



**SHRI RAM FINANCE**  
**CORPORATION PVT. LTD.**  
EMPOWERING FINANCIAL STRENGTH

**2023-24**

---

# **ANNUAL REPORT**



## CORPORATE INFORMATION

### Board of Directors

**Gaurav Bhattar**, (Executive Director)  
**Ganesh Kumar Bhattar**, (Executive Director)  
**Harsh Kumar Maheshwary**, (Independent Director)  
**Ajay Vyas**, (Independent Director)  
**Manoj Kumar Verma**, (Additional Independent Director)  
**Swati Bhattar**, (Additional Non- executive Director)

### Key Managerial Personnel

**Mr. Nilesh Maheshwari**  
Company Secretary and Chief Compliance Officer

### Statutory Auditors

#### **SSSD & CO**

Chartered Accountants  
Shreemata Nilay, A-11(7), Sector-3, Udaya Society,  
Tatibandh, Raipur: 492099

### Internal Auditors

#### **CA Gopichand Mathani**

Mahavir Market, M.G Road, Raipur (Chhattisgarh) 492001

### Secretarial Auditors

#### **M/s SVS & Co LLP**

Company Secretaries  
Flat No. B-203, Atmosphere, Loyola School Road,  
Rajkishornagar, Bilaspur C.G. 495006

### Registrar & Transfer Agents

#### **NSDL Database Management Limited**

4th Floor, Trade World A Wing,  
Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel,  
Mumbai - 400013

### Registered Office

**Raipur Road, Balodabazar-493332,**  
**Distt. - Balodabazar (C.G.)**  
**CIN: U65100CT2004PTC016590**  
**Contact No: 1800-309-6246**  
**Website: [www.srfc.org.in](http://www.srfc.org.in)**  
**Email: [Contact@srfcnbfc.com](mailto:Contact@srfcnbfc.com)**

### Corporate Office

**29/B-7, Parishram Tower, In Front of Doordarshan Tv Tower,**  
**Shankar Nagar 492007 Raipur (C.G.)**  
**Contact No: 1800-309-6246**  
**Website: [www.srfc.org.in](http://www.srfc.org.in)**  
**Email: [Contact@srfcnbfc.com](mailto:Contact@srfcnbfc.com)**

### Debenture Trustee

#### **Vistra ITCL (India) Limited**

6th Floor, The IL&FS Financial Center Plot No. C-22, G Block  
Bandra Kurla Complex Bandra (East), Mumbai 400051  
**Email: [Krunal.Shah@vistra.com](mailto:Krunal.Shah@vistra.com)**

#### **Catalyst Trusteeship Limited**

Unit No- 901, 9th Floor, Tower – B, Peninsula Business  
Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013  
**Email: [ComplianceCTL-Mumbai@ctltrustee.com](mailto:ComplianceCTL-Mumbai@ctltrustee.com)**

