-executive Directors:

Presently, your Company is paying only sitting fees to the Non-Executive Directors of the Company:

Name of the director	Sitting Fee for attending Board/ committee meetings
Shri. Chidambar, Independent Director	1,05,000
Shri. K.S. Markandan, Independent Director	1,30,000
Shri. P.S Balasubramaniam, Independent Director	1,50,000
Shri. J.Chandrasekaran, Independent Director	15,000
Shri. Satish Mehta, Independent Director	1,05,000
Shri. Abhishek Poddar, Nominee Director	NIL
Shri. Rakeshkumar Bhutoria, Nominee Director	NIL

## 11. GENERAL BODY MEETINGS:

Time and location of last three Annual General Meetings and Special Resolution passed by the members during the past three years is given below:

AGM	Day	Date	Time	Venue	Special Resolution Passed
<b>40<sup>th</sup> AGM</b>	Wednesday	25.08.2021	12.30 P.M	South India Hire Purchase Association Premises, Desabandu Plaza, 1 <sup>st</sup> Floor, 47, Whites Road, Royapettah, Chennai-600 014.	1. Issue of Debt Instruments on a Private Placement Basis
<b>41<sup>st</sup> AGM</b>	Monday	25.07.2022	12.30 P.M	South India Hire Purchase Association Premises, Desabandu Plaza, 1 <sup>st</sup> Floor, 47, Whites Road, Royapettah, Chennai-600 014.	1. To appoint Mr. Ravi Venkatraman (DIN: 00307328) as an Independent Director 2. To approve creation of charge on the assets of the Company 3. To approve issue of debt instruments on a private placement basis 4. To approve conversion of loan or Debentures into equity or other capital of the Company
<b>42<sup>nd</sup> AGM</b>	Saturday	22.07.2023	12.30 P.M	South India Hire Purchase Association Premises, Desabandu Plaza, 1 <sup>st</sup> Floor, 47, Whites Road, Royapettah, Chennai-600 014.	1. To approve borrowing powers of the Company 2. To approve creation of charge on the assets of the Company 3. To approve issue of debt instruments on a private placement basis 4. Re-appointment and re-designation of Shri. Mahaveerchand Dugar (DIN: 00190628) 5. Re-appointment and elevation of Shri. Deepak Dugar (DIN: 00190705) 6. Re-appointment and elevation of Shri. Praveen Dugar (DIN: 00190780)

No resolution was proposed to be passed through postal ballot.

## 12. MEANS OF COMMUNICATION:

The website of the Company in which communications are given is [www.mahaveerfinance.com](http://www.mahaveerfinance.com).

## 13. DISCLOSURES:

- (a) disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large: No such transactions.  
Details of related party transactions are disclosed in form AOC-2 annexed as **Annexure III** of the Board report.
- (b) details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years: Nil
- (c) details of compliance with mandatory requirements and adoption of the non-mandatory requirements: The Company has complied with all mandatory requirements of Companies Act, 2013, RBI regulations and SEBI LODR (till applicable during the year).
- (d) web link where policy for determining 'material' subsidiaries is disclosed: Not Applicable.

## 14. GENERAL INFORMATION TO SHAREHOLDERS:

- 1. General Body Meeting, Day, Date, Time & Location: The 43<sup>rd</sup> Annual General meeting will be held on 09<sup>th</sup> August, 2024 at South India Hire Purchase Association Premises, Desabandu Plaza, 1<sup>st</sup> Floor, 47, Whites Road, Royapettah, Chennai-600 014 at 12.30 P.M.
- 2. Financial year: 01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024.
- 3. Dividend payment date: No dividend has been declared by your company for the financial year ended 31<sup>st</sup> March 2024.
- 4. The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s): The company's equity shares and debt instruments are unlisted at present.
- 5. Registrar to an issue and share transfer agents:

### **For Equity shares and Preference Shares:**

CAMEO CORPORATE SERVICES LIMITED  
Subramanian Building,  
No. 1 Club House Road,  
Chennai- 600 002.  
Phone: 044-28460390 (6 lines)  
Email: [agm@cameoindia.com](mailto:agm@cameoindia.com)  
Website: [www.cameoindia.com](http://www.cameoindia.com)

### **For Non-Convertible and Compulsory Convertible Debentures:**

LINK INTIME INDIA PVT LIMITED  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083  
Tel. : +91- 022 - 4918 6270  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: <https://linkintime.co.in/>

- 6. Share Transfer System: Pursuant to the provision of Regulation 61(4) of the SEBI LODR, securities can be transferred only in dematerialised form. The Compliance certificate under Regulation 40(9) certifying that certificates are issued within 30 days of transfer and under Regulation 7(3) confirming all activities of transfers are maintained by Registrar and Share transfer agent registered with SEBI is submitted to stock exchange on yearly basis.



## 7. Distribution of equity shareholding :

Value of shares		Shareholders		Share Amount	
From	To	No. of shareholders	% of total	Value of shareholding	% of total
Rs.	Rs.	Number	%	Rs.	%
10	5000	618	96.2617	719560	0.5867
5001	10000	14	2.1807	111250	0.0907
10001	20000	0	0.00	0	0.00
20001	30000	0	0.00	0	0.00
30001	40000	1	0.1558	36750	0.300
40001	50000	0	0.00	0	0.00
50001	100000	0	0.00	0	0.00
100001	And Above	9	1.4019	121772100	99.2926
<b>Total</b>		<b>645</b>	<b>100.00</b>	<b>122639660</b>	<b>100.00</b>

### Equity Shareholding pattern as on 31<sup>st</sup> March 2024:

Sr. No.	Name of Shareholder	Number of shares	% shareholding
<b>1</b>	<b>Promoters &amp; Promoter Group Shareholding</b>		
	Mahaveerchand Dugar, Promoter	13,60,500	11.09
	Deepak Dugar, Promoter	19,63,025	16.01
	Praveen Dugar, Promoter	19,62,006	16.00
	Gunasundari Dugar, Relative of Promoter	25,52,273	20.81
	<b>Sub Total</b>	<b>78,37,804</b>	<b>63.90</b>
<b>2</b>	<b>Body Corporate</b>		
	Foreign (Banyan Tree Growth Capital II LLC)	42,63,866	34.77
	Indian (First Bridge India Growth Fund)	100	0.00
	Indian (Others)	400	0.00
<b>3</b>	IEPF	75,440	0.62
<b>4</b>	Other public shareholding	86,356	0.70
	<b>Grand Total</b>	<b>1,22,63,966</b>	<b>100.00</b>

### Preference Shareholding pattern as on 31<sup>st</sup> March, 2024:

Sr. No.	Name of Shareholder	Number of shares	% shareholding
<b>1</b>	First Bridge India Growth Fund	26,88,202	100.00
	<b>Grand Total</b>	<b>26,88,202</b>	<b>100.00</b>

8. Dematerialization of shares and liquidity: 99.38% of the equity shareholding and 100% of the preference shareholding is in dematerialised form.

9. Address for correspondence:

Agarwal Court, K.G. Plaza, Shop No. T8 & T9,  
3<sup>rd</sup> Floor, No. 41-44, General Patters Road,  
Chennai- 600 002.

Phone: 044-28614466, 28614477 & 28614488

Email: cs@mahaveerfinance.com

**For any query/complaints:** Contact person: Ms. Jyoti Bokade, email ID: cs@mahaveerfinance.com

10. Credit Rating obtained by the Company:

	Current Rating		Previous Rating	
Facility	CRISIL Ratings	Amount (Rs. in Cr.)	CRISIL Ratings	Amount (Rs. in Cr.)
<b>Long-term Bank Facilities</b>	CRISIL BBB/Stable	170.00	CRISIL BBB/Stable	100
<b>Non-Convertible Debentures</b>	CRISIL BBB/Stable	30.00	CRISIL BBB/Stable	10.00
<b>Subordinated Debt</b>	CRISIL BBB/Stable	30.00	CRISIL BBB/Stable	30.00

	Current Rating		Previous Rating	
Facility	CARE Ratings	Amount (Rs. in Cr.)	CARE Ratings	Amount (Rs. in Cr.)
<b>Non-Convertible Debentures</b>	CARE BBB/Stable	46.00	CARE BBB/Stable	60.00
<b>Non-Convertible Debentures</b>	CARE BBB/Stable	15.00	CARE BBB/Stable	50.00
<b>Non-Convertible Debentures</b>	-	-	CARE BBB/Stable	10.00
<b>Long-term Bank Facilities</b>	CARE BBB/Stable	75.00	CARE BBB/Stable	75.00

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2024

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

To,

**The Board of Directors,**  
**M/s. Mahaveer Finance India Limited,**  
Chennai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mahaveer Finance India Limited** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period covering the Financial Year ended March 31, 2024 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended March 31, 2024 according to the provisions of:

- a) The Companies Act, 2013 (the 'Act') & the Rules made thereunder, as amended from time to time;
- b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; - To the extent applicable to the Company during the audit period;
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as amended from time to time;
- d) Foreign Exchange Management Act, 1999 and the Rules, Regulations, notifications and circulars made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Not applicable during the audit period;
- f) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time; - To the extent applicable to the Company during the audit period;
- g) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not applicable during the audit period;
- h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time; - To the extent applicable to the Company during the audit period;

- i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client; - To the extent applicable to the Company during audit period;
- j) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - Not applicable during the audit period;
- k) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - To the extent applicable to the Company during the audit period;
- l) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - Not applicable during the audit period;
- m) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable during the audit period

We have also examined compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') as mandated by the Companies Act, 2013.

During the period under review, we observed that the Company has complied with the applicable statutory provisions as stated above, Rules, Regulations, Guidelines made thereunder.

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to them at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per Minutes, decisions at Board Meeting were taken and there was no instance of dissent by any director during the period under review.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards except as below:

- a) The Non- Convertible Debentures bearing ISIN INE911L07030 got delisted from BSE Ltd on June 21, 2023;
- b) The Non- Convertible Debentures bearing ISIN's INE911L07055, INE911L07048, INE911L07022 and INE911L07014 got delisted from BSE Ltd on October 09, 2023;

The Company has complied with SEBI Regulations till the date of delisting of Non- Convertible Debentures. The Company has delisted its Non- Convertible Debentures from BSE Ltd upon its repayment with effect from October 10, 2023. The Compliances of SEBI Regulations shall not be applicable to the Company with effect from October 10, 2023.

- c) During the year under review, the Company has altered its Memorandum of Association pursuant to reclassification of authorised share capital from Rs. 25,00,00,000 divided into 2,50,00,000 Equity Shares of Rs.10 each to Rs. 25,00,00,000 divided into 2,10,00,000 Equity Shares of Rs.10 each and 40,00,000 Compulsorily Convertible Preference Shares of Rs. 10 each vide shareholders' approval dated March 25, 2024;

- d) During the year under review, the Company has altered its Articles of Association vide shareholders' approval dated March 25, 2024 pursuant to execution of terms and conditions of shareholders agreement dated March 29, 2024;
- e) During the year under review, the Company has issued 26,88,202 Compulsorily Convertible Preference Shares and 100 equity shares on a preferential basis through private placement at a price of INR 186/- (includes a premium of INR 176/-) per share to the First Bridge India Growth Fund vide shareholders' approval dated March 25, 2024 and the same was allotted by the Board through circular resolution on March 30, 2024;
- f) During the year under review, the Resource Committee Meeting of the Board of Directors dated March 28, 2024 has allotted 1340 Secured, Rated, Unlisted, Redeemable, Fully Paid-Up, Transferrable, Taxable, Non- Convertible Debentures at a face value of INR 1,00,000 on a private placement basis to the Edge Credit Opportunities Fund I;
- g) During the year under review, the Shareholders have approved the issue and offer of 8,06,452 partly paid equity shares on a preferential basis through private placement at a price of INR 186/- (includes a premium of INR 176/-) per share to Mr. M. Deepak Dugar and Mr. M. Praveen Dugar, promoters of the Company vide Extra-Ordinary General Meeting dated March 25, 2024.

**For M/s. M. Alagar & Associates  
(Practising Company Secretaries)  
Peer Review Certificate No.: 1707/2022**

**Sd/-**

**D. SARAVANAN (Partner)**

**ACS No. 60177**

**COP No. 22608**

**UDIN : A060177F000371246**

Place : Chennai  
Date : May 15, 2024

This report is to be read with Annexures which forms an integral part of this report.

## ANNEXURE – I

**The Board of Directors,  
M/s. Mahaveer Finance India Limited,  
Chennai**

Our report is to be read along with this letter.

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

**For M/s. M. Alagar & Associates  
(Practising Company Secretaries)  
Peer Review Certificate No.: 1707/2022**

**Sd/-**

**D. SARAVANAN (Partner)**

**ACS No. 60177**

**COP No. 22608**

**UDIN : A060177F000371246**

Place : Chennai  
Date : May 15, 2024

**ANNEXURE – II**  
**Companies Act, 2013 (the Act) & the Rules made thereunder and**  
**Secretarial Standards on Board Meeting and General Meeting**

Section	Key Compliance Requirement	Remarks
13	Alteration of Memorandum of Association	The Company has altered the Memorandum of Association for reclassification of Authorised Share Capital from Rs. 25,00,00,000 divided into 2,50,00,000 Equity Shares of Rs.10 each to Rs. 25,00,00,000 divided into 2,10,00,000 Equity Shares of Rs.10 each and 40,00,000 Compulsorily Convertible Preference Shares of Rs. 10 each vide shareholders' approval dated March 25, 2024. Complied with provisions of the Act.
14	Alteration of Articles of Association	The Company has altered its Articles of Association vide shareholders' approval dated March 25, 2024 pursuant to execution of terms and conditions of shareholders agreement dated March 29, 2024; Complied with provisions of the Act.
23	Public offer and Private Placement	The Company has issued and allotted 26,88,202 Compulsorily Convertible Preference Shares and 100 equity shares on a preferential basis through private placement. The Company has allotted 1,340 Secured, Rated, Unlisted, Redeemable, Fully Paid-Up, Transferrable, Taxable, Non- Convertible Debentures on a private placement basis. Complied with provisions of the Act.
56	Transfer and Transmission of Share	No such instance occurred during the audit period.
68	Buy-back of shares	No such instance occurred during the audit period.
<b>Acceptance of Deposits by Companies &amp; Registration of Charges</b>		
73	Acceptance or renewal of Deposit	No such instance occurred during the audit period.
77	Creation of charge	Complied



Management and Administration		
91	A company may close Register of Members to determine the shareholder eligible to get dividend. Further, the company needs to give 7 days' notice in advance before closing of Register of Member.	No such instance occurred during the audit period.
92	Filing of Annual Return to be done within 60 days from the date of AGM	Complied
94	Company needs to keep Register of Members and copy of annual return filed under Section 92 in the registered office of the company.	Complied
96	Every company shall hold AGM each year and not more than 15 months shall elapse between two meetings.  AGM to be called during business hours except on a National Holiday, in the same city where the Registered Office is situated.	Complied
100	Calling of Extra Ordinary General Meeting	The Extra - Ordinary General Meeting held on March 25, 2024. Complied
101	<ul style="list-style-type: none"> <li>➤ A general meeting of the company shall be called by giving not less than 21 clear days' notice.</li> <li>➤ Every notice of the meeting shall specify place, date, day, hour of the meeting.</li> <li>➤ Notice of the meeting shall be given to every member, the auditor and every director of the company.</li> </ul>	Complied
102	Every company needs to annex to notice an explanatory statement in case any special business is conducting during the General meeting.	Complied
103	Requisite quorum for a Meeting, in case of company having less than 1000 members, shall be 5 members being personally present.	Complied
110	The Company may, in respect of any item of business transact by means of postal ballot	No such instance occurred during the audit period.
117	Copy of every resolution (with explanatory statement, if any) or Agreement for the specified matters to be filed with ROC in Form MGT-14 within 30 days.	Complied
121	Every listed public company to prepare a report on each AGM in the prescribed format and file the same with ROC in Form MGT-15 within 30 days of conclusion of AGM. Report shall include specific matters and shall be signed and dated by Chairman or CS.	Not applicable for the Company

<b>Declaration and Payment of Dividend</b>		
123	Declaration of dividend- ➤ Dividend shall be paid by the company out of profit of the company. ➤ Dividend has to be deposited in a schedule commercial bank <b>within 5 days from the date of declaration</b> ➤ Payment of dividend within 30 days from the date of declaration.	No such instance occurred during the audit period.
125	If dividend has not been paid or unclaimed within 30 days from the date of declaration, such amount needs to transfer within 7 days from the date of expiry of 30 days to the <b>“Unpaid Dividend Account”</b> .	No such instance occurred during the audit period.
	If the amount lies in the unpaid dividend account for a period of 7 years, then the company needs to transfer such amount along with the shares to the IEPF account.	No such instance occurred during the audit period.
	Every Company shall identify the unclaimed amounts every year thereafter till the completion of seven years as on the date of closure of the financial year and report the same within 60 days from the date of AGM.	No such instance occurred during the audit period.
<b>Accounts of the Companies</b>		
129	➤ Every Company needs to prepare its annual accounts in line with Accounting Standard. ➤ In case a company has any subsidiary/ies (includes Associate and Joint Venture Co.) it needs to prepare a consolidated financial statement.	Complied
137	Copies of financial statement including consolidated financial statement needs to be filed with registrar within 30 days of the AGM.	Complied
<b>Audit and Auditors</b>		
138	Every class or classes of companies as prescribed shall be required to appoint an internal auditor to conduct internal audit of the functions and activities of the company.	Complied
139(1)	In case appointment/ re-appointment of auditor every company needs to file e-Form ADT-1 with ROC within 15 days of such appointment/ re-appointment.	No such instance occurred during the audit period.
139(2)	For <b>Listed and other companies as prescribed</b> , the tenure of an individual Auditor shall not exceed 5 years and for Auditor firms shall not exceed two consecutive terms of 5 years.	Complied

140(1)	To remove the auditors appointed by the members in AGM, e-Form ADT-2 shall be filed with MCA within 30 days of passing the Resolution by the BOD.	No such instance occurred during the audit period.
142(1)	The remuneration of the auditor of a company shall be fixed by passing the Board resolution.	No such instance occurred during the audit period.
<b>Appointment and Qualifications of Directors</b>		
149(1)	Appointment of Woman Director	Not applicable
149(3)	Every company shall have at least 1 director resident of India for a total period of not less than 182 days during the financial year.	Complied
149(4)	Every class of company prescribed by the Central Government shall have at least Two directors as Independent director.	Complied
149(7)	Every independent director shall give a declaration that he meets the criteria of independence as under: <ul style="list-style-type: none"> <li>➤ at the first meeting in which he participates as a director;</li> <li>➤ at the first meeting of the Board in each financial year;</li> <li>➤ whenever any change in circumstances which affects his status as independent director.</li> </ul>	Complied
149	Appointment of independent director shall be formalized through letter of appointment.	Complied
149	Terms and conditions of appointment of independent directors shall also be posted on the company's website.	Complied
149 (10) (11) &(13)	An Independent Director shall hold office for a term up to five consecutive years. <ul style="list-style-type: none"> <li>● Shall be eligible for re-appointment on passing of special resolution and disclosure of such appointment in Board Report.</li> <li>● Provisions pertaining to retirement of directors by rotation shall not be applicable to Independent Directors.</li> </ul>	Complied
150(2)	Appointment of Independent Director shall be approved in General Meeting and explanatory statement shall indicate justification for choosing such person.	Complied

158	Every person or company, while furnishing any return, information or particulars as are required to be furnished under this Act, shall mention the Director Identification Number in such return, information or particulars in case such return, information or particulars relate to the director or contain any reference of any director.	Complied
160	Right of persons other than retiring directors to stand for directorship.	No such instance occurred during the audit period.
164	Every director shall inform to the company concerned about his disqualification under sub-section (2) of section 164, if any, in Form DIR-8 before he is appointed or re-appointed.	No such instance occurred during the audit period.
165	<ul style="list-style-type: none"> <li>➤ No person shall be a director in more than 20 companies</li> <li>➤ Out of which maximum number of public companies can be 10</li> </ul>	Complied
168	<ul style="list-style-type: none"> <li>➤ Director to intimate his resignation to the Company</li> <li>➤ Company to post resignation details on its website and in its Directors' Report.</li> </ul>	Complied
170(1)	Every Company to keep at its Registered Office, a Register of Directors and KMP in the prescribed format containing prescribed particulars.	Complied
170(2)	Return of Directors and KMP to be filed with ROC in Form DIR-12, within 30 days of appointment or change.	Complied
<b>Meeting of Board and its Powers</b>		
173	Minimum 4 Board Meetings in a year and time gap should not be more than 120 days between two consecutive meetings.	Complied
173	<p>A meeting of the board shall be called by giving not less than 7 days' notice in writing to every director at his address registered with the company.</p> <p>In case the company is conducting Board Meeting by giving shorter notice at least one independent director must be present.</p>	Complied
177	Every Listed public Company and class or classes of companies as prescribed shall constitute an Audit Committee.	Complied
177	The Audit committee shall consist of minimum 3 directors with independent director constituting majority.	Complied

178	Every listed public company and class or classes of companies as prescribed shall constitute a Nomination and Remuneration committee.	Complied
178	The Nomination and Remuneration committee shall consist of minimum 3 or more Non-executive directors out of which not less than one half shall be independent director.	Complied
179	Appointment of Secretarial Auditor.	Complied
182	Political Contribution by the company.	No such instance occurred during the audit period.
184	Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in MBP-1	Complied
185	Loans to Director.	No such instance occurred during the audit period.
188	Related Party Transactions	Complied
189	Register of Contract in which directors are interested.	Maintained and complied.
<b>Appointment of Managerial Personnel</b>		
196	Requirement for Appointment of managing director, whole-time director or manager.	Complied
203	Requirement for Appointment of key managerial personnel.	Complied

<b>Standard</b>	<b>Particulars of compliance Secretarial Standard- 1 Board Meeting</b>	<b>Compliance by the Board, AC, NRC and RMC</b>
1.2.1	Every Meeting shall have a serial number.	Complied
1.2.2	Board Meeting either original or adjourned for any purposes shall not be held on a National Holiday.	Complied
1.1.2	Chairman cannot adjourn the meeting when majority of the directors present at the meeting decides otherwise.	Complied
1.3.3	Notice shall specify the serial number, day, date, time and full address of the venue of the Meeting.	Complied
1.3.6	Seven clear days' notice is necessary when notice has been provided via speed post/registered post/ courier.	Not applicable. We understand that the notice sent through e-mail.
1.3.1	Proof of sending Notice, agenda, notes & Minutes along with its delivery shall be maintained by the Company.	Complied
1.3.11	If the Meeting is held at <b>shorter notice</b> such fact shall be stated in the notice.	Complied

1.3.4	In case the facility of participation through Electronic Mode is being made available, the Notice shall inform the Directors about the availability of such facility, and provide them necessary information to avail such facility it shall also contain the contact number or e-mail address (es) of the Chairman or the Company Secretary or any other person authorized by the Board, to whom the Director shall confirm in this regard.	Complied
1.3.7	Agenda and Notes on Agenda shall be sent to all Directors by hand or by speed post or by registered post or by courier or by e-mail or by any other electronic means at least seven days before the Meeting. Seven clear days if notes on agenda have been sent via Speed Post/Registered Post / Courier.	Complied
4.1.6	Attendance register should be preserved for 8 years and may be destroyed thereafter with the approval of the Board.	Complied
7.2.1.1	Time of commencement and conclusion of the meeting to be mentioned in the minutes.	Complied
7.2.2.1	The fact of the dissent and name of the director who dissents or abstains from voting has to be mentioned in the minutes.	Complied
7.2.2.2	The minutes shall record the details of casting vote, if any.	No such instance occurred during the audit period.
7.3.4	Where any earlier resolution has been superseded or modified a reference has to be made in the minutes.	No such instance occurred during the audit period.
7.3.5	Minutes of the preceding meeting of the Board or Committee thereof shall be noted at the subsequent meeting held <b>after date of entry</b> in the minutes.	Complied
7.4	Draft minutes of the <b>Board meeting or Committee thereof</b> shall be sent to all the directors within 15 days of the meeting and proof of sending and delivery to be maintained by the company.	Complied
4.2	Leave of absence shall be granted to a director only when a request has been received by the Company Secretary or Chairman.	No such instance occurred during the audit period.
6.2.2	<b>Circular resolution:</b> Draft resolution and necessary papers shall be sent to all the directors on the same day including interested directors. Proof of sending and delivery to be maintained by the Company.	Complied
6.2.3	Each business should be explained via note stating the details, material facts, scope, implications and interest if any. Details of <b>how to signify assent or dissent</b> shall be explained.	Complied
6.3.1	Every circular resolution <b>shall carry serial number</b> . The decision of the Directors shall be sought for each Resolution separately.	Complied
	An Interested Director shall not be entitled to vote	Complied

6.2.3	Not more than seven days from the date of circulation of draft resolution shall be given to directors to respond to the circular resolution. The votes of Interested director shall not be counted.	Complied
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Section	Particulars of compliance Secretarial Standard- 2 General Meeting	Status of Compliance
1.2.1	Notice shall be given to every member and also be given to the Secretarial Auditor, Debenture trustees, if any, in addition to Directors & Auditors.	Complied
1.2.2	Notice shall be sent through hand delivery or by ordinary post or by speed post or by registered post or by courier or by facsimile or by e-mail or by any other electronic means.	Complied
1.2.6	In case, if the company sends the notice by post or courier, an additional two days shall be provided for the service of notice.	Complied.
1.2.8	No business shall be transacted at a Meeting if Notice in accordance with this Standard has not been given.	Complied.
1.2.2	The Company has to maintain a system which produces confirmation of the total number of recipients e-mailed and a record of each recipient to whom the Notice has been sent and copy of such record and Notices of any failed transmissions and subsequent resending shall be retained by or on behalf of the company as “proof of sending”.	Not applicable since the company sent notice through post.
1.2.4	Notice shall contain complete particulars of the venue of the Meeting including route map and prominent land mark for easy location.	Complied.
4.1.1	If any Director is unable to attend the Meeting, the Chairman shall explain such absence at the Meeting.	Complied
4.1.2	Directors who attend General Meetings of the company and the Company Secretary shall be seated with the Chairman.	Complied
4.3	Secretarial Auditor or authorized representative unless exempted by the company shall attend Meeting (Authorized representative shall also be qualified to be a Secretarial Auditor).	Complied
6.1	A Member entitled to attend and vote is entitled to appoint a Proxy, or where that is allowed, one or more Proxies, to attend and vote instead of himself and a Proxy need not be a Member.	We were informed that no proxies been appointed.
5.2	The Chairman shall explain the objective and implications of the resolutions before they are put to vote at the Meeting.	Complied.

5.3	If the Chairman is interested in any item of business, without prejudice to his Voting Rights on resolutions, he shall entrust the conduct of the proceedings in respect of such item to any non-interested Director or to a Member, with the consent of the Members present, and resume the Chair after that item of business has been transacted.	No such instance occurred in AGM and EGM held during the audit period.
8.6.1	The scrutiniser(s) shall submit his report within three days from the date of the Meeting to the Chairman or a person authorised by him, who shall countersign the same and declare the result of the voting forthwith with details of the number of votes cast for and against the Resolution, invalid votes and whether the Resolution has been carried or not.	Since the voting was conducted by show of hands, no such instance occurred in AGM and EGM held during the audit period.
17.1.3	A Company may maintain its Minutes in physical or in electronic form. Timestamp is mandatory for electronic form.	Complied. The company maintains minutes in physical mode.
17.2.1.1	Minutes shall state, the beginning of the Meeting, name of the company, day, date, venue and time of commencement of the Meeting and shall record the names of the Directors and the Company Secretary present at the Meeting.	Complied
17.2.2.1	The fact that certain registers, documents, the Auditor's Report and Secretarial Audit Report, as prescribed under the Act were available for inspection. Election of Chairman, if any shall be recorded.	Complied
17.2.2.1	Presence of Quorum, Number of Members present in the meeting including the representative, the number of proxies and the number of shares represented by them and presence of the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee or their authorized representatives and the presence if any, of the Secretarial Auditor, the Auditors, or their authorized representatives, the Court/Tribunal appointed observers or scrutinizers.	Complied
17.2.2.2	In respect of resolutions passed by e-voting or postal ballot, a brief report on the e-voting or postal ballot conducted including the resolution proposed, the result of the voting thereon and the summary of the scrutinizer's report shall be recorded in the Minutes Book.	Since the voting was conducted by show of hands, no such instance occurred in AGM and EGM held during the audit period.
17.2.2.1 (k)	Summary of the clarifications provided on various Agenda Items.	Complied



**Reporting / Approval from MCA, RoC, NCLT, etc.,**

During the period under review, the Company has filed the following returns with ROC;

S. No	Nature of transaction	E-Form	Date of Filing	SRN	Remarks
1.	Satisfaction of charge in favour of Criss Financial Limited	CHG-4	21-04-2023	AA2066781	Complied
2	Satisfaction of charge in favour of Hinduja Leyland Finance Limited	CHG-4	24-04-2023	AA2043884	Complied
3	Satisfaction of charge in favour of Sundaram Finance Limited	CHG-4	09-05-2023	AA2342465	Complied
4	Satisfaction of charge in favour of Catalyst Trusteeship Limited	CHG-4	15-05-2023	AA2388302	Complied
5	Satisfaction of charge in favour of Catalyst Trusteeship Limited	CHG-4	15-05-2023	AA2389301	Complied
6	Satisfaction of charge in favour of Catalyst Trusteeship Limited	CHG-4	16-05-2023	AA2389096	Complied
7	Modification of charge in favour of Catalyst Trusteeship Limited	CHG-9	17-05-2023	AA2466591	Complied
8	Reconciliation of Share Capital Audit Report	PAS-6	27-05-2023	AA2505027	Complied
9	Filing of Resolutions and agreements to the Registrar	MGT-14	02-06-2023	AA2676587	Complied
10	Resignation of Mr. Jayaraman Chandrasekaran as Director	DIR-12	05-06-2023	AA2745267	Complied
11	Satisfaction of charge in favour of Ujjivan Small Finance Bank Limited	CHG-4	13-06-2023	AA2869236	Complied
12	Creation of charge in favour of Electronica Finance Limited	CHG-1	23-06-2023	AA3005721	Complied
13	Resignation of Mr. Abhishek Poddar as Nominee Director	DIR-12	26-06-2023	AA3081547	Complied
14	Creation of charge in favour of Suryoday Small Finance Bank Limited	CHG-1	27-06-2023	AA2991372	Complied
15	Creation of charge in favour of Hinduja Leyland Finance Limited	CHG-1	03-07-2023	AA3181444	Complied
16	Satisfaction of charge in favour of Suryoday Small Finance Bank Limited	CHG-4	07-07-2023	AA3086637	Complied
17	Appointment of Mr. Satish Mehta as an Additional Independent Director	DIR-12	07-07-2023	AA3258274	Complied
18	Creation of charge in favour of Kisetsu Saison Finance (India) Private Limited	CHG-1	20-07-2023	AA3508858	Complied

19	Creation of charge in favour of MAS Financial Services Limited	CHG-1	20-07-2023	AA3467558	Complied
20	Creation of charge in favour of Mas Financial Services Limited	CHG-1	20-07-2023	AA3446374	Complied
21	Creation of charge in favour of Capital Small Finance Bank	CHG-1	20-07-2023	AA3506587	Complied
22	Satisfaction of charge in favour of Incred Financial Services Limited	CHG-4	25-07-2023	AA3608248	Complied
23	Satisfaction of charge in favour of Muthoot Finance Limited	CHG-4	25-07-2023	AA3609523	Complied
24	Filing of Resolutions and agreements to the Registrar (AGM)	MGT-14	25-07-2023	AA3674349	Complied
25	Creation of charge in favour of Vivriti Capital Limited	CHG-1	26-07-2023	AA3686579	Complied
26	Change in designation of Mr. Mahaveerchand Dugar	DIR-12	26-07-2023	AA3629330	Complied
27	Change in designation of Mr. Deepak Dugar	DIR-12	26-07-2023	AA3629330	Complied
28	Filing of Resolutions and agreements to the Registrar (AGM)	MGT-14	27-07-2023	AA3744490	Complied
29	Return of appointment of managerial personnel for Mr. Praveen Dugar	MR-1	27-07-2023	AA3742131	Complied
30	Return of appointment of managerial personnel for Mr Mahaveerchand Dugar	MR-1	27-07-2023	AA3760062	Complied
31	Satisfaction of charge in favour of Western Capital Advisors Private Limited	CHG-4	28-07-2023	AA3734119	Complied
32	Return of appointment of managerial personnel for Mr. Deepak Dugar	MR-1	28-07-2023	AA3734119	Complied
33	Modification of charge in favour of Sundaram Finance Limited	CHG-1	29-07-2023	AA3740998	Complied
34	Modification of charge in favour of Sundaram Finance Limited	CHG-1	29-07-2023	AA3778147	Complied
35	Form for filing financial statement and other documents with the Registrar	AOC - 4	29-07-2023	F62764790	Complied
36	Satisfaction of charge in favour AU Small Finance Bank Limited	CHG-4	02-08-2023	AA3937349	Complied
37	Satisfaction of charge in favour of AU Small Finance Bank Limited	CHG-4	02-08-2023	AA3937407	Complied

38	Satisfaction of charge in favour of Growth Source Financial Technologies Private Limited	CHG-4	03-08-2023	AA3781018	Complied
39	Creation of charge in favour of JM Financial Products Limited	CHG-1	04-08-2023	AA3764699	Complied
40	Creation of charge in favour of Fincare Small Finance Bank limited	CHG-1	04-08-2023	AA3884104	Complied
41	Creation of charge in favour of HDFC Bank Limited	CHG-1	07-08-2023	AA3991201	Complied
42	Annual Return	MGT - 7	08-08-2023	F62973714	Complied
43	Creation of charge in favour of Bajaj Finance Limited	CHG-1	11-08-2023	AA4057115	Complied
44	Filing of Resolutions and agreements to the Registrar (Board meeting)	MGT-14	11-08-2023	AA4118737	Complied
45	Satisfaction Modification of charge in favour of Catalyst Trusteeship Limited	CHG-4	17-08-2023	AA4021880	Complied
46	Appointment of Rakesh Kumar Bhutoria	DIR-12	22-08-2023	AA4122796	Complied
47	Appointment of Mr. Deepak Dugar (CEO)	DIR-12	22-08-2023	AA4122796	Complied
48	Creation of charge in favour of Punjab Reliable Investments PVT LTD	CHG-1	25-08-2023	AA4315137	Complied
49	Satisfaction of charge in favour of Tata Capital Financial Services Limited	CHG-4	01-09-2023	AA4342252	Complied
50	Creation of charge in favour of Tata Capital Financial Services Limited	CHG-1	04-09-2023	AA4501535	Complied
51	Verify Director's KYC Details Mahaveerchand Dugar	DIR – 3 KYC	05-09-2023	AA4582807	Complied
52	Verify Director's KYC Details Praveen Dugar	DIR – 3 KYC	05-09-2023	AA4588090	Complied
53	Report on Corporate Social Responsibility (CSR)	CSR-2	05-09-2023	F63871495	Complied
54	Verify Director's KYC Details Chidambar	DIR – 3 KYC	06-09-2023	AA4634352	Complied
55	Verify Director's KYC Details Markandan Kilpauk Sivasankaran	DIR – 3 KYC	07-09-2023	AA4651453	Complied

56	Verify Director's KYC Details Deepak dugar	DIR – 3 KYC	07-09-2023	AA4651453	Complied
57	Creation of charge in favour of ESAF Small Finance Bank Limited	CHG-1	07-10-2023	AA5798304	Complied
58	Creation of charge in favour of Oxyzo Financial Services Private Limited	CHG-1	09-10-2023	AA5809171	Complied
59	Modification of charge in favour of Indian Overseas Bank	CHG-1	09-10-2023	AA5296806	Complied
60	Creation of charge in favour of Yes Bank Limited	CHG-1	13-10-2023	AA5875285	Complied
61	Satisfaction of charge in favour Kisetu Saison Finance (India) Private Limited	CHG-4	13-10-2023	AA5828900	Complied
62	Satisfaction of charge in favour of Sundaram Finance Limited	CHG-4	18-10-2023	AA5913974	Complied
63	Creation of charge in favour of State Bank of India	CHG-1	09-11-2023	AA6072583	Complied
64	Reconciliation of Share Capital Audit for the Half Year ended September 30	PAS - 6	09-11-2023	AA6035868	Complied
65	Modification of charge in favour of Cholamandalam Investment and Finance Company Limited	CHG-1	14-12-2023	AA6374444	Complied
66	Creation of charge in favour of AU Small Finance Bank Limited	CHG-1	18-12-2023	AA6368242	Complied
67	Creation of charge in favour of the Federal Bank Ltd	CHG-1	20-12-2023	AA6407144	Complied
68	Satisfaction of charge in favour of ESAF Small Finance Bank Limited	CHG-4	28-12-2023	AA6476405	Complied
69	Creation of charge in favour of Caspian Impact Investments Private Limited	CHG-1	10-01-2024	AA6549917	Complied
70	Creation of charge in favour of MAS Financial Services Limited	CHG-1	17-01-2024	AA6586437	Complied
71	Creation of charge in favour of MAS Financial Services Limited	CHG-1	17-01-2024	AA6586551	Complied
72	Modification of charge in favour of Sundaram Finance Limited	CHG-1	24-01-2024	AA6672469	Complied
73	Creation of charge in favour of SIDBI	CHG-1	05-02-2024	AA6749836	Complied
74	Modification of charge in favour of DCB Bank Limited	CHG-1	26-02-2024	AA6863561	Complied

75	Filing of Resolutions and agreements to the Registrar (Board Meeting)	MGT-14	15-03-2024	AA7077835	Complied
76	Satisfaction of charge in favour of Muthoot Finance Limited	CHG-4	20-03-2024	AA7079950	Complied
77	Satisfaction of charge in favour of Hinduja Leyland Finance Limited	CHG-4	23-03-2024	AA7080051	Complied
78	Notice to Registrar of any alteration of share capital	SH-7	25-03-2024	AA7167943	Complied
79	Change in designation of Mr.Satish Mehta	DIR-12	26-03-2024	AA7170059	Complied
80	Change in designation of Rakesh Kumar Bhutoria	DIR-12	26-03-2024	AA7170059	Complied
81	Filing of Resolutions and agreements to the Registrar (General Meeting)	MGT-14	26-03-2024	AA7170425	Complied
82	Filing of Resolutions and agreements to the Registrar (General Meeting)	MGT-14	27-03-2024	AA7170752	Complied
83	Return of Allotment (Allotment of Non-Convertible Debentures)	PAS-3	29-03-2024	AA7203044	Complied
84	Filing of Resolutions and agreements to the Registrar (General Meeting)	MGT-14	02-04-2024	AA7247885	Complied
85	Creation of charge in favour of IDFC First Bank Limited	CHG-1	02-04-2024	AA7082774	Complied
86	Return of Allotment (Allotment of CCPS)	PAS-3	04-04-2024	AA7299423	Complied
87	Return of Allotment (Allotment of Equity Shares)	PAS-3	04-04-2024	AA7305979	Complied
88	Creation of charge in favour of STCI Finance Limited	CHG-1	08-04-2024	AA7257623	Complied
89	Satisfaction of charge in favour of Sundaram Finance Limited	CHG-4	08-04-2024	AA7219407	Complied
90	Creation of charge in favour of Catalyst Trusteeship Limited	CHG-9	09-04-2024	AA7284672	Complied
91	Creation of charge in favour of Oxyzo Financial Services Limited	CHG-1	10-04-2024	AA7372660	Complied
92	Creation of charge in favour of Kotak Mahindra Investments Limited	CHG-1	10-04-2024	AA7261167	Complied
93	Filing of Resolutions and agreements to the Registrar (General Meeting)	MGT-14	15-04-2024	AA7480235	Complied
94	Creation of charge in favour of Indian Overseas Bank	CHG-1	18-04-2024	AA7511640	Complied
95	Filing of Resolutions and agreements to the Registrar (General Meeting)	MGT-14	23-04-2024	AA7600461	Complied

### **Maintenance of Registers under the Companies Act, 2013**

Every company shall have to maintain the following registers under the Companies Act, 2013.

<b>S.No.</b>	<b>Particulars</b>	<b>Form No.</b>	<b>Time Period</b>	<b>Status</b>
1	Register of members under Section 88(1)(a) Rule 3(1).	MGT-1	-	Updated.
2	Disclosures by a director of his interest under Section 184(1) and Rule 9(1).	MBP-1	31 <sup>st</sup> March on every year	Updated.
3	Register of contracts or arrangements in which directors are interested under Section 189(1) and Rule 16(1).	MBP-4	At the time of executing the contract/ arrangement	Updated.
4	Register of Charges under Section 85(1) Rule 10.	CHG-7	At the time of creating / modifying / satisfying charges.	Updated.
5	Every company giving loan or giving guarantee or providing security or making an acquisition of securities shall, from the date of its incorporation.	MBP-2	The entries in the register shall be made chronologically in respect of each such transaction within seven days from the date of such transaction.	Not applicable to the company
6	Register of Directors and KMP	-NA-	-	Updated
7	Register of Beneficial Owners holding Significant Beneficial Interest	BEN-3	Details of SBO as stated in BEN-1	Not applicable to the company

**ANNEXURE-III**  
**RBI Regulations**  
**Regulatory and Supervisory Returns and Intimations**

<b>S. No.</b>	<b>Name of the Return</b>	<b>Nature of compliance requirements</b>	<b>Due date of compliance</b>	<b>Actual date of compliance / Remark</b>
1	DNBS 04B	Structural Liquidity & Interest Rate Sensitivity	15 days (earlier 10 days) from the end of the month	Complied
2	DNBS 04A	Short Term Dynamic Liquidity (STD L)	21 days (earlier 15 days) from the end of every quarter	Complied
3	DNBS 13	Overseas Investment Detail	21 days (earlier 15 days) from the end of the quarter	Complied
4	Reporting of annual return on Foreign Liabilities and Assets		July 15, 2023	Complied
5	DNBS 02	Important Financial Parameters	Quarterly w.e.f February 27, 2024 (earlier annually)	Complied
6	DNBS01	Important Financial Parameters	15 days from the end of Quarter (Not applicable w.e.f from February 27,2024)	Complied
7	DNBS03	Important Prudential Parameters	15 days from the end of the quarter (Not applicable w.e.f from February 27,2024)	Complied

8	DNBS 08	CRILC-Main (NBFCs)	15 days (earlier 21 days) from the end of the month	Complied
9	Monthly certificate in respect of submission of fraud cases	As per RBI Notification	7 days from the end of the month	Complied
10	Return on digital lending apps	As per RBI Notification	21 days from the end of the quarter	Complied
11	Fraud Monitoring Return 4	As per RBI Notification	15 days from the end of the quarter	Complied
12	Quarterly statement on change of directors and Certificate from Managing Director for complying with Fit & proper criteria.	As per RBI Notification	15 days from the end of the quarter	Complied
13	Intimation of Changes in Directors	As per RBI Master Direction	Within 30 days	Complied
14	Intimation of Changes in Directors	As per RBI Master Direction	Within 30 days	Complied a) The resignation of Mr. Abhishek Poddar from the position of Nominee Director intimated to the RBI on June 28, 2023. b) The resignation of Mr. Jayaraman Chandrasekaran from the position of Independent Director intimated to the RBI on June 08, 2023. c) The appointment of Mr. Satish Mehta as an Additional Director intimated to the RBI on July 11, 2023.



15	Intimation of Changes in Directors	As per RBI Master Direction	Within 30 days	<p>Complied</p> <p>a) Re- appointment and Re-Designation of Mr. Mahaveer Chand Dugar as an Executive Vice Chairman (Whole time Director) intimated to RBI on 09/10/2023</p> <p>b) Re-appointment and elevation of Mr. Deepak Dugar as Managing Director and CEO intimated to RBI on 09/10/2023</p> <p>c) Re-appointment and elevation of Mr. Praveen Dugar as Deputy Managing Director and CFO intimated to RBI on 09/10/2023</p> <p>d) Appointment of Mr. Rakeshkumar Bhutoria as an additional nominee Director intimated to RBI on 09/10/2023</p>
16	Intimation of revision of rating	As per Master Directions - Reserve Bank of India (Non - Banking Financial Company – Scale Based Regulation) Directions, 2023	Within 15 days	<p>Complied</p> <p>Submitted the intimation on 05/03/2024</p>
17	Intimation of change in office address of Secretarial Auditors of the Company	As per Master Directions - Reserve Bank of India (Non - Banking Financial Company – Scale Based Regulation) Directions, 2023	Within 30 days	<p>Complied</p> <p>Submitted the intimation on 17/01/2024</p>

18	Intimation of cyber security incident report	As per RBI Notification	Within 24 hours	Complied Submitted the cyber security incident report on 25/01/2024
19	Intimation of change in designation of directors	As per Master Directions - Reserve Bank of India (Non - Banking Financial Company – Scale Based Regulation) Directions, 2023	Within 30 days	Complied Submitted the intimation on 09/04/2024
20	Intimation of change in shareholding (less than 26%)	As per Master Directions - Reserve Bank of India (Non - Banking Financial Company – Scale Based Regulation) Directions, 2023	Within 30 days	Complied Submitted the intimation on 09/04/2024

**Annexure III**  
**Form No.AOC-2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form of disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: The Company has not entered into such transactions during the year.
2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	Mrs. Gunasundari Dugar. W/O Shri. Mahaveerchand Dugar, M/O Shri. Praveen Dugar and Shri. Deepak Dugar	Rent paid	12 months	The lease is for initial period of 11 months commencing from the date of signing which can be renewed for further 4 periods of 11 months each with mutual agreement.	27/05/2023	NIL
2.	Mrs. Purvi Dugar. W/O Shri. Deepak Dugar	Rent paid	12 months	The lease is for initial period of 11 months commencing from the date of signing which can be renewed for further 4 periods of 11 months each.	27/05/2023	NIL
3.	Mrs. Anjali Dugar. W/O Shri. Praveen Dugar	Rent paid	12 months	The lease is for initial period of 11 months commencing from the date of signing which can be renewed for further 4 periods of 11 months each.	27/05/2023	NIL
4.	BanyanTree Growth Capital II LLC	Payment of advisory service fee	Upto 31 <sup>st</sup> March, 2024	Provides advice relating to Global Investors and Fund raising	10/02/2023	NIL

**For and on behalf of the Board,**

Sd/-

**Deepak Dugar**

Managing Director & Chief Executive Officer  
DIN:00190705

Sd/-

**Praveen Dugar**

Deputy Managing Director & Chief Financial Officer  
DIN:00190780

**Place: Chennai**  
**Date : 12.06.2024**

## ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Clause (o) of sub section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules 2014]

### 1. Brief outline on CSR Policy of the Company:

The CSR policy of the Company outlines the various areas/activities in which the CSR expenditure is to be made with the following eight thrust areas:

- Education / Literacy enhancement
- Environment protection / Horticulture
- Infrastructure development
- Drinking water / sanitation
- Health care / Medical facility
- Community development / social empowerment
- Contribution to Social welfare funds set up by Central / State Government
- Relief for victims of natural calamities

CSR Programmes will be implemented by the company either on its own or through any specialized agencies/ implementing agencies like NGOs, Trusts, Missions, elected local Bodies like Panchayats, Self Help Groups, Mahila Mandals, community-based organisations etc which are eligible to undertake any CSR activity as per the Companies Act, 2013 and rules made thereunder.

The poor and needy section of the society living in different parts of India would normally be covered. The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities. For this purpose, the company will normally spend the CSR amount within 100 KMs radius of its Head office or Branch offices.

CSR policy is available in company website: <https://mahaveerfinance.com/policies.php>

### 2. Composition of CSR Committee:

As per the Section 135(9) of the Companies Act, 2013, the Corporate Social Responsibility Committee has been dissolved w.e.f 29th June 2021 and the powers of the said Committee vests with the Board of Directors.

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The Corporate Social Responsibility Committee has been dissolved with effect from 29th June 2021, hence, the information about the Committee is not available in the website. The web-link for CSR policy and CSR expenditures made by the Company in F.Y. 2023-24 is disclosed in <https://www.mahaveerfinance.com/corp.php>.

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1	2021-22	51,921	51,921
2	2022-23	2,76,749	2,76,749
Total		7,81,432	7,81,432

**6. Average net profit of the company as per section 135(5): Rs. 14,73,61,892-**

- Two percent of average net profit of the company as per section 135(5): Rs. 29,47,238
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- Amount required to be set off for the financial year, if any: Rs. 3,28,670
- Total CSR obligation for the financial year (6a+6b-6c): Rs. 26,18,568

**7. (A) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs.)			Amount Unspent (in Rs.)		
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
<b>Rs. 34,00,000/-</b>	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1.	Donation to JITO Administrative Training Foundation	ii. Promoting Education	Yes	Tamil Nadu	Chennai	34,00,000	No	JITO Administrative Training Foundation	CSR00010876
	Total					34,00,000			

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : NA

(f) Total amount spent for the Financial Year (7b+7c+7d+7e): Rs. 34,00,000

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs)
1.	Two percent of average net profit of the company as per section 135(5)	Rs. 29,47,238/-
2.	Total amount spent for the Financial Year	Rs. 34,00,000/-
3.	Excess amount spent for the financial year [(ii)-(i)]	Rs. 4,52,762/-
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 7,81,432*

\* including Excess CSR expenditure of F.Y. 2021-22: Rs. 51,921 and Excess CSR expenditure of F.Y. 2022-23: Rs. 2,76,749 and Excess CSR expenditure of F.Y. 2023-24: Rs. 4,52,762.

8. (a) Details of Unspent CSR amount for the preceding three financial years: NIL  
(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): NIL
9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): NIL
10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NIL

sd/-	sd/-	Not Applicable
(Chief Executive Officer or Managing Director or Director)	(Chairman of the Board)	[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable).

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHAVEER FINANCE INDIA LIMITED**

## **Report on the Audit of the Financial Statements**

### **Opinion**

1. We have audited the accompanying financial statements of **MAHAVEER FINANCE INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("The Act" or "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Basis for Opinion**

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

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

3. The Company's Board of Directors is responsible for the other information. The other information comprises of the Board's Report including its Annexures, and other report placed by the management before the members, but does not include the financial statements and our auditor's report thereon. The Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

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

4. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
6. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

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

#### **Report on Other Legal and Regulatory Requirements**

8. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B to this report.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - 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) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 33 to the financial statements
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, if any, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, if any, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- (v) The Company has not declared or paid any dividend during the year, hence requirement for compliance with Section 123 of the Act is not applicable.
- (vi) As per the information and explanations provided to us by the management and based on our examination which included test checks, the Company has used an accounting software for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility. The audit trail facility in the accounting software has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being disabled or tampered with during the course of our audit.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31<sup>st</sup> March 2024.

**For JKVS & Co.,  
Chartered Accountants  
Firm Registration Number : 318086E**

**VINEET MAHIPAL  
Partner  
Membership No. 508133  
UDIN : 24508133BKGQET8012**

**Place : Noida (Delhi-NCR)**

**Date : June 12, 2024**

## **“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT**

**(Referred to in paragraph 8 of the Independent Auditors’ Report of even date to the members of Mahaveer Finance India Ltd. on the financial Statements as of and for the year ended March 31, 2024)**

We report that:

- i. In respect of its Property, Plant & Equipment and Intangible Assets:
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - b) The Property, Plant and Equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the said programme a portion of the property, plant and equipment has been verified by the management during the year and no material discrepancies have been noticed on such verification.
  - c) According to the information and explanations given to us, there are no immovable properties in the name of the company, and hence clause 3(i)(c) of the Order are not applicable to the company.
  - d) The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
  - e) According to information and explanations given by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- ii. The Company is a Non-Banking Finance Company (NBFC) engaged in the business of giving loans and does not maintain any inventory. Hence the provision of clause 3(ii)(a) and (ii)(b) of the Order are not applicable.
- iii.
  - a) Since the Company’s principal business is to give loans, the provisions of clause 3(iii)(a) of the Order are not applicable to it. The Company has not made any investments or provided any guarantee or security of its Assets for companies, firms, limited liability partnership or any other parties during the year.
  - b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the terms and conditions of the grant of all loans and advances are not observed to be prejudicial to the Company’s interest.
  - c)&d) The company, being a Non-Banking Financial Company (‘NBFC’), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal or payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.
  - e) Since the Company’s principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to it.
  - f) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. According to the information and explanations provided to us, the company has not granted any loans or made any investment, or provided any guarantees or security to the parties covered under section 185 and 186. Therefore, the provision of clause 3(iv) of the said Order are not applicable to the company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public or amount which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. Therefore, the Clause 3(v) of the order are not applicable.
- vi. The Central Government has not mandated the maintenance of cost records u/s 148 (1) of the Act in respect of the Company’s products. Therefore, the provision of clause 3(vi) of the said Order are not applicable to the Company.
- vii. According to the information and explanations given to us and the records of the Company examined by us:
  - a) The Company is generally regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable. There was no undisputed outstanding statutory dues as at 31<sup>st</sup> March 2024, for a period of more than six months from the date they became payable.

- b) According to the records and information and explanations provided to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanation given to us, and as represented by the management, there were no transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Therefore, provisions of clause 3(viii) of the Order are not applicable to the Company.
- ix. In respect of Loans availed by the Company:
- According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
  - On the basis of the information and explanation provided to us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
  - On the basis of the information and explanation provided to us, the Company has utilized the funds availed from loans for the purpose it was obtained.
  - On the basis of the information and explanation provided to us, the funds obtained by the company on short-term basis has not been utilized for long term purposes.
  - The company does not have a subsidiary, associate or joint ventures and therefore, clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable.
- x. In respect of Capital raised by the Company:
- According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Thus, the provisions of clause 3(x)(a) of the order are not applicable to the Company.
  - According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment or private placement of Equity shares and Compulsorily convertible preference shares (CCPS) during the year. The Company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013. The funds raised were received only at the end of the year and were lying in the Company's bank account as at the year end and will be used for the purposes for which the funds were raised in the subsequent year.
- xi. In respect of instance of any fraud by or against the Company:
- Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management.
  - We have not come across any instance of fraud, therefore report under sub-section 12 of section 143 of the Companies Act, 2013 is not required to be filed by us in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - As reported to us by the management, there are no whistle-blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provision of clause 3(xii) of the Order are not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the Indian Accounting Standards (Ind AS) 24, Related Party Disclosures specified under section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- xiv. In respect of its Internal Audit system:
- In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business;
  - We have considered internal audit reports of the Company issued till date for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of the clause 3(xv) of the Order are not applicable to the company.
- xvi. In respect of its compliance with RBI Regulations:
- The Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and has obtained the registration.
  - The Company has a valid Certificate of Registration for conducting the functions of Non-Banking Financial activities.
  - In our opinion, the Company or any other Company in its group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) and (xvi)(d) of the Order are not applicable to the Company;

- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In respect of Corporate Social Responsibility Expenditure:
- a) According to the information and explanations given to us and based on our examination of the records of the Company, in respect of CSR Expenditure other than ongoing CSR projects, there were no amount remaining unspent u/s 135 (5) of the Companies Act, hence no amount was required to be transferred to a Fund specified in Schedule VII to the Companies Act.
- b) In our opinion, there are no ongoing projects towards Corporate Social Responsibility (CSR) requiring a transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- xxi. The Company does not have subsidiary, associate or joint venture. Therefore, the provisions of clause 3(xxi) of the Order are not applicable to the Company.

**For JKVS & Co.,  
Chartered Accountants  
Firm Registration Number : 318086E**

**VINEET MAHIPAL  
Partner  
Membership No. 508133  
UDIN : 24508133BKGQET8012**

**Place : Noida (Delhi-NCR)**

**Date : June 12, 2024**

## **“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT**

**(Referred to in paragraph 9(f) of the Independent Auditor’s Report of even date to the members of Mahaveer Finance India Limited on the financial Statements as of and for the year ended March 31, 2024)**

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

1. We have audited the internal financial controls over financial reporting of **Mahaveer Finance India Limited** (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“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 Act.

#### **AUDITOR’S RESPONSIBILITY**

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

6. 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:
  - a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
  - b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
  - c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

#### **OPINION**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For JKVS & Co.  
Chartered Accountants  
Firm Registration Number : 318086E

VINEET MAHIPAL  
Partner  
Membership No. 508133  
UDIN : 24508133BKQGET8012

Place : Noida (Delhi-NCR)

Date : June 12, 2024

# MAHAVEER FINANCE INDIA LIMITED

Statement of Assets & Liabilities as at 31<sup>st</sup> March 2024

(All amount in ₹ Lakhs, except otherwise stated)

PARTICULARS	Note No.	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Assets</b>			
<b>I. Financial Assets</b>			
(a) Cash and cash equivalents	4	15,119.06	9,511.93
(b) Bank Balance other than (a) above	5	320.10	344.15
(c) Receivables			
Other receivables	6	-	-
(d) Loans	7	62,570.01	46,140.21
(e) Investments	8	4.36	1,034.90
(f) Other Financial assets	9	1,391.94	1,091.99
<b>Total Financial Assets</b>		<b>79,405.47</b>	<b>58,123.18</b>
<b>2. Non-financial Assets</b>			
(a) Deferred tax Assets (Net)	10	306.03	279.79
(b) Property, Plant and Equipment	11	179.38	103.86
(c) Right of use assets	12	100.52	49.06
(d) Other Intangible assets	13	7.64	3.33
(e) Other non-financial assets	14	339.40	63.06
<b>Total Non-Financial Assets</b>		<b>932.97</b>	<b>499.10</b>
<b>Total Assets</b>		<b>80,338.44</b>	<b>58,622.28</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
<b>1. Financial Liabilities</b>			
(a) Trade Payables	15	8.92	41.46
(b) Borrowings (Other than Debt Securities)	16	53,843.39	37,156.48
(c) Subordinated Liabilities	17	1,500.00	1,500.00
(d) Debt Securities	18	3,440.00	6,600.00
(e) Lease liabilities	-	110.88	53.60
(f) Other financial liabilities	19	3,065.31	1,682.51
<b>Total Financial Liabilities</b>		<b>61,968.50</b>	<b>47,034.05</b>
<b>2. Non-Financial Liabilities</b>			
(a) Current tax liabilities (Net)	20	287.55	190.78
(b) Provisions	21	143.93	81.35
(c) Other non-financial liabilities	22	691.28	626.00
<b>Total Non-Financial Liabilities</b>		<b>1,122.76</b>	<b>898.13</b>
<b>3. Equity</b>			
(a) Share capital	23	1,495.22	1,226.39
(b) Other Equity	SOCIE	15,751.96	9,463.70
<b>Total Equity</b>		<b>17,247.18</b>	<b>10,690.09</b>
<b>Total Liabilities and Equity</b>		<b>80,338.44</b>	<b>58,622.28</b>
<b>Material Accounting Policies</b>	3		

As per our report of even date attached

For and on behalf of Board of Directors

**For JKVS & Co.,**  
Chartered Accountants  
Firm Regn No. 318086E

**N Mahaveerchand Dugar**  
Executive Vice Chairman  
DIN: 00190628

**M Deepak Dugar**  
Managing Director & CEO  
DIN: 00190705

**Vineet Mahipal**  
Partner  
Membership No. 508133

**M Praveen Dugar**  
Deputy Managing Director & CFO  
DIN: 00190780

**Jyoti Bokade**  
Company Secretary  
M.No.: A59911

Place : Chennai  
Date : June 12, 2024

# MAHAVEER FINANCE INDIA LIMITED

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2024

(All amount in ₹ Lakhs, except otherwise stated)

PARTICULARS	Note No.	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Revenue from operations</b>			
Interest Income	24	12,817.94	10,272.07
Other operating income	25	562.69	110.84
Net gain on fair value changes	26	169.64	127.38
<b>(I) Total Revenue from operations</b>		<b>13,550.27</b>	<b>10,510.30</b>
(II) Other Income	27	124.64	14.94
<b>(III) Total Income (I+II)</b>		<b>13,674.91</b>	<b>10,525.23</b>
<b>Expenses</b>			
Finance Costs	28	6,762.52	5,506.82
Fees and commission expense	29	461.04	237.90
Impairment on financial instruments	30	649.43	563.73
Employee Benefits Expenses	31	2,200.90	1,532.23
Depreciation and amortization	32	144.82	100.09
Other expenses	33	1,037.64	733.63
<b>(IV) Total Expenses (IV)</b>		<b>11,256.35</b>	<b>8,674.40</b>
<b>(V) Profit before tax (III -IV)</b>		<b>2,418.56</b>	<b>1,850.83</b>
<b>(VI) Tax Expense:</b>			
- Current Tax		749.88	491.21
- Income Tax Adjustments of earlier years (Net)		20.72	-
- Deferred Tax		(16.15)	(107.99)
<b>(VII) Profit for the year (V-VI)</b>		<b>1,664.11</b>	<b>1,467.61</b>
<b>(VIII) Other Comprehensive Income</b>			
(A) (i) Items that will not be reclassified to profit or loss Gain/(loss) on remeasurements of the defined benefit obligation		(40.06)	(7.14)
Gain/(loss) on financial instruments designated at other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		10.08	1.80
<b>Subtotal (A)</b>		<b>(29.98)</b>	<b>(5.34)</b>
(B) (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
<b>Other Comprehensive Income (A + B)</b>		<b>(29.98)</b>	<b>(5.34)</b>
<b>(IX) Total Comprehensive Income for the year (VII+VIII)</b>		<b>1,634.13</b>	<b>1,462.27</b>
<b>(X) Earnings per equity share of ₹10 each</b>			
Basic (₹)	37	13.57	11.97
Diluted (₹)		12.37	11.97
<b>Material Accounting Policies</b>	3		

As per our report of even date attached

For and on behalf of Board of Directors

**For JKVS & Co.,**  
Chartered Accountants  
Firm Regn No. 318086E

**N Mahaveerchand Dugar**  
Executive Vice Chairman  
DIN: 00190628

**M Deepak Dugar**  
Managing Director & CEO  
DIN: 00190705

**Vineet Mahipal**  
Partner  
Membership No. 508133

**M Praveen Dugar**  
Deputy Managing Director & CFO  
DIN: 00190780

**Jyoti Bokade**  
Company Secretary  
M.No.: A59911

Place : Chennai  
Date : June 12, 2024



# MAHAVEER FINANCE INDIA LIMITED

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024** (All amount in ₹ Lakhs, except otherwise stated)

PARTICULARS	NOTE NO	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>I. Cash Flow from Operating Activities</b>			
Profit before tax		2,418.56	1,850.83
Adjustment for :			
Impairment on financial instruments		649.43	563.73
Depreciation and amortization		144.82	100.09
Finance Costs		6,762.52	5,506.82
Unrealised (gain)/ loss on fair value changes		(1.88)	(32.40)
Profit on sale/ discard of Property, Plant & Equipment		-	-
<b>Operating Profit Before Working Capital Changes</b>		<b>9,973.46</b>	<b>7,989.07</b>
Adjustments for :-			
(Increase)/Decrease in operating Assets			
- Loans		(17,079.23)	(7,541.41)
- Other Receivables		(552.24)	3,007.18
(Decrease)/Increase in operating Liabilities & provisions			
- Liabilities		1,139.12	1,160.61
- Provisions		62.58	25.41
<b>Cash Flow used in Operations</b>		<b>(6,456.32)</b>	<b>4,640.87</b>
Finance Costs paid		(6,735.90)	(5,493.09)
Income tax paid (Net of refunds)		(768.41)	(350.13)
<b>Net Cash Used in Operating Activities (A)</b>		<b>(13,960.63)</b>	<b>(1,202.34)</b>
<b>II. Cash Flow from Investing Activities</b>			
Purchase of Property, plant and Equipment and Intangible Assets		(140.88)	(60.35)
Proceed from sale of Property, plant and Equipment		-	-
Movement of Investment (net)		1,032.42	999.59
<b>Net Cash from /(used) in Investing Activities (B)</b>		<b>891.54</b>	<b>939.24</b>
<b>III. Cash Flow from Financing Activities</b>			
Proceeds from Issue of Shares (Including Share Premium) (Net of Share Issue Expenses - Rs. 77.05 Lakhs)		4,922.95	-
Proceed from issuance of Non Convertible Debentures		1,340.00	1,500.00
Repayment of Non Convertible Debentures		(4,500.00)	(4,400.00)
Proceeds / (Repayment) of Subordinated Liabilities		-	(1,000.00)
Payment of Lease liabilities		(104.59)	(71.43)
Proceeds from Borrowing other than debt securities		39,167.00	27,600.00
Repayment of Borrowings other than debt securities		(22,149.13)	(15,991.47)
<b>Net Cash From Financing Activities (C)</b>		<b>18,676.22</b>	<b>7,637.09</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>5,607.13</b>	<b>7,373.99</b>
Cash and Cash Equivalents at the Beginning of the year (Refer Note 4)		9,511.93	2,137.94
Cash and Cash Equivalents at the End of the year (Refer Note 4)		15,119.06	9,511.93

As per our report of even date attached

For and on behalf of Board of Directors

**For JKVS & Co.,**  
Chartered Accountants  
Firm Regn No. 318086E

**N Mahaveerchand Dugar**  
Executive Vice Chairman  
DIN: 00190628

**M Deepak Dugar**  
Managing Director & CEO  
DIN: 00190705

**Vineet Mahipal**  
Partner  
Membership No. 508133

**M Praveen Dugar**  
Deputy Managing Director & CFO  
DIN: 00190780

**Jyoti Bokade**  
Company Secretary  
M.No.: A59911

Place : Chennai  
Date : June 12, 2024

# MAHAVEER FINANCE INDIA LIMITED

## Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2024 (All amount in ₹ Lakhs, except otherwise stated)

A. Share Capital	Balance as at April 1, 2022	Change during the year 2022-23	Balance as at March 31, 2023	Change during the year 2023-24	Balance as at March 31, 2024
<b>ISSUED, SUBSCRIBED AND PAID UP</b>					
Equity Shares of Rs. 10/- each, fully paid up	1,226.39	-	1,226.39	0.01	1,226.40
26,88,202 Compulsory Convertible Preference Shares of Rs. 10/- each, fully paid up	-	-	-	268.82	268.82
<b>Total</b>	<b>1,226.39</b>	<b>-</b>	<b>1,226.39</b>	<b>268.83</b>	<b>1,495.22</b>

(All amount in ₹ Lakhs, except otherwise stated)

B. Other Equity	Reserves and Surplus				Compulsory Convertible Debentures	Total
	Security Premium	General Reserve	Statutory Reserves	Retained Earnings		
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>2,073.63</b>	<b>142.60</b>	<b>891.23</b>	<b>2,893.96</b>	<b>2,000.00</b>	<b>8,001.43</b>
Profit for the year	-	-	-	1,467.61	-	1,467.61
Other Comprehensive Income (net of tax)	-	-	-	(5.34)	-	(5.34)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,462.27</b>	<b>-</b>	<b>1,462.27</b>
Transfer to Statutory Reserves	-	-	293.52	(293.52)	-	-
Transfer to General Reserves	-	10.00	-	(10.00)	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>2,073.63</b>	<b>152.60</b>	<b>1,184.75</b>	<b>4,052.71</b>	<b>2,000.00</b>	<b>9,463.70</b>
Profit for the year	-	-	-	1,664.11	-	1,664.11
Other Comprehensive Income (net of tax)	-	-	-	(29.98)	-	(29.98)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,634.13</b>	<b>-</b>	<b>1,634.13</b>
Share premium recd. during the year	4,654.13	-	332.82	(332.82)	-	4,654.13
Transfer to Statutory Reserves	-	10.00	-	(10.00)	-	-
Transfer to General Reserves	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>6,727.76</b>	<b>162.60</b>	<b>1,517.57</b>	<b>5,344.02</b>	<b>2,000.00</b>	<b>15,751.96</b>

### Notes: Nature and purpose of reserve

- Statutory reserve (Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 (the "RBI Act, 1934"))**  
Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit annually as disclosed in the Statement of Profit and Loss, before any dividend is declared.
- General reserve**  
Represents accumulated profits set apart by way of transfer from current year Profits or/and Retained Earnings. General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.
- Security Premium**  
Securities premium is used to record the premium received on the issue of shares. The reserve can be utilised only for specified purposes in accordance with the provisions of the Companies Act, 2013. During the year the company received Rs.4,731.17 lakhs as Share Premium from the issue of Compulsory Convertible Preference shares. The Share Issue Expenses amounting to Rs.77.04 lakhs has been netted off from the Share premium received.
- Retained Earnings**  
Retained Earnings represents the accumulated available profit of the Company including the amounts carried forward from earlier years. These reserve are free reserves which can be utilised for any purpose as may be required.
- Compulsory Convertible Debentures**  
Terms of Issue : During 2020-2021, the Company has issued 2000 Nos. Unsecured Compulsorily Convertible Debentures (CCD) of face value of Rs.1,00,000 each to the Investors. The CCDs shall be converted on or after 48 months from the date of investment at the price agreed upon as per the investment agreement. Until Conversion, the Company shall serve a quarterly coupon @ 17% p.a. to the Investors. In terms of the Share subscription Agreement with a new Investor, these CCD are to be purchased by the new Investor and thereafter to be converted into Equity Shares during the FY-2024-25.
- Compulsory Convertible Preference Shares**  
Terms of Issue : During 2023-24, the company has issued 26,88,202 Nos Compulsory Convertible Preference Shares of Rs.10/- each fully paid up to the Investor. The CCPS issued to the Investor shall compulsorily convert into Equity Shares of the Company upon (a) Listing of the Equity Shares of the Company under an IPO ("Public Offering"); or on the date that is 1 (One) day before the expiry of 20 (Twenty) years from the date of issuance of the CCPS ("Investment Period"). The holder of each CCPS shall be entitled to preferential non-cumulative dividend at the rate of 0.001% per year for all the CCPS till such time that the CCPS are outstanding.

As per our report of even date attached

For and on behalf of Board of Directors

**For JKVS & Co.,**  
Chartered Accountants  
Firm Regn No. 318086E  
**Vineet Mahipal**  
Partner  
Membership No. 508133  
Place : Chennai  
Date : June 12, 2024

**N Mahaveerchand Dugar**  
Executive Vice Chairman  
DIN: 00190628  
**M Praveen Dugar**  
Deputy Managing Director & CFO  
DIN: 00190780

**M Deepak Dugar**  
Managing Director & CEO  
DIN: 00190705  
**Jyoti Bokade**  
Company Secretary  
M.No.: A59911

# MAHAVEER FINANCE INDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENT AS OF AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

### 1. Company Overview

Mahaveer Finance India Limited (the 'Company') is a unlisted Public Limited Company domiciled in India and incorporated on 05-01-1981 under the provisions of the Companies Act 1956 ('the Act'). The Company is registered with the Reserve Bank of India (RBI) since Inception. The last renewed Certificate of registration was issued by RBI on November 12, 2015 to carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits.

As per the Master Directions - Reserve Bank of India (Non Banking Financial Company Scale based regulations) Directions, 2023 dated October 19, 2023, since the asset size of the Company is below Rs.1,000 crores, the company is classified as NBFC Base Layer.

The financial statements of the Company for the year ended March 31, 2024 were authorized for issue by the Board of Directors at their meeting held on 12<sup>th</sup> June 2024.

### 2. Basis of Preparation

#### (i) Statement of compliance with Indian Accounting Standards (Ind AS)

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time and other accounting principles generally accepted in India along with other relevant provisions of the Act and the Directions related to Non-Banking Financial Companies issued by RBI from time to time.

The Company's financial statements are prepared in accordance with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, other relevant provisions of the Act and other accounting principles generally accepted in India, to the extent applicable including the NBFC Master Directions.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 44.

#### (ii) Basis of Measurement

These financial statements have been prepared on a historical cost basis except for following assets and liabilities which have been measured at fair value

- i) financial instruments - fair value through profit and loss (FVTPL);
- ii) defined benefit liabilities/(assets): present value of defined benefit obligation less fair value of plan assets.

Fair value is the price that would be received to sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except measurements that have some similarities to fair value but are not fair value, such as value in use in Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices /net asset value (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;
- Level 2 inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### **(iii) Critical Accounting Judgements, Estimates, Assumptions and Key Source Of Estimation Uncertainty**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### **Judgements**

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- assessing the lease term (including anticipated renewals) and the applicable discount rate.
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

#### **Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts.
- Useful life and residual value of property, plant and equipment, other intangible assets and Right of Use assets;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Impairment of financial assets: key assumptions used in estimating recoverable cash flows
- Measurement of expected credit losses.
- Uncertainty relating to the global health pandemic.

### **(iv) Functional and presentation currency**

Indian Rupee (₹) is the Company's functional currency and the currency of the primary economic environment in which the Company operates. Accordingly, the management has determined that financial statements are presented in Indian Rupees (₹). All amounts have been rounded-off to the nearest lakhs upto two decimal places, unless otherwise indicated.

## **3. Material Accounting Policies**

### **a Property, plant and equipment**

#### **Recognition and measurement**

The estimated useful lives and residual values of the PPE are reviewed at the end of each financial year.

PPE, individually costing less than Rupees five thousand, are fully depreciated in the year of purchase.

Gains or losses arising from the retirement or disposal of PPE are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

## **Subsequent Measurement**

### **Depreciation**

Depreciation on property, plant and equipment is provided on Straight Line Method using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013. Depreciation on the Property Plant and Equipment added/disposed off/discarded during the year is provided from/upto the date when added/disposed off/discarded.

## **b Other Intangible Assets**

### **Recognition and measurement**

Intangible assets, representing softwares are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use.

### **Subsequent Measurement**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

### **Amortisation**

The intangible assets are amortised using the straight line method over a period of three years [which is the management's estimate of its useful life] from the date when the asset is available for use or license period which ever is lower. Amortisation on the intangible asset disposed off during the year is provided on pro-rata basis with reference to the date of disposal. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

## **c Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

## **d Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

### **Interest and allied Income**

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

Prepayment charges etc. are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting and reported under "Fees and commission income".

Overdue Interest Income is recognized on accrual basis to the extent considered recoverable.

### **Dividend Income**

Dividend income is accounted for when the right to receive the income is established, which generally accrue when the shareholders approves the dividend.

### **Net Gain/ Loss on Fair Value Changes**

Any differences between the fair values of the investment in debt oriented mutual funds classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

### **Assignor's Yield on Direct Assignments**

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

### **Business Correspondent Operations**

Income from business correspondent services is recognized as and when the services are rendered as per agreed terms and conditions of the contract.

## **e Financial Instruments**

A Financial Instrument is any contract that gives rise to a financial asset of an entity and a financial liability or equity instrument of another entity.

### **(i) Initial recognition and measurement**

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability which is not recognised at Fair Value Through Profit and Loss, is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue.

### **(ii) Subsequent recognition**

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

On initial recognition, a financial asset is classified and measured at

- Amortised Cost;
- Fair Value Through Other Comprehensive Income (FVOCI); or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not recognised at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI) (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified and measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### **Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets.

#### **Business model assessment**

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated financial assets going forward.



**Financial assets: Subsequent measurement and gains and losses**

Financial assets measured at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.
Financial assets measured at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.
Financial assets measured at Amortised Cost	These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

**(B) Financial liabilities: Classification, subsequent measurement and gains and losses**

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised as profit or loss respectively.

**(iii) Derecognition****Financial Assets**

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset  
Or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.



The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay. In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on derecognition of such financial asset previously carried under amortisation cost category. The resulting interest only strip initially is recognised at FVTPL.

### **Financial Liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

#### **(iv) Impairment of Financial Assets**

The Company assesses at each date of Balance Sheet whether a Financial asset or a group of Financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance.

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

<b>Particulars</b>	<b>Criteria</b>
Stage 1 (1-30 Days)	includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
Stage 2 (31-90 Days)	includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
Stage 3 (More than 90 Days)	includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

**Probability of Default (PD):** The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

**Loss Given Default (LGD):** LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

**Exposure at Default (EAD):** EAD is based on the amounts the Company expects to be owed at the time of default.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

#### **(v) Offsetting Financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

#### **f. Borrowing costs**

Borrowing cost attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such assets are ready for its intended use. Ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings and recognised using the Effective Interest Rate (EIR) method. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

#### **g. Employee benefits**

##### **(i) Short term employee benefits**

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### **(ii) Define Contribution Plan**

Employee benefits in the form of Provident Fund are defined as contribution plan and charged as expenses during the period in which the employees perform the services.

##### **(iii) Define Benefit Plan**

For defined benefit retirement, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields available on government bonds.

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in other equity and will not be reclassified to the Statement of Profit & Loss. Past service cost is recognised in the Statement of Profit & Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in the Statement of Profit & Loss in the line item employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

##### **(iv) Other long-term employee benefits**

The Company has long term employment benefit plans i.e. accumulated leave. As per Company's policy, unutilised leaves will be lapsed at each year end.

## **h Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

## **i Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in Other Comprehensive Income.

### **i. Current tax**

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using the tax rates that have been enacted or substantially enacted by the end of the reporting period.

### **ii. Deferred tax**

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## **j Foreign Currency Transactions**

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise, except for exchange difference arising on re-statement of long-term monetary items that in substance forms part of Company's net investment in foreign operations, is accumulated in Foreign Currency Translation Reserve (component of OCI) until the disposal of the investment, at which time such exchange difference is recognised in the Statement of Profit and Loss.

## **k Cash and cash equivalent**

Cash and cash equivalents comprise cash on hand, cash at bank and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

## **I Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **Company as a lessee**

The Company assesses if a contract is or contains a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the statement of operations on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if not readily determinable, the incremental borrowing rate specific to the country, term and currency of the contract.

Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date, as well as any extension or purchase options, if the Company is reasonably certain to exercise these options. The lease liability is subsequently measured at amortized cost using the effective interest method and remeasured with a corresponding adjustment to the related right-of-use asset when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessments of options.

The right-of-use asset comprises, at inception, the initial lease liability, any initial direct costs and, when applicable, the obligations to refurbish the asset, less any incentives granted by the lessors. The right-of-use asset is subsequently depreciated, on a straight-line basis, over the lease term, if the lease transfers the ownership of the underlying asset to the Company at the end of the lease term or, if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, over the estimated useful life of the underlying asset.

Right-of-use assets are also subject to testing for impairment if there is an indicator for impairment. Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of operations in the period in which the events or conditions which trigger those payments occur. In the statement of financial position right-of-use assets and lease liabilities are classified on the face of the Balance Sheet.

### **Company as a lessor**

When the Company is the lessor, the lease are classified as either a finance lease or an operating lease. A finance lease is a lease which confers substantially all the risks and rewards of the leased assets on the lessee. An operating lease is a lease where substantially all of the risks and rewards of the leased asset remain with the lessor.

Amounts due from lessees under finance leases are recorded as receivables. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

## **m Segment Reporting**

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one business segment viz. "Financing Activities".

## **n Earning per equity share**

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

**o Upfront servicers fees booked on direct assignment**

Servicer fees payable for servicing loan contracts under direct assignment are discounted at the applicable rate entered into with the assignee and recognised upfront in the balance sheet and amortised on a straight line basis over the remaining contractual maturity of the underlying loans.

**p Adoption of New Accounting Standards**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standard or amendments to the existing standards applicable to the Company.

(All amount in ₹ Lakhs, except otherwise stated)

4	Cash & Cash Equivalents	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Cash on Hand		224.37	155.80
	Balance with banks :			
	in Current Accounts		12,894.68	6,356.13
	In DepositAccounts (with maturity less than 3 months)		2,000.00	3,000.00
	<b>Total</b>		<b>15,119.06</b>	<b>9,511.93</b>

5	Bank Balance other than Cash & Cash Equivalents	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Fixed Deposits (with original maturity more than 3 months)	5.1	320.10	344.15
	<b>Total</b>		<b>320.10</b>	<b>344.15</b>

5.1 Includes deposits of Rs. 192.00 Lacs (31.03.2023 - Rs.112.19 Lacs) placed as margin money with banks.

6	Other Receivables	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	<b>At amortised cost</b>			
	Considered good - Unsecured	6.1	-	-
	<b>Total</b>		<b>-</b>	<b>-</b>

6.1 No debts are due from directors or other officers or any of them either severally or jointly with any other person. No debts are due from firms, Limited Liability Partnerships or private companies in which any director is a partner or a director or a member.

(All amount in ₹ Lakhs, except otherwise stated)

7	Loans	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	<b>At amortised cost</b>			
(a)	Portfolio Loans		60,341.70	44,449.69
	Reposessed Assets		723.67	364.00
(b)	MRR on securitised Contracts & Direct Assignment		1,697.92	1,268.22
(c)	<b>Others</b>			
	- BPI on Loan Assets		631.63	523.97
	- Others		240.65	209.61
	<b>Gross Loans</b>		<b>63,635.57</b>	<b>46,815.49</b>
	Less: Impairment loss allowance			
	Provision for Non-performing Assets		(736.51)	(519.47)
	Provision for Standard Assets		(232.73)	(114.50)
	Provision for Repo Assets		(96.32)	(41.30)
	<b>Net Loans</b>		<b>62,570.01</b>	<b>46,140.21</b>

7.1	<b>Breakup of total loans</b>			
	Secured by tangible assets		63,635.57	46,815.49
	<b>Gross Loans</b>		<b>63,635.57</b>	<b>46,815.49</b>
	Less: Impairment loss allowance		(1,065.56)	(675.28)
	<b>Net Loans</b>		<b>62,570.01</b>	<b>46,140.21</b>

7.2	<b>Loans in India</b>			
	Public Sector		-	-
	Others		63,635.57	46,815.49
	<b>Gross Loans</b>		<b>63,635.57</b>	<b>46,815.49</b>
	Less: Impairment loss allowance		(1,065.56)	(675.28)
	<b>Net Loans</b>		<b>62,570.01</b>	<b>46,140.21</b>

7.3 Loans to related party includes ₹ Nil (previous year ₹ Nil) due from directors, Senior Officers and relatives of Directors or any of them either severally or jointly with any other person. No debts are due from firms, Limited Liability Partnerships or private companies in which any director is a partner or a director or a member. .

7.4 For additional disclosure under RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD No.109/22.10.106/2019-20 dated March 13, 2020, refer note 48.

Face Value - ₹ 10 each unless otherwise specified

8	Investments	Face Value (₹)	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
			Nos/Units	Amount	Nos/Units	Amount
(A)	<b>At fair value through profit or loss</b>					
	<b>Investment in mutual funds</b>					
	Northern Arc Money Market Alpha fund		-	-	10,32,365	1,032.42
	Northern Arc PMS		-	-	-	-
	SBI Mutual Fund - Regular Growth		-	-	-	-
(B)	<b>Total (A)</b>		-	-	10,32,365	1,032.42
	<b>At fair value through Profit &amp; Loss</b>					
	<b>Investment in Equity instruments</b>					
	<b>Quoted</b>					
	DFL Infrastructure Finance Ltd. (formerly known as Dhandapani Finance Ltd.)		1	-	1	0.00
	Asscher Enterprises Ltd (formerly known as Indian Seamless Enterprises Ltd)		4	-	4	0.00
	Indo Asian Finance Ltd		3	-	3	0.00
	Jhagadia Copper Ltd		-	-	90	-
	Onida Finance Ltd		800	-	800	0.08
	Sundaram Finance Ltd		100	3.13	100	2.30
	Sundaram Finance Holdings Ltd		100	0.20	100	0.08
	Tatia Skyline Ltd		-	-	400	0.00
	Alacrity Electronics Ltd		300	0.00	-	0.00
	Ambadi Investments Ltd		2	0.00	-	0.00
	Duncans Industries Ltd		24	0.00	-	0.00
	International Housing Finance Corpn. Ltd		18,600	0.00	-	0.00
	Mukerian Papers Ltd		700	0.00	-	0.00
	Munoth Communication Ltd		2,035	0.00	-	0.00
	Parry Agro Industries Ltd		4	0.00	-	0.00
	Pashupati Seohu		700	0.00	-	0.00
	Pitamber Coated Papers Ltd		13,300	0.00	-	0.00
	Sanchay Finvest Ltd		1,400	0.00	-	0.00
	SRF Ltd		44	1.01	-	0.00
	Sri Chamundeswari Sugars Ltd		7	0.00	-	0.00
	Sunbright Stock Broking Ltd		36,000	0.00	-	0.00
	Suncity Synthetics Ltd		10,551	0.00	-	0.00
	Suryoday Plastics Ltd		2,100	0.00	-	0.00
	Vardhaman Wires & Polymers Ltd		3,500	0.00	-	0.00
	Velvette International Pharma Products Ltd		600	0.00	-	0.00
	<b>Sub total</b>			<b>4.34</b>		<b>2.46</b>
	<b>Unquoted</b>					
	Deccan Finance Ltd		200	0.02	50	0.02
	<b>Sub total</b>			<b>0.02</b>		<b>0.02</b>
	<b>Total (B)</b>		-	<b>4.36</b>	-	<b>2.48</b>
	<b>Total (C) = (A+B)</b>			<b>4.36</b>		<b>1,034.90</b>
	(i) Investments outside India		-	-	-	-
	(ii) Investments in India			4.36		1,034.90
				<b>4.36</b>		<b>1,034.90</b>
	Less: Allowance for Impairment loss			-		-
				<b>4.36</b>		<b>1,034.90</b>

Aggregate Face Value of Quoted Investments  
Aggregate Face Value of Unquoted Investments  
Aggregate Market value of quoted Investments  
Aggregate Value of Mutual Funds Investments

0.10  
0.02  
4.36  
-

0.15  
0.00  
1,034.90  
-

9	Other Financial assets	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	EIS Receivable		1,166.26	938.87
	Security deposits		204.72	107.83
	Interest only strip receivable		-	20.57
	Sundry Deposits		2.22	2.22
	Others receivable		18.74	22.51
	<b>Total</b>		<b>1,391.94</b>	<b>1,091.99</b>

10	Deferred tax Assets	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	<b>A. Deferred Tax Assets:</b>	<b>44</b>		
	<b>On account of</b>			
	Expenses allowable on payment basis		283.22	263.88
	Timing difference in Property, plant and equipment		22.30	23.10
	Deferred Revenue Expenditure		1.01	1.01
	<b>Total (A)</b>		<b>306.53</b>	<b>287.99</b>
	<b>B. Deferred Tax Liabilities:</b>			
	<b>On account of</b>			
	Gain on fair Value changes		0.50	8.20
	<b>Total : (B)</b>		<b>0.50</b>	<b>8.20</b>
	<b>Total = B-A</b>		<b>306.03</b>	<b>279.79</b>

11	Property, Plant and equipment	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total
	<b>Gross block as at 1<sup>st</sup> April, 2022</b>	<b>88.27</b>	<b>20.99</b>	<b>41.76</b>	<b>51.13</b>	<b>202.16</b>
	Additions	12.72	8.58	31.76	7.29	60.35
	Disposals	-	-	-	-	-
	<b>As at 31<sup>st</sup> March, 2023</b>	<b>100.99</b>	<b>29.57</b>	<b>73.52</b>	<b>58.42</b>	<b>262.51</b>
	Additions	54.94	21.10	58.61	-	134.65
	Disposals	-	-	-	-	-
	<b>As at 31<sup>st</sup> March, 2024</b>	<b>155.93</b>	<b>50.67</b>	<b>132.13</b>	<b>58.42</b>	<b>397.16</b>
	<b>Gross block as at 01, April, 2022</b>	<b>47.59</b>	<b>11.71</b>	<b>30.70</b>	<b>28.82</b>	<b>118.83</b>
	Depreciation for the year	11.32	2.29	17.90	8.32	39.83
	Deductions	-	-	-	-	-
	<b>As at 31<sup>st</sup> March, 2023</b>	<b>58.91</b>	<b>14.00</b>	<b>48.60</b>	<b>37.14</b>	<b>158.65</b>
	Depreciation for the year	15.25	5.04	32.86	5.98	59.13
	Deductions	-	-	-	-	-
	<b>As at 31<sup>st</sup> March, 2024</b>	<b>74.16</b>	<b>19.04</b>	<b>81.46</b>	<b>43.12</b>	<b>217.78</b>
	<b>Net Carrying Amount</b>					
	As at 31 <sup>st</sup> March, 2023	42.08	15.57	24.92	21.28	103.86
	<b>As at 31<sup>st</sup> March, 2024</b>	<b>81.77</b>	<b>31.63</b>	<b>50.67</b>	<b>15.30</b>	<b>179.38</b>



12	Right to Use Assets	Building	13	Other Intangible assets	Software
	<b>Deemed cost as at 1<sup>st</sup> April, 2022</b>	<b>78.03</b>		<b>Deemed cost as at 1<sup>st</sup> April, 2022</b>	<b>56.83</b>
	Additions	85.67		Additions	-
	Disposals	-		Disposals	-
	<b>As at 31<sup>st</sup> March, 2023</b>	<b>163.70</b>		<b>As at 31<sup>st</sup> March, 2023</b>	<b>56.83</b>
	Additions	135.24		Additions	6.22
	Disposals	-		Disposals	-
	<b>As at 31<sup>st</sup> March, 2024</b>	<b>298.94</b>		<b>As at 31<sup>st</sup> March, 2024</b>	<b>63.05</b>
	<b>Accumulated Depreciation as at 1<sup>st</sup> April, 2022</b>	54.74		<b>Accumulated Depreciation as at 1<sup>st</sup> April, 2022</b>	53.14
	Depreciation for the year	59.90		Depreciation for the year	0.36
	Deductions	-		Deductions	-
	<b>As at 31<sup>st</sup> March, 2023</b>	<b>114.64</b>		<b>As at 31<sup>st</sup> March, 2023</b>	<b>53.50</b>
	Additions	83.78		Additions	1.91
	Disposals	-		Disposals	-
	<b>As at 31<sup>st</sup> March, 2024</b>	<b>198.42</b>		<b>As at 31<sup>st</sup> March, 2024</b>	<b>55.41</b>
	<b>Net Carrying Amount</b>			<b>Net Carrying Amount</b>	
	As at 31 <sup>st</sup> March 2023	49.06		As at 31 <sup>st</sup> March 2023	3.33
	<b>As at 31<sup>st</sup> March, 2024</b>	<b>100.52</b>		<b>As at 31<sup>st</sup> March, 2024</b>	<b>7.64</b>

14	Other Non - Financial assets	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Prepaid Expenses		6.11	4.55
	Other Advances		333.29	58.50
	<b>Total</b>		<b>339.40</b>	<b>63.06</b>

15	Trade Payables	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	a) total outstanding dues of micro and small enterprises	38	-	-
	b) total outstanding dues of creditors other than micro and small enterprises		8.92	41.46
	<b>Total</b>		<b>8.92</b>	<b>41.46</b>

#### 15.1 Trade Payable ageing Schedule as on 31-Mar-2024

	Particulars	Outstanding for following periods from due date of payment				
		Unbilled	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years
(i)	Undisputed Dues - MSME	-	-	-	-	-
(ii)	Undisputed Dues - Others	-	8.92	-	-	-
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-

## 15.2 Trade Payable ageing Schedule as on 31-Mar-2023

	Particulars	Outstanding for following periods from due date of payment				
		Unbilled	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years
(i)	Undisputed Dues - MSME	-	-	-	-	-
(ii)	Undisputed Dues - Others	-	41.46	-	-	-
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-

16	Borrowings (Other than Debt Securities)	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	<b>At Amortised Cost</b>			
	<b>a. Secured Loans</b>			
	Term Loan from banks & other financial institutions		50,241.63	33,224.92
	Cash Credit from banks		3,736.42	3,227.75
	Vehicle loans		4.71	9.10
	Associated liabilities related to securitisation transaction		-	50.65
	<b>Sub total (a)</b>		<b>53,982.75</b>	<b>36,512.42</b>
	<b>b. Unsecured Loans</b>			
	From related Parties		9.00	516.00
	<b>Sub total (b)</b>		<b>9.00</b>	<b>516.00</b>
	<b>Sub total (c = a+b)</b>		<b>53,991.75</b>	<b>37,028.42</b>
	Add :- Interest accrued but not due		299.29	424.77
	Less :- Unamortised other borrowing costs		(447.65)	(296.71)
	<b>Total</b>		<b>53,843.39</b>	<b>37,156.49</b>

- 16.1 a. Term loans from banks and other financial institutions are secured by hypothecation of specific assets covered by way of a charge on Hypothecation Loan Receivables/ Hire purchase / Lease agreements.
- b. Cash Credit facilities are secured by way of floating charge on Hypothecation Loan Receivables, Hire Purchase / Lease agreements, ranking pari passu, excluding assets which are specifically charged to others.
- c. Associated liabilities relating to securitisation transactions represents the net outstanding value of the proceeds received by the Company from securitisation trust in respect of loan assets transferred by the Company pursuant to Deed of Assignment.
- d. Vehicles are hypothecated for respective borrowings availed for purchase of the vehicles.
- e. Terms loans includes FCNR Loans amounting to Rs. 3,416.52 lakhs (Previous Year Rs. Nil)

## 16.2 Repayment Terms

(Amounts in ₹ in lakhs)

### Term of repayment of borrowings and subordinated liabilities as at March 31, 2024

Particulars	Repayment	Interest rate range	Due within 1 Year			Due within 1 to 2 Years			Due within 2 to 3 Years			More than 3 years		Total
			No. of Installment	Amount	No. of Installment	Amount	No. of Installment	Amount	No. of Installment	Amount	No. of Installment	Amount	Amount	
Borrowings other than Debt Securities	Monthly	8% to 12%	199	7,474.27	149	6,469.97	76	3,215.85	25	1,302.62	25	1,302.62	18,462.71	
		12.01% to 16%	724	18,975.84	444	10,353.05	111	2,652.63	3	101.39	3	101.39	32,082.91	
	Quarterly	12.01% to 16%	-	-	-	-	-	-	-	-	-	-	-	
On Demand		Variable	-	3,736.42	-	-	-	-	-	-	-	9.00	3,745.42	
			<b>923</b>	<b>30,186.53</b>	<b>593</b>	<b>16,823.02</b>	<b>187</b>	<b>5,868.48</b>	<b>28</b>	<b>1,413.01</b>			<b>54,291.04</b>	
Less: Unamortised Ancillary cost of arranging the borrowings														
													(447.65)	
													<b>53,843.59</b>	

Debentures	Bullet	11% to 16%	1	600.00	5	1,340.00	1	1,500.00	-	-	-	-	3,440.00	
Subordinated Liabilities	Bullet	11% to 16%	-	-	-	-	-	-	1	1,500.00	1	1,500.00	1,500.00	
Less: Unamortised Ancillary cost of arranging the borrowings														
													-	
													<b>4,940.00</b>	

### Term of repayment of borrowings and subordinated liabilities as at March 31, 2023

Particulars	Repayment	Interest rate range	Due within 1 Year			Due within 1 to 2 Years			Due within 2 to 3 Years			More than 3 years		Total
			No. of Installment	Amount	No. of Installment	Amount	No. of Installment	Amount	No. of Installment	Amount	No. of Installment	Amount	Amount	
Borrowings other than Debt Securities	Monthly	8% to 12%	97	1,990.81	67	1,553.97	12	401.37	-	-	-	-	3,946.15	
		12.01% to 16%	637	15,211.31	388	10,345.20	163	3,731.36	-	-	-	-	29,287.87	
	Quarterly	12.01% to 16%	-	-	-	-	-	-	-	-	-	-	-	
On Demand		Variable	-	3,703.17	-	-	-	-	-	-	-	516.00	4,219.17	
			<b>734</b>	<b>20,905.29</b>	<b>455</b>	<b>11,899.17</b>	<b>175</b>	<b>4,132.73</b>	<b>-</b>	<b>516.00</b>			<b>37,453.19</b>	
Less: Unamortised Ancillary cost of arranging the borrowings														
													(296.71)	
													<b>37,156.48</b>	

Debentures	Bullet	11% to 16%	3	4,500.00	1	600.00	-	-	-	1	1,500	6,600.00	
Subordinated Liabilities	Bullet	11% to 16%	-	-	-	-	-	-	-	1	1,500	1,500.00	
Less: Unamortised Ancillary cost of arranging the borrowings													
													-
													<b>8,100.00</b>

(Amounts in ₹ in lakhs)

17	Subordinated Liabilities	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	<b>Unsecured (At Amortised Cost) (In India)</b> 16.00% Redeemable Non Convertible Debentures (150 Nos. of Face Value of Rs.10,00,000/- each -Due in March 2027)- Northern Arc India Impact Fund.		1,500.00	1,500.00
	<b>Total</b>		<b>1,500.00</b>	<b>1,500.00</b>

**17.1 Details of Subordinated Liabilities - Contractual principal repayment value**

Secured / Unsecured Redeemable Non-Convertible Debentures (In India) - Subordinated debt - Redeemable at par - No put call option

		Balance as at	
No. of Debentures	Face Value	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
150	10,00,000	1,500.00	1,500.00

18	Debentures	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	<b>Secured (At Amortised Cost) (In India)*</b> 12% Redeemable Non Convertible Debentures (150 Nos. of Face Value of Rs.10,00,000/- each) (3 years - Due in July 2023) Indian bank		-	1,500.00
	11.5% Redeemable Non Convertible Debentures (150 Nos. of Face Value of Rs.10,00,000/- each) (3 years - Due in April 2023) State Bank of India		-	1,500.00
	14% Redeemable Non Convertible Debentures (60 Nos. Face Value of Rs.10,00,000/- each (34 Months - Due in June 2024) - Northern Arc India Impact Fund		600.00	600.00
	14% Redeemable Non Convertible Debentures (150 Nos. of Face Value of Rs.10,00,000/- each) (4 years -Due in Sept 2026) - Northern Arc India Impact Fund		1,500.00	1,500.00
	13.15% Redeemable Non Convertible Debentures (1340 Nos. of Face Value of Rs.1,00,000/- each) Due in August 2025 - A.K. Capital		1,340.00	-
	<b>Unsecured (At Amortised Cost) (In India)*</b> 12.00% Redeemable Non Convertible Debentures (150 Nos. of Face Value of Rs.10,00,000/- each - Due in February 2024) - IFMR Finance for Freedom III (Fimpact Long Term Credit Fund - 2023)		-	1,500.00
	<b>Total</b>		<b>3,440.00</b>	<b>6,600.00</b>

\*\* Secured Redeemable Non Convertible Debentures are secured by Hypothecation of specific Loan receivables / Hire purchase/ Lease agreements with a cover of 100% - 125%, as per the terms of issue.

**18.1 Details of Debentures - Contractual principal repayment value**

Secured / Unsecured Redeemable Non-Convertible Debentures (In India) - Subordinated debt - Redeemable at par - No put call option.

No. of Debentures	Face Value	Balance as at	
		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
150	10,00,000	-	1,500.00
150	10,00,000	-	1,500.00
60	10,00,000	600.00	600.00
150	10,00,000	1,500.00	1,500.00
1340	1,00,000	1,340.00	-
150	10,00,000	-	1,500.00

19	Other financial liabilities	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Salary payable		199.00	94.19
	Securitisation Payable		976.87	762.18
	Cash profit on Loan Transfer transaction pending		-	20.59
	Other payables		1,889.44	805.55
	<b>Total</b>		<b>3,065.31</b>	<b>1,682.51</b>

20	Current tax Liabilities (net)	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Current tax Liabilities (net)		287.55	190.78
	<b>Total</b>		<b>287.55</b>	<b>190.78</b>

21	Provisions	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Provision for employee benefits		143.93	81.35
	<b>Total</b>		<b>143.93</b>	<b>81.35</b>

22	Other Non-financial liabilities	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Unamortised Processing Fee Income		582.27	554.23
	Statutory dues payable		109.01	71.77
	<b>Total</b>		<b>691.28</b>	<b>626.00</b>

(All amount in ₹ Lakhs, except otherwise stated)

23	Share capital	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>A. Authorised Capital</b>			
2,10,00,000 (Previous Year as at 31.03.23 : 2,50,00,000) Equity Shares of Rs.10/- each		2,100.00	2,500.00
40,00,000 (Previous Year as at 31.03.23 : Nil) Compulsory Convertible Preference Shares of Rs.10/- each		400.00	-
<b>B. Issued, Subscribed and fully paid-up</b>		<b>2,500.00</b>	<b>2,500.00</b>
1,22,63,966 (Previous Year as at 31.03.23 : 1,22,63,866 ) Equity Shares of Rs. 10/- each, fully paid up		1,226.40	1,226.39
26,88,202 Nos. 0.001% Compulsory Convertible Preference Shares of Rs.10/- each fully paid up		268.82	-
<b>Outstanding at the end of the year</b>		<b>1,495.22</b>	<b>1,226.39</b>

**C. Reconciliation of Equity Share Capital as on 31-03-2024**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
1,226.39	0	1,226.39	0.01	1,226.40

**Reconciliation of Equity Share Capital as on 31-03-2023**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
1,226.39	0	1,226.39	0	1,226.39

**D. Reconciliation of the numbers of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	<b>No. of Shares</b>	<b>No. of Shares</b>
At the beginning of year	1,22,63,866	1,22,63,866
Add:- Issued during the year	100	-
<b>Outstanding at the end of period</b>	<b>1,22,63,966</b>	<b>1,22,63,866</b>

**E. Reconciliation of the numbers of preference shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	No. of Shares	No. of Shares
At the beginning of year	-	-
Add:- Issued during the year	26,88,202	-
<b>Outstanding at the end of period</b>	<b>26,88,202</b>	<b>-</b>

**F. Rights and preferences attached to Equity Shares :**

Equity shares have a par value of Rs.10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**G. Terms/rights attached to Compulsorily Convertible Preference Shares ("CCPS"):**

CCPS are convertible into equity shares of the Company upon the occurrence of any of the following events: Listing of the Equity Shares of the Company under an IPO ("Public Offering"); or on the date that is 1 (One) day before the expiry of 20 (Twenty) years from the date of issuance of the CCPS ("Investment Period"). Further, preferential non-cumulative dividend at the rate of 0.001% per year for all the CCPS till such time that the CCPS are outstanding. In addition to the preferential dividend the holder of each CCPS shall be entitled to cash / non-cash dividends, as payable to the holders of Equity Securities, on a pro-rata basis, on an as-if converted basis.

Before the conversion of CCPS, the Investor shall be entitled to attend all general meetings of the Company and vote thereat along with the holders of Equity Shares on an as-if-converted basis with their voting rights determined as per the applicable

Upon winding up or liquidation of the Company, the CCPS holders shall be entitled to distribution in accordance with applicable law.

**H. Details of Shares held by promoters at the end of the year:**

Name of Shareholders	As at 31 <sup>st</sup> Mar, 2024		As at 31 <sup>st</sup> Mar, 2023		%age change during the year
	No. of Shares	% holding	No. of Shares	% holding	
Mahaveerchand Dugar N	13,60,500	11.09%	13,60,500	11.09%	-
Gunasundari Dugar M	25,52,573	20.81%	25,52,273	20.81%	-
Deepak Dugar M	19,63,025	16.01%	19,63,025	16.01%	-
Praveen Dugar M	19,62,006	16.00%	19,60,156	15.98%	0.02%

**I. Details of each equity shareholder holding more than 5% shares:**

Name of Shareholders	As at 31 <sup>st</sup> Mar, 2024		As at 31 <sup>st</sup> Mar, 2023	
	No. of Shares	% holding	No. of Shares	% holding
Mahaveerchand Dugar N	13,60,500	11.09%	13,60,500	11.09%
Gunasundari Dugar M	25,52,273	20.81%	25,52,273	20.81%
Deepak Dugar M	19,63,025	16.01%	19,63,025	16.01%
Praveen Dugar M	19,62,006	16.00%	19,60,156	15.98%
Banyan Tree Growth Capital II, LLC	42,63,866	34.77%	42,63,866	34.77%

**J. Details of each Preference shareholder holding more than 5% shares:**

Name of Shareholders	No. of Shares		As at 31 <sup>st</sup> Mar, 2023	
	-	% holding	-	% holding
First bridge India growth Fund	2688202	100%	-	0.00%

24	Interest Income	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	<b>On Financial Assets measured at Amortised Cost</b>		
	Interest on Loans	12,137.91	9,724.47
	Interest on deposits with Banks	43.75	96.88
	Loan Processing Fees	609.35	416.38
	<b>Others</b>		
	Other interest Income	26.93	34.34
	<b>Total</b>	<b>12,817.94</b>	<b>10,272.07</b>

**Disaggregate revenue information:** Since the requirement of application of Ind AS 115 on Company's revenue is insignificant, the company believes that disaggregation of data about the nature, amount, timing of our revenues is not required.

25	Other Operating Income	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	Bad debts recovered	562.69	110.84
	<b>Total</b>	<b>562.69</b>	<b>110.84</b>

26	Net gain/ (loss) on fair value changes	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	On financial instruments designated at fair value through profit or loss	169.64	127.38
	<b>Total</b>	<b>169.64</b>	<b>127.38</b>
	-Realised	167.76	94.98
	-Unrealised	1.88	32.40

27	Other Income	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	Dividend	0.04	0.05
	Miscellaneous Income	124.60	14.89
	<b>Total</b>	<b>124.64</b>	<b>14.94</b>



28	Finance Costs	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	<b>On Financial liabilities measured at Amortised Cost</b>		
	Interest on borrowings	6,142.97	4,853.36
	Interest on lease liabilities	26.62	13.74
	Interest on subordinated liabilities	248.14	255.86
	Other interest expense	318.10	383.87
	Interest on Income Tax	26.68	-
	<b>Total*</b>	<b>6,762.52</b>	<b>5,506.83</b>

\* Including Interest paid to related parties Rs. 57.30 Lacs (Previous Year Rs.40.05 Lacs)

29	Fees and Commission Expense	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	Professional Fee and consultancy	461.04	237.90
	<b>Total</b>	<b>461.04</b>	<b>237.90</b>

30	Impairment on financial instruments	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	Bad debts written off	259.15	448.22
	Provision for Non Performing Assets (NPA) (Net of Reversals)	217.03	163.92
	Provision for Repossessed Assets and other provisions (Net of Reversals)	55.02	(15.62)
	Provisions against Standard Assets	118.23	26.68
	Provision for Impact of Covid 19 expenses	-	(59.47)
	<b>Total</b>	<b>649.43</b>	<b>563.73</b>

31	Employee Benefits Expenses	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	Salaries and wages	1,993.33	1,391.83
	Contribution to provident and other funds	121.72	90.63
	Staff welfare expenses	85.84	49.77
	<b>Total</b>	<b>2,200.90</b>	<b>1,532.23</b>

32	Depreciation and amortization	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	On Property, Plant & Equipment	59.13	39.83
	On Other Intangible Assets	1.91	0.36
	On Right of use assets	83.78	59.90
	<b>Total</b>	<b>144.82</b>	<b>100.09</b>

33	Other expenses	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
	Rent and energy costs	180.86	127.05
	Rates and taxes	121.29	83.53
	Repairs and maintenance	-	-
	-Buildings	38.62	37.13
	-Vehicles	6.81	3.03
	Communication Costs	72.11	50.50
	Printing and stationery	53.58	52.50
	Advertisement, branding and promotion	139.61	64.85
	Director's Sitting Fees	5.05	4.90
	<b>Auditor's fees and expenses</b>		
	-Audit Fees	5.50	5.50
	-Tax Audit Fees	1.00	1.00
	-Certification	1.50	1.50
	Travelling & Conveyance	276.18	193.70
	Insurance	5.83	1.75
	CSR Expenditure (Refer Note 49)	34.00	25.00
	Donation	3.66	7.00
	Miscellaneous Expenses	92.03	74.69
	<b>Total</b>	<b>1,037.64</b>	<b>733.63</b>

**34 Contingent Liabilities & Commitments**  
(As certified by the management)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Contingent Liabilities:</b>		
Claim against the Company not acknowledged as debts	-	-

**35 A. Segment Information**

The Company operates in a single reportable segment i.e. financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Company operates in a single geographical segment i.e. domestic.

**B. Unhedged Foreign Currency in USD**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	Less than one year	More than one year
<b>Foreign Currency Receivables (A)</b>	-	-	-	-
<b>Foreign Currency Payables</b>				
Borrowings	41,05,153.68	-	-	-
Total Foreign Currency Payable (B)	41,05,153.68	-	-	-
Net Payable( A- B)	-41,05,153.68	-	-	-
Hedged Foreign Currency	41,05,153.68	-	-	-
Unhedged Foreign Currency	-	-	-	-

The details given above are in conformity with the specification laid down in RBI circular no. RBI/2013-14/448 BOD.NO.BP.BC.85/21.06.200/2013-14 dated January 15,2014 and RBI/2013-14/620 DBOD.NO.BP.BC.116/21.06.200/2013-14 dated June 03, 2014, as amended time to time, and FEDAI circular SPL-05.BC/UFCE format/2018 dated May 17, 2018.

(All amount in ₹ Lakhs, except otherwise stated)

**36** In the opinion of the Management, Loans and Advances and other assets have value on realization in the ordinary course of business at least equal to the amount at which they are stated.

**37 Earning Per Share (EPS):**

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
Net Profit after tax for the year	1,664.11	1,467.61
Profit for Basic and Diluted Earning per share	1,664.11	1,467.61
<b>Weighted Average Number of Ordinary Shares</b>		
Basic (Face value of ₹10/- each)	1,22,63,966	1,22,63,866
Weighted Avg. No. of Equity Shares for Diluted EPS (Face value of ₹10/- each)	1,34,56,241	1,22,63,866
Basic EPS (₹)	13.57	11.97
Diluted EPS (₹)	12.37	11.97

**38 Related Party Disclosures**

**A Nature of Relationship**

**I Key Management Personnel (KMP) & Non Executive Directors**

**Key Management Personnel (KMP)**

- a Mr. Mahaveerchand Dugar, Executive Vice Chairman
- b Mr. Deepak Dugar, Managing Director
- c Mr. Praveen Dugar, Deputy Managing Director
- d Ms. Jyoti Bokade, Company Secretary

**Non Executive Directors**

- a Mr. Chidambar Ganesan, Independent Director (Demised on 03-05-2024)
- b Mr. P.S. Balasubramaniam, Independent Director
- c Mr. J. Chandrasekharan, Independent Director (upto 31-05-2023)
- d Mr. K.S. Markandan, Independent Director
- e Mr. Abhishek Poddar, Nominee Director (upto 21-06-2023)
- f Mr. Satish Mehta, Independent Director (w.e.f.30-06-2023)
- g Mr. Rakeshkumar Bhutoria, Nominee Director (w.e.f.10-08-2023)

**II Relatives of Key Management personnel (with whom the Company has transactions)**

- a Gunasundari Dugar
- b Purvi Dugar
- c Anjali Dugar (Propreitrix of M/s. Amore)

**III Enterprise which holds more than 20% of Equity Share Capital of the entity**

- a Banyan Tree Growth Capital II, LLC

**B Transactions with related parties during the year**

(All amount in ₹ Lakhs, except otherwise stated)

S. No.	Transaction	Key Management Personnel & Non Executive Directors		Relatives of Key Management personnel		Enterprise which holds more than 20% of Equity Share Capital of the entity	
		31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
A	Rent Paid	-	-	144.00	87.60		
B	Interest Paid	20.56	11.12	36.74	28.93		
C	Professional fees paid	-	-	-	-	187.50	62.50
D	Director's Remuneration and Sitting Fees						
	(a) Remuneration #	199.50	150.00	-	-		
	(b) Director Sitting Fees	5.05	4.90	-	-		
E	<b>Loans received / Repaid back</b>						
	(a) Loan Received during the year	201.42	222.25	222.00	250.00		
	(b) Loan repaid during the year	320.42	138.25	610.00	50.00		
F	<b>Outstanding amounts as at year end</b>						
	(a) Rent Deposit given			120.00	39.00		
	(b) Unsecured Loans taken	7.00	126.00	2.00	390.00		
	(c) Other Current Liabilities					-	112.50

# The above remuneration is excluding provision for Gratuity where the actuarial valuation is done on overall Company basis.

**39 As identified by the management there is no Micro, Small and Medium Enterprises as defined under Micro, Small and medium enterprises Development Act, 2006 (MSMED Act) :-**

S.No.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
i)	Principal amount and Interest due thereon remaining unpaid to any supplier	-	-
ii)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
iii)	The amount of interest due and payable for the year of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
iv)	The amount of interest accrued and remaining unpaid	-	-
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

**40 The disclosures required under Ind AS 19 “Employee Benefits” notified in the Companies (Indian Accounting Standards) Rules, 2015 are as given below :**

**(A) Defined Contribution plan**

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the period the Company has made following contribution to such funds and recognized as expense in the Statement of Profit and Loss :

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Company's contribution to provident fund and other funds	97.60	70.63

**(B) Defined Benefit Plan :**

The Company made provision for gratuity as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The present value of the defined benefit obligations and the related current service cost and past service cost, was measured using the Projected Unit Credit Method.

**(a) Reconciliation of opening and closing Balance of Defined Benefit Obligation -**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Present value of obligation at the beginning of the year	81.35	55.94
Current service cost	18.37	16.32
Interest cost	5.75	3.68
Benefits paid	(1.60)	(1.73)
Remeasurements - actuarial loss/(gain) arising from:	-	-
Change in Demographic Assumption	-	-
Change in financial assumptions	-	-
Experience variance (i.e. actual experience vs assumptions)	40.06	7.14
<b>Present value of obligation at the end of year</b>	<b>143.93</b>	<b>81.35</b>

**(b) Changes in the fair value of plan assets- NIL**

**(c) Expenses recognised statement of profit & loss account**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Current service cost	18.37	16.32
Net interest (income) /Cost on the Net Defined Benefit Liability(Asset)	5.75	3.68
Past Service Cost	-	-
<b>Defined benefit cost recognised in statement of Profit &amp; Loss</b>	<b>24.12</b>	<b>20.00</b>

(d) **Recognized in Other Comprehensive Income** (All amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Actuarial loss/ (gain)</b>		
Change in Demographic Assumption	-	-
Change in financial assumptions	-	-
Experience variance (i.e. actual experience vs assumptions)	40.06	7.14
<b>Component of defined benefit costs recognized in other comprehensive income</b>	<b>40.06</b>	<b>7.14</b>

(e) **The principal actuarial assumptions used for estimating the Company's defined benefit obligations for gratuity are set out below:**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Economic Assumptions</b>		
Discount Rate	6.96%	7.14%
Expected Rate of increase in salary	10.00%	10.00%
<b>Demographic Assumption</b>		
Retirement Age (Years)	58	58
Mortality rates inclusive of provision for disability **	100% of IALM (2012-14)	100% of IALM (2012-14)

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds. The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(f) **Sensitivity analysis**

Particulars	Change in Assumptions	Increase/ (decrease) in Gratuity Obligations March 31, 2024	Increase/ (decrease) in Gratuity Obligations March 31, 2023
Discount rate	+1.00%	138.55	78.19
	-1.00%	149.73	84.77
Salary Growth rate	+1.00%	149.34	84.94
	-1.00%	138.77	77.93

The above sensitivity analysis is based on change in an assumption while holding all other assumption constant in practice, this is unlikely to occur, and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumption the same method [projected unit credit method] has been applied as when calculating the defined benefit obligation recognized within the balance sheet.

(g) **Maturity Profile**

Particulars	March 31, 2024	March 31, 2023
Below 1 Year	26.25	15.40
1-5 Years	90.34	49.62
More than 5 Years	54.66	32.07

**(h) Description of Risk Exposure:**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

**Salary Increases** - Higher than expected increase in salary will increase the defined benefit obligation.

**Discount Rate** - Reduction in discount rate in subsequent valuations can increase the plan's liability.

**Demographic risk** : This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawals, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the employee benefit of a short career employee typically costs less per year as compared to a long service employee.

**41 (A) Fair value of Financial assets & Financial liabilities**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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.

(All amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
<b>(i) At fair value through profit &amp; Loss</b>				
Investment in mutual funds	-	-	1,032.42	1,032.42
Investment in equity shares	4.36	4.36	2.48	2.48
<b>(ii) At amortised Cost</b>				
Cash and cash equivalents	15,119.06	15,119.06	9,511.93	9,511.93
Bank Balance other than above	320.10	320.10	344.15	344.15
Other receivables	-	-	-	-
Loans	62,570.01	62,570.01	46,140.21	46,140.21
Other Financial assets	1,391.94	1,391.94	1,091.99	1,091.99
<b>Total Financial Assets</b>	<b>79,405.47</b>	<b>79,405.47</b>	<b>58,123.19</b>	<b>58,123.19</b>
<b>Financial Liabilities</b>				
<b>(i) At Amortised Cost</b>				
Trade Payables	8.92	8.92	41.46	41.46
Borrowings (Other than Debt Securities)	53,843.39	53,843.39	37,156.48	37,156.48
Subordinated liabilities	1,500.00	1,500.00	1,500.00	1,500.00
Debentures	3,440.00	3,440.00	6,600.00	6,600.00
Lease Liabilities	110.88	110.88	53.60	53.60
Other Financials Liabilities	3,065.31	3,065.31	1,682.51	1,682.51
<b>Total Financial Liabilities</b>	<b>61,968.50</b>	<b>61,968.50</b>	<b>47,034.05</b>	<b>47,034.05</b>

**The following methods and assumptions were used to estimate the fair values**

- a. Fair value of cash and bank, loans and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- b. Fair value of borrowings from banks, lease liabilities, subordinated liabilities and other financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.

**41 (B) Fair Value hierarchy**

The fair value of financial instruments as referred (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

Level 1 - Quoted prices / net assets value for identical instruments in an active market;

Level 2 - Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3 - Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**(i) Financial Assets and liabilities measured at fair value – recurring fair value measurements**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- (a) recognised and measured at fair value and
- (b) measured at amortised cost.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Investments at fair value through profit and loss**

Particulars	Level 1	Level 2	Level 3	Total
<b>Investments - Mutual fund</b>				
As at March 31, 2024	-	-	-	-
As at March 31, 2023	1,032.42	-	-	1,032.42
<b>Investments - Equity Shares</b>				
As at March 31, 2024	4.36	-	-	4.36
As at March 31, 2023	2.48	-	-	2.48

**Valuation technique used to determine fair value**

The fair value of investments in quoted equity shares and mutual funds are based on the current bid price of respective investment as at the balance sheet date.

During the year ended 31<sup>st</sup> March 2024 and 31<sup>st</sup> March, 2023, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under level 3.



**(ii) Fair value of instruments measured at amortised cost**

For the purpose of disclosing fair values of financial instruments measured at amortised cost, the management assessed that fair values of short term financial assets and liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. Further, the fair value of long term financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**42 Financial risk management objectives and Policies**

The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors. The Company's Board of Directors has overall responsibility for managing the risk profile of the Company. The purpose of risk management is to identify potential problems before they occur, so that risk-handling activities may be planned and invoked as needed to manage adverse impacts on achieving objectives..

The Risk Management Committee of the Company reviews the development and implementation of the risk management policy of the Company on periodic basis. The Risk Management Committee provides guidance on the risk management activities, review the results of the risk management process and reports to the Board of Directors on the status of the risk management initiatives. The Company has exposure to the following risks arising from Financial Instruments:

<b>Risk</b>	<b>Exposure from</b>
Credit Risk	Cash and cash equivalents, loans, investments and other financial assets
Liquidity Risk	Borrowings, debt securities, subordinated liabilities, trade payables and other financial liabilities
Market Risk - Interest Rate	Change in interest rate of variable rates borrowings, debt securities and subordinated liabilities
Market Risk - Price	Investment in mutual funds
Foreign Exchange Rate Risk	Borrowings

In order to avoid excessive concentration of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**a Credit Risk**

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

## Cash and Cash Equivalents

The Company holds cash and cash equivalents and other bank balances as per note 4 and 5. The credit worthiness of such bank is evaluated by the management on an ongoing basis and is considered to be high.

## Loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each client. However, management also considers the factors that may influence the credit risk of its client base, including the default risk of the industry and locations in which clients operate. The Company Management has established a credit policy under which each new client is analysed individually for creditworthiness through internal systems and appraisal process to assess the credit risk. The Company's review includes client's income and indebtedness levels including economic activity which ensures regular and assured income. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a three stage model approach for the purpose of computation of expected credit loss for Loan portfolio.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime expected credit loss (ECL). The assumptions underlying the ECL are monitored and reviewed on an ongoing basis. Gross carrying value and associated allowances for ECL stage wise for loan portfolio (other than repossessed assets) is as follows :

### As at March 31, 2024

Particulars	Stage 1\$	Stage 2	Stage 3	Total
Gross carrying value	56,119.50	2,933.40	1,288.80	<b>60,341.70</b>
Allowance of ECL	232.73	-	736.51	<b>969.24</b>

\$ including differential provision amount between Allowance of ECL and NPA provision as per RBI prudential norms.

### As at March 31, 2023

Particulars	Stage 1\$	Stage 2	Stage 3	Total
Gross carrying value	42,265.27	1,153.39	1,031.03	<b>44,449.69</b>
Allowance of ECL	114.50	-	519.47	<b>633.98</b>

\$ including differential provision amount between Allowance of ECL and NPA provision as per RBI prudential norms.

### Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits, insurance claim receivables and other recoverables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

## b. Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows

under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. The Company has developed internal control processes for managing liquidity risk.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company assesses the liquidity position under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company.

The table below analyse the Company financial liabilities into relevant maturity grouping based on their contractual maturities.

**As at March 31, 2024**

(All amount in ₹ Lakhs, except otherwise stated)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Financial Liabilities</b>					
Trade Payables	8.92	-	-	-	8.92
Borrowings (other than debt securities)	30,167.52	16,699.42	5,813.44	1,163.01	53,843.39
Debentures	600.00	1,340.00	1,500.00	-	3,4440.00
Subordinated Liabilities	-	-	-	1,500.00	1,500.00
Lease Liabilities	110.88	-	-	-	110.88
Other Financial Liabilities	2,874.11	191.20	-	-	3,065.31
<b>Total</b>	<b>33,761.43</b>	<b>18,230.62</b>	<b>7,313.44</b>	<b>2,663.01</b>	<b>61,968.50</b>

**As at March 31, 2023**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Financial Liabilities</b>					
Trade Payables	41.46	-	-	-	41.46
Borrowings (other than debt securities)	20,608.58	12,532.47	3,499.43	516.00	37,156.48
Debentures	4,500.00	600.00	-	1,500.00	6,600.00
Subordinated Liabilities	-	-	-	1,500.00	1,500.00
Lease Liabilities	43.14	10.46	-	-	53.60
Other Financial Liabilities	626.00	1,056.51	-	-	1,682.51
<b>Total</b>	<b>25,819.18</b>	<b>14,199.44</b>	<b>3,499.43</b>	<b>3,516.00</b>	<b>47,034.05</b>

**c Market Risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

**(i) Interest Rate Risk**

The company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow and interest rate risk. Below is the exposure of the Company to interest rate risk:

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Liabilities</b>		
Borrowings (other than debt securities)	53,843.39	37,156.48
<b>Total</b>	<b>53,843.39</b>	<b>37,156.48</b>

**Sensitivity Analysis**

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Interest rates - increase by 0.50% (net of tax)	(170.24)	(117.36)
Interest rates - decrease by 0.50% (net of tax)	170.24	117.36

**(ii) Price Risk**

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate change whether caused by factors specific to an individual investment, its issuer or the market. The Company's exposure to price risk arises from investments in equity securities and debts securities are as follows:

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Investments</b>		
Maximum exposure to price risk	4.36	1,034.90
<b>Total</b>	<b>4.36</b>	<b>1,034.90</b>

**d Foreign Exchange Rate Risk**

The Company has availed foreign currency loans from banks and the rates for repayments are hedged and there is no risk on foreign currency rate fluctuations :

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Liabilities</b>		
Borrowings in Foreign Currency (USD)	41.05	-
<b>Total</b>	<b>41.05</b>	<b>-</b>
Hedged in Foreign Currency (USD)	41.05	-
Unhedged in Foreign Currency (USD)	-	-

### 43 Capital risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, lender and market confidence and to sustain future development of the business. The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account of portfolio and strategic Investments. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings. The following table summarises the capital of the Company.

Particulars	As at March 31, 2024	As at March 31, 2023
Preference Share Capital	268.82	-
Subordinated Liabilities	1,500.00	1,500.00
Debentures	3,440.00	6,600.00
Borrowings (Other than Debt Securities)	53,843.39	37,156.48
Less: Cash & Cash Equivalents	(15,119.06)	(9,511.93)
Less: Bank Balances other than Cash and Cash Equivalents	(320.10)	(344.15)
<b>Net Debt</b>	<b>43,613.05</b>	<b>35,400.40</b>
Equity Share Capital	1,226.40	1,226.39
Other Equity	15,751.96	9,463.70
<b>Total Capital</b>	<b>16,978.36</b>	<b>10,690.09</b>
<b>Gearing ratio</b>	<b>2.57</b>	<b>3.31</b>

The company monitors Capital Adequacy ratio as stipulated by RBI for NBFC-Investment and credit company -Non-Deposit taking. The Company endeavour to source diversified borrowing, depending on asset liability duration and interest rate sensitivities. For CRAR details refer Note 50 (B-1)

#### 44 Maturity analysis of assets and liabilities

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

(All amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>Assets</b>						
<b>1 Financial Assets</b>						
(a) Cash and cash equivalents	15,119.06	-	15,119.06	9,511.93	-	9,511.93
(b) Bank Balance other than (a) above	-	320.10	320.10	344.15	-	344.15
(c) Receivables						
(I) Trade receivables	-	-	-	-	-	-
(II) Other receivables	-	-	-	-	-	-
(d) Loans	23,415.57	39,154.44	62,570.01	19,586.11	26,554.10	46,140.21
(e) Investments	-	4.36	4.36	1,034.90	-	1,034.90
(f) Other Financial assets	1,238.22	153.72	1,391.94	981.94	110.05	1,091.99
<b>2 Non-financial Assets</b>						
(a) Deferred tax Assets (Net)	-	306.03	306.03	-	279.79	279.79
(b) Property, Plant and Equipment	-	179.38	179.38	-	103.86	103.86
(c) Right to use assets	-	100.52	100.52	-	49.06	49.06
(d) Other Intangible assets	-	7.64	7.64	-	3.33	3.33
(e) Other non-financial assets	64.64	274.76	339.40	-	63.06	63.06
<b>Total Assets</b>	<b>39,837.49</b>	<b>40,500.95</b>	<b>80,338.44</b>	<b>31,459.03</b>	<b>27,163.25</b>	<b>58,622.28</b>
<b>Liabilities and Equity</b>						
<b>Liabilities</b>						
<b>1 Financial Liabilities</b>						
(a) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises			-			-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8.92	-	8.92	41.46	-	41.46
(b) Borrowings (Other than Debt Securities)	29,738.88	24,104.51	53,843.39	20,608.58	16,547.90	37,156.48
(c) Subordinated Liabilities	-	1,500.00	1,500.00	-	1,500.00	1,500.00
(d) Debentures	600.00	2,840.00	3,440.00	4,500.00	2,100.00	6,600.00
(e) Lease liabilities	45.96	64.92	110.88	43.14	10.46	53.60
(f) Other financial liabilities	3,065.31	-	3,065.31	1,682.51	-	1,682.51
<b>Non-Financial Liabilities</b>						
(a) Current tax liabilities (Net)	287.55	-	287.55	190.78	-	190.78
(b) Provisions	-	143.93	143.93	-	81.35	81.35
(c) Other non-financial liabilities	109.01	582.27	691.28	274.85	351.15	626.00
<b>Total Liabilities</b>	<b>33,855.63</b>	<b>29,235.63</b>	<b>63,091.25</b>	<b>27,341.32</b>	<b>20,590.85</b>	<b>47,932.18</b>
<b>Net Assets</b>	<b>5,981.86</b>	<b>11,265.32</b>	<b>17,247.19</b>	<b>4,117.71</b>	<b>6,572.39</b>	<b>10,690.10</b>

**45 Reconciliation of Tax Expenses****(A) Amounts recognized in Statement of Profit and Loss**

(All amount in ₹ Lakhs, except otherwise stated)

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
<b>Current tax</b>		
Current year	749.88	491.21
Adjustment in respect of income tax of earlier year	20.72	-
Deferred Tax expense/(Income)	(16.15)	(107.99)
<b>Income tax expense reported in the statement of profit &amp; loss</b>	<b>754.45</b>	<b>383.22</b>

**(B) Income Tax recognised in other comprehensive Income**

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
Income tax relating to items that will not be reclassified to profit or loss	10.08	1.80

**(C) Reconciliation of effective tax**

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
Accounting profit/(loss) before income tax	2,418.56	1,850.83
At Statutory Income Tax Rate @ 25.168%	608.70	465.82
Expenses not deductible under income tax	9.48	8.05
Adjustment in respect of income tax or earlier year	20.72	-
Others	131.70	17.34
Deferred Tax Impact	(26.23)	(109.79)
<b>Total tax expenses</b>	<b>744.37</b>	<b>381.42</b>

**(D) Movement of deferred tax assets / (liability)**

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
Disallowances under the Income Tax Act, 1961	30.82	48.67
Remeasurements of Gratuity	10.08	1.80
Difference between book value and tax WDV of Fixed Assets	22.30	23.10
Provisions for NPA	268.18	189.95
Others	(25.35)	16.27
<b>Net Differred Tax Asset / (Liability)</b>	<b>306.03</b>	<b>279.79</b>

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
<b>Opening Balance</b>	<b>279.79</b>	<b>170.00</b>
Tax Expense/(Income) during the period recognised in Profit or Loss	16.15	107.99
Tax Expense/(Income) during the period recognized in OCI	10.08	1.80
<b>Closing Balance</b>	<b>306.03</b>	<b>279.79</b>

**46 Lease and Other disclosures****(i) Movement in the carrying value of the Right of Use asset**

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
Opening Balance	49.06	23.29
Depreciation charge for the period	(83.78)	(59.90)
Additions during the period	135.24	85.67
Adjustment/Deletion	-	-
<b>Closing Balance</b>	<b>100.52</b>	<b>49.06</b>

**(ii) Movement in the carrying value of the lease liabilities**

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
Opening Balance	53.60	25.63
Interest expense	26.62	13.74
Lease payments	(104.59)	(71.43)
Additions during the year	135.24	85.67
Adjustment/Deletion	-	-
<b>Closing Balance</b>	<b>110.88</b>	<b>53.60</b>

**(iii) Classification of current and non current liabilities of the lease liabilities**

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
Current liabilities	45.96	43.14
Non-current liabilities	64.92	10.46

**(iv) Contractual maturities of lease liabilities outstanding**

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
Less than one year	58.34	55.01
One to five years	96.75	15.64
More than five years	62.51	-

**(v) The following are the amount recognised in the Statement of Profit and Loss**

Particulars	For the year ended on 31 <sup>st</sup> March, 2024	For the year ended on 31 <sup>st</sup> March, 2023
Depreciation expense on right of use assets	83.78	59.90
Interest expense on lease liabilities	26.62	13.74
Expense related to short term leases	160.98	112.56
<b>Total amount recognized in the Statement of Profit and Loss</b>	<b>271.38</b>	<b>186.19</b>

**47 Transfer of Financial Assets****47.1 Transferred financial assets that are not derecognised in their entirety**

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:



**A) Securitisation**

The company has Securitised certain loans, however the company has not transferred substantially all risks and rewards, hence these assets have not been de-recognised in its entirety.

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Carrying amount of transferred assets measured at amortised cost	-	50.65
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	-	50.65
Fair value of assets	-	86.49
Fair value of associated liabilities	-	50.65
Net position at Fair value	-	35.84

**B) Direct Bilateral assignment**

The Company has transferred certain loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Carrying amount of de-recognised financial asset	12,504.95	11,986.90
Carrying amount of Retained Assets at amortised cost	1,389.44	1,331.87
Gain on sale of the de-recognised financial asset recognized	1,409.55	1,255.64

Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September, 2021.

Particulars	Securitisation	Co-Lending
Aggregate amount of loans acquired (in lakhs) during the year ended 31 March, 2024	-	-
Aggregate amount of loans acquired (in lakhs) as at 31 March, 2024	-	-
Weighted average residual maturity (in months)	-	-
Weighted average holding period (in months)	-	-
Retention of beneficial economic interest by the originator	-	-
Tangible security coverage(Times)	-	-

**47.2 Transferred financial assets that are derecognised in their entirety but where the company has continuing involvement**

The company has not transferred any assets that are derecognised in their entirety where the company continues to have continuing involvement.

**48 Additional disclosure under RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated March 13, 2020 [as certified by the management]**

A comparison between provisions required under Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 is as follows:

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	56,119.50	232.73	55,886.77	232.73	
	Stage 2	2,933.40		2,933.40		
<b>Subtotal</b>		<b>59,052.90</b>	<b>232.73</b>	<b>58,820.17</b>	<b>232.73</b>	<b>-</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	1,288.80	736.51	552.29	360.10	<b>376.41</b>
Doubtful - upto 1 year	Stage 3					
1 to 3 years	Stage 3					
more than 3 years	Stage 3					
<b>Subtotal for doubtful</b>						
Loss	Stage 3					
<b>Subtotal for NPA</b>		<b>1,288.80</b>	<b>736.51</b>	<b>552.29</b>	<b>360.10</b>	
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	-	-	-	
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	Stage 1	56,119.50	232.73	55,886.77	232.73	<b>-</b>
	Stage 2	2,933.40		2,933.40		
	Stage 3	1,288.80	736.51	552.29	360.10	
	<b>Total</b>	<b>60,341.70</b>	<b>969.24</b>	<b>59,372.46</b>	<b>592.83</b>	

\* includes Management Overlay for Non-performing Assets.

**49 Corporate Social responsibility**

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of Companies Act , 2013 read with schedule III are as below :

	2023-24 Rs. in Lacs	2022-23 Rs. in Lacs
Gross Amount required to be Spent during the year	29.47	21.70
Surplus spent in earlier year set off	3.30	-
Actual Amount Spent during the year for eligible activities	34.00	25.00
Shortfall at the end of the year	NIL	NIL
Total of previous years shortfall	NIL	NIL
Reason for shortfall	Not Applicable	Not Applicable
Nature of CSR activities	Promotion of Education	Promotion of Education
Details of Related party transaction	NIL	NIL
Movement in provision made, if any	Not Applicable	Not Applicable

(All amount in ₹ Lakhs, except otherwise stated)

**50 Additional disclosures pursuant to Non-Banking Financial Company – ‘Scale Based Regulation (SBR) Directions NBFCs, 2023****A As required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007), the disclosures are given below**

Particulars		(Rs.in lakhs)			
LIABILITIES SIDE :		Current Year		Previous Year	
1	Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	(a) Debentures:				
	i) Secured	3,440.00	-	5,100.00	-
	ii) Unsecured	1,500.00	-	3,000.00	-
	(Other than falling within the Meaning of public deposits)				
	(b) Deferred Credits				
	(c) Term Loans	50,545.63	-	33,658.79	-
	(d) Inter-Corporate loans and borrowing				
	(e) Commercial Paper				
	(f) Public Deposits				
	(g) Other Loans				
	Other Bank Borrowings	3,736.42	-	3,227.75	-
	Loans from Directors & related parties	9.00	-	516.00	-
2	Break-up of (I)(f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid):				
	(a) In the form of Unsecured Debentures	-	-	-	-
	(b) In the form of partly secured debentures i.e. debentures. Where there is a shortfall, in the value of security	-	-	-	-
	(c) Other Public Deposits	-	-	-	-
ASSETS SIDE:					
3	Break-up of Loans and Advances including bills receivables (other than those include in (4) below):				
	(a) Secured	2,329.55	-	1,792.19	-
	(b) Unsecured	240.65	-	209.61	-
4	Break-up of Leased Assets and Stock-on-hire and Hypothecation loans counting towards EL/HP activities:				
	(i) Lease assets including lease rentals Under sundry debtors:				
	(a) Financial Lease	-	-	-	-
	(b) Operating Lease	-	-	-	-
	(ii) Stock on Hire including hire charges Under sundry debtors:				
	(a) Assets on Hire	-	-	-	-
	(b) Repossessed Assets	-	-	-	-
	(iii) Hypothecation loans counting towards EL/HP activities				
	(a) Loans where assets have been Repossessed	723.67	461.92	364.00	204.72
	(b) Loans other than (a) above	60,341.70	2,418.82	44449.69	2,017.01

(All amount in ₹ Lakhs, except otherwise stated)

Particulars		(Rs.in lakhs)			
5	<b>ASSETS SIDE:</b>	<b>Current Year</b>		<b>Previous Year</b>	
	<b>Break-up of Investments:</b>	<b>Amount Outstanding</b>	<b>Amount Overdue</b>	<b>Amount Outstanding</b>	<b>Amount Overdue</b>
	<b>Long Term Investments:</b>				
	1. Quoted:				
	(i) Equity Shares	4.34	-	2.46	-
	(ii) Debentures	-	-	-	-
	(iii) Units of Mutual funds	-	-	-	-
	2. UnQuoted:				
	(i) Equity Shares	0.02	-	0.02	-
	(ii) Government Securities	-	-	-	-
6	<b>Borrower group-wise classification of all leased assets. Stock-on-Hire and loans and advances :</b>				
	<b>Category</b>	<b>Current Year</b>		<b>Previous Year</b>	
		<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	1. Related Parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	2. Other than related parties	63,635.57	2,880.74	46,815.49	2,221.73
	<b>Total</b>	<b>63,635.57</b>	<b>2,880.74</b>	<b>46,815.49</b>	<b>2,221.73</b>
7	<b>Investor Group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :</b>				
	<b>Category</b>	<b>Current Year</b>		<b>Previous Year</b>	
		<b>Market value / Break-up or fair value or NAV</b>	<b>Book value (net of provisions)</b>	<b>Market value / Break-up or fair value or NAV</b>	<b>Book value (net of provisions)</b>
	1. Related Parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	2. Other than related parties	4.36	2.48	1,034.90	1,002.54
	<b>Total</b>	<b>4.36</b>	<b>2.48</b>	<b>1,034.90</b>	<b>1,002.54</b>
8	<b>Other Information :</b>	<b>(Rs.in lakhs)</b>			
	<b>Particulars</b>	<b>Current Year</b>		<b>Previous Year</b>	
	<b>(i) Gross Non-performing Assets</b>				
	(a) Related parties	-	-	-	-
	(b) Other than related parties	2,418.82		2,017.01	
	<b>(ii) Net Non-performing Assets</b>				
	(a) Related parties	-	-	-	-
	(b) Other than related parties	1,682.31		1,497.54	
	<b>Gross NPA details</b>				
	Gross Stage 3 % before RBI Circular impact	2.11%		2.23%	
	Net Stage 3 % before RBI Circular impact	1.09%		1.77%	
	Provision Coverage Ratio	47.45%		33.79%	
	GNPA as per IRAC Norms	3.96%		4.54%	
	NNPA as per IRAC Norms	2.76%		3.62%	
	Provision Coverage Ratio	30.45%		20.34%	
	<b>(iii) Assets acquired in satisfaction of debt</b>				
		-		-	

(All amount in ₹ Lakhs, except otherwise stated)

**50 Additional disclosure pursuant to Non-Banking Financial Company - 'Scale Based Regulation (SBR) Directions NBFCs, 2023 (Contd...)****9 Asset liability Management**

Maturity pattern of certain items of assets and liabilities as at March 31, 2024

Particulars	Upto 30/ 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
<b>Assets</b>									
Advances @ Investments	1,810.13	1,767.93	1,898.14	5,928.90	12,010.46	34,944.14	4,207.14	3.17	<b>62,570.01</b>
<b>Liabilities</b>									
Borrowings	1,957.28	2,564.01	2,922.21	7,031.36	16,292.65	26,852.86	1,154.02	9.00	<b>58,783.39</b>
Net Amount	(147.15)	(796.08)	(1,024.07)	(1,102.46)	(4,282.19)	8,091.28	3,053.12	(5.83)	<b>3,786.62</b>

Maturity pattern of certain items of assets and liabilities as at March 31, 2023

Particulars	Upto 30/ 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
<b>Assets</b>									
Advances @ Investments	1,555.91	1,643.80	1,729.80	5,170.00	9,486.40	24,438.40	2,115.70	-	<b>46,140.21</b>
<b>Liabilities</b>									
Borrowings	3,101.68	1,489.90	1,402.40	5,755.50	13,359.10	16,631.90	3,000.00	516.00	<b>45,256.48</b>
Net Amount	(1,545.77)	153.90	327.40	(585.30)	(3,872.70)	7,806.50	(884.30)	(516.00)	<b>883.73</b>

@ includes interest accrued on loans &amp; advances

**10**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Movement of non-performing assets</b>		
Net NPA to net Advances (%)		
Movement of non-performing assets (Gross)	-	-
(a) Opening balance	2,017.01	1,716.81
(b) Change during the year #	401.81	300.20
(c) Closing balance	2,418.82	2,017.01
Movement of net non-performing assets		
(a) Opening balance	1,497.54	1,361.26
(b) Change during the year #	184.77	136.28
(c) Closing balance	1,682.31	1,497.54
Movement of provisions for non-performing assets (excluding provisions on standard assets)		
(a) Opening balance	519.47	355.55
(b) Change during the year #	217.03	163.92
(c) Closing balance	736.51	519.47
# Change during the year includes addition, write-offs and recoveries.		

**50 Additional disclosure pursuant to Non-Banking Financial Company - 'Scale Based Regulation (SBR) Directions NBFCs, 2023 (Contd...)**

**(Amount in ₹ Lakhs)**

**11 Exposure**

**(a) Exposure to real estate sector**

The company does not have any exposure to real estate market in the current and previous year.

**(b) Exposure to capital market**

The company does not have any exposure to capital market in the current and previous year.

Particulars	As at March 31, 2024	As at March 31, 2023
Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
Bridge loans to companies against expected equity flows / issues;	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-

**(c) Details of financing of parent company products**

The Company does not have a parent company and accordingly no disclosure required.

**(d) Details of single borrower limit (SGL) / group borrower limit (GBL) exceeded by the applicable NBFC**

The Company does not exceed any limit related to SGL and GBL in the current and previous year.

**(e) Foreign Currency Exposure**

The Company has availed foreign currency loans from banks and the rates for repayments are hedged and there is no risk on foreign currency rate fluctuations.

**(f) Unsecured advances**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured advances	-	-

**12**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Asset Classification</b>		
(a) Standard Assets	57,922.88	42,432.68
(b) Sub Standard Assets	2,418.82	2,017.01
(c) Doubtful	-	-
(d) Loss Assets	-	-

**50 Additional disclosure pursuant to Non-Banking Financial Company - 'Scale Based Regulation (SBR) Directions NBFCs, 2023 (Contd...)**

(Amount in ₹ Lakhs)

**13 Disclosure of customer complaints**

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
<b>i) Summary information on complaints received by the NBFC from customers</b>		
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	2	-
c) No. of complaints redressed during the year	2	-
d) No. of complaints pending at the end of the year	-	-
<b>ii) Top grounds of complaints received by the NBFC from customers</b>		
a) No. of complaints received during the year	2	-
b) No. of complaints pending at the beginning of the year	0	-
c) Grounds of complaints (i.e.complaints relating to)	Loan & advances	-
d) % increase/decrease in number of complaints received over previous year	100%	-
e) No. of complaints pending at the end of the year	0	-

**14 Information on instances of fraud identified during the year \$\$**

Cash embezzlement and snatching		
No. of cases	-	-
Amount of fraud / Recovery / Amount provided for	-	-
<i>Loans given against fictitious documents</i>		
No. of cases	-	-
Amount of fraud / Recovery / Amount provided for	-	-
\$\$ as identified by the management		

**B. Additional disclosures pursuant to the RBI guidelines and notification:**

**1. Capital**

<b>Items</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Capital to risk / weighted assets ratio (CRAR) (%)	28.21%	24.62%
CRAR-Tier I capital (%)	26.58%	21.91%
CRAR-Tier II capital (%)	1.64%	2.70%
Liquidity Coverage Ratio	1.26%	1.17%
Debt Equity Ratio	3.41%	4.23%
Amount of Subordinate debt raised as Tier-II capital	1,500.00	1,500.00
Amount raised by issue of perpetual debt instruments	-	-

**50 Additional disclosure pursuant to Non-Banking Financial Company - 'Scale Based Regulation (SBR) Directions NBFCs, 2023 (Contd...)**

(Amount in ₹ Lakhs)

	As at March 31, 2024	As at March 31, 2023
<b>2. Investments</b>		
<b>A) Investment according to geographical location</b>		
<b>i) Gross value of investments</b>		
(a) In india	4.36	1,034.90
(b) Outside india	-	-
<b>ii) Provision for depreciation</b>		
(a) In india	-	-
(b) Outside india	-	-
<b>iii) Net value of Investments</b>		
(a) In india	4.36	1,034.90
(a) Outside india	-	-
<b>B) Movement of provisions held towards depreciation on investments</b>		
i) Opening balance	-	-
ii) Add: Provisions made during the year	-	-
iii) Less: Write-off / write-back of excess provisions during the year	-	-
iv) Closing balance	-	-

**3 Derivatives**

The Company does not have any derivatives exposure in the current and previous year

**4 Miscellaneous**

**A) Registration obtained from other financial sector regulators**

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

(i) Ministry of Corporate Affairs

**B) Disclosures of penalties imposed by RBI and other regulators**

No penalties imposed by RBI or other financial sector regulators during the current and previous year.

**C) Related party transactions**

Details of all material related party transactions are disclosed in note 38 to the financial statements

**D) Ratings assigned by credit rating agencies and migration of ratings during the year**

The ratings assigned to the Company is summarised below :

Category	Over all limit (Rs. In Crore)	Rating	Agency
Long Term Bank facilities	170	BBB; Stable	CRISIL
Long Term Bank facilities	75	BBB; Stable	CARE
Non Convertible Debentures	61	BBB; Stable	CARE
Non Convertible Debentures	30	BBB; Stable	CRISIL
Subordinated Debt	30	BBB; Stable	CRISIL

**E) Remuneration of directors**

Details relating to remuneration of directors are disclosed in note 38 to the financial statements



## 5 Additional Disclosures

### A) Provisions and contingencies

Break up of 'provisions and contingencies' shown under the head expenditure in statement of Profit and Loss

	For the year ended March 31, 2024	For the year ended March 31, 2023
Provisions for depreciation on investment	-	-
Provision made towards income tax	749.88	491.21
Other provision and contingencies (employee benefits)	143.93	81.35

### B) Draw down from reserves

There have been no instances of draw down from reserves by the company during the current and previous year.

### C) Concentration of advances, exposures and NPAs (to the extent identified by the management)

#### a. Concentration of advances

Total advances to twenty largest borrowers	2,924.48	1,511.40
Percentage of exposure to twenty largest borrowers as total exposure	4.67%	3.28%

#### b. Concentration of exposure

Total exposure to twenty largest borrowers	39,705.99	32,354.35
Percentage of exposure to twenty largest borrowers as total exposure	67.55%	71.49%

### C. Funding Concentration based on significant Instrument/ Product

	31-Mar-24		31-Mar-23	
Name of instrument/ product	Amount in lakhs	% of Total Liabilities	Amount in lakhs	% of Total Liabilities
Term loans from banks	22,373.66	35.46%	6,385.31	13.32%
Term loans from Others	27,867.97	44.17%	26,839.60	55.99%
Total Borrowings	53,843.39	85.34%	37,156.49	77.52%
Total Liabilities	63,091.26		47,932.19	

#### d. Concentration of non-performing assets

Total Exposure to top four non-performing accounts	112.32	148.38
--	--------	--------

### Sector wise NPA

	31-Mar-24			31-Mar-23		
Particulars	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	% age of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	% age of Gross NPAs to total exposure in that sector
Agriculture & allied activities						
MSME						
Corporate borrowers						
Services						
Unsecured personal loans						
Auto loans	76,284.82	2,418.82	3.17%	56,202.55	2,017.01	3.59%
Other Personal loans						
<b>Total</b>	<b>76,284.82</b>	<b>2418.82</b>	<b>3.17%</b>	<b>56,202.55</b>	<b>2017.01</b>	<b>3.59%</b>

Off-balance Sheet SPVs sponsored by the Company.

The Company has no off-balance sheet SPV in the current year.

## 51 Audit Trail

The accounting software used by the Company, to maintain its Books of account have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software.

## 52 Additional Regulatory Requirements

To the best of information of the Company, Additional Regulatory Information required to be given pursuant to Gazette notification for amendments in Schedule III to the Companies Act dated 24.03.2021 effective from 1<sup>st</sup> April 2021 have been disclosed where-ever applicable. Further the following matters are either Nil or not applicable to the Company.

- (i) The company has not been declared as a “wilful defaulter” by the banks, financial institutions or lenders. During the year, the company has not defaulted in repayment of loans availed and the payment of interest thereon.
- (ii) During the year, the Company has not entered into any transactions with companies struck off under Section 248 of the Companies Act 2013.
- (iii) The company doesn't have a subsidiary company. Hence the restriction on layers of company as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- (iv) The company has utilized the borrowed funds from bank and financial institution for the purpose it was availed.
- (v) The company has not advanced or loaned or invested funds to any other persons or entities, 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 to or on behalf of the Ultimate Beneficiaries.
- (vi) The company has not received any fund from any persons or entities, including foreign entities (Funding Party) 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.
- (vii) There were no material discrepancies between the financial information as per books of accounts and the quarterly reports submitted to bank on account of loans availed from banks and financial institutions on the basis of security of current assets.
- (viii) There were no transactions which have not been recorded in the books of account, have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

## 53 Figures for the Previous year have been regrouped / rearranged, wherever necessary.

As per our report of even date attached

For and on behalf of Board of Directors

**For JKVS & Co.,**  
Chartered Accountants  
Firm Regn No. 318086E

**N Mahaveerchand Dugar**  
Executive Vice Chairman  
DIN: 00190628

**M Deepak Dugar**  
Managing Director & CEO  
DIN: 00190705

**Vineet Mahipal**  
Partner  
Membership No.508133

**M Praveen Dugar**  
Deputy Managing Director & CFO  
DIN: 00190780

**Jyoti Bokade**  
Company Secretary  
M.No.: A59911

Place : Chennai

Date : June 12, 2024

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MAHAVEER FINANCE INDIA LIMITED

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MAHAVEER FINANCE INDIA LIMITED

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MAHAVEER FINANCE INDIA LIMITED

# MAHAVEER FINANCE INDIA LIMITED

CIN: U65191TN1981PLC008555

Regd. Office : K.G.Plaza, 3<sup>rd</sup> Floor, 41-44 General Patters Road, Chennai - 600002.

Phone Nos. 28614466, 28614477 & 28614488

E-mail : [cs@mahaveerfinance.com](mailto:cs@mahaveerfinance.com)

## ATTENDANCE CARD

SHARES :

FOLIO NO.:

NAME:

43<sup>rd</sup> ANNUAL GENERAL MEETING

TIME : FRIDAY, 09<sup>TH</sup> AUGUST 2024 AT 12.30 P.M.

VENUE : SOUTH INDIA HIRE PURCHASE ASSOCIATION PREMISES  
DESABANDU PLAZA, 1ST FLOOR,  
47, WHITES ROAD, CHENNAI - 600 014.  
TAMIL NADU, INDIA.

☐

MEMBER

☐

PROXY  
(Name in Capital Letters)

I hereby record my presence at the  
43<sup>rd</sup> AGM of the Company.

Note: 1. Admission restricted to Members / Proxy only.

2. Please avoid bringing children / non-members with you.

3. Kindly contact Help-desk at the venue for any clarifications / assistance.

Signature of Member / Proxy

## MAHAVEER FINANCE INDIA LIMITED

CIN: U65191TN1981PLC008555

Regd. Office : K.G.Plaza, 3<sup>rd</sup> Floor, 41-44 General Patters Road, Chennai - 600002.

Phone Nos. 28614466, 28614477 & 28614488

E-mail : [cs@mahaveerfinance.com](mailto:cs@mahaveerfinance.com)

FORM NO. MGT-11

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):

Folio No./DP ID/Client id:

Registered address:

E-mail:

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1.Name: \_\_\_\_\_ 2.Name: \_\_\_\_\_ 3.Name: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ E-mail ID: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ Or failing him/her Signature \_\_\_\_\_ Or failing him/her Signature \_\_\_\_\_

As my /our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 43<sup>rd</sup> Annual General Meeting of the Company, to be held on Friday, 09<sup>th</sup> August, 2024 at 12.30 PM at South India Hire Purchase Association Premises, Desabandu Plaza, 1<sup>st</sup> Floor, 47 Whites Road, Chennai-600014, Tamil Nadu, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Vote (optional)		
		For	Against	Abstain
1.	Adoption of accounts for the financial year 2023-24			
2.	Appointment of a director in the place of Shri. Mahaveerchand Dugar (DIN: 00190628), who retires by rotation and being eligible, seeks re-appointment.			
Special Business				
3.	To approve issue of debt instruments on a private placement basis			
4.	To approve revision in the offer of partly paid up equity shares			
5.	To consider the appointment of M/s. G. M. Kapadia & Co. statutory auditor to fill the casual vacancy caused due to resignation of the existing statutory auditors M/s JKVS & Co., Chartered Accountants (Firm Registration No. 318086E)			
6.	To consider appointment of M/s. G. M. Kapadia & co. as statutory auditors for the term of 5 years			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024

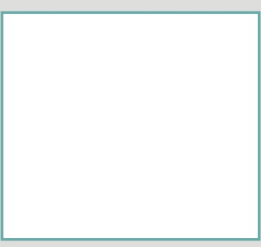
Signature of the Shareholder \_\_\_\_\_

Signature of Proxy holder (s) \_\_\_\_\_

Affix  
Revenue  
Stamp

**Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the Meeting.**

**Book-Post**



If undelivered please return to :

**M/s. Mahaveer Finance India Limited**

K.G. Plaza, 3rd Floor,

No. 41-44, General Patters Road,  
Chennai - 600 002.

[www.mahaveerfinance.com](http://www.mahaveerfinance.com)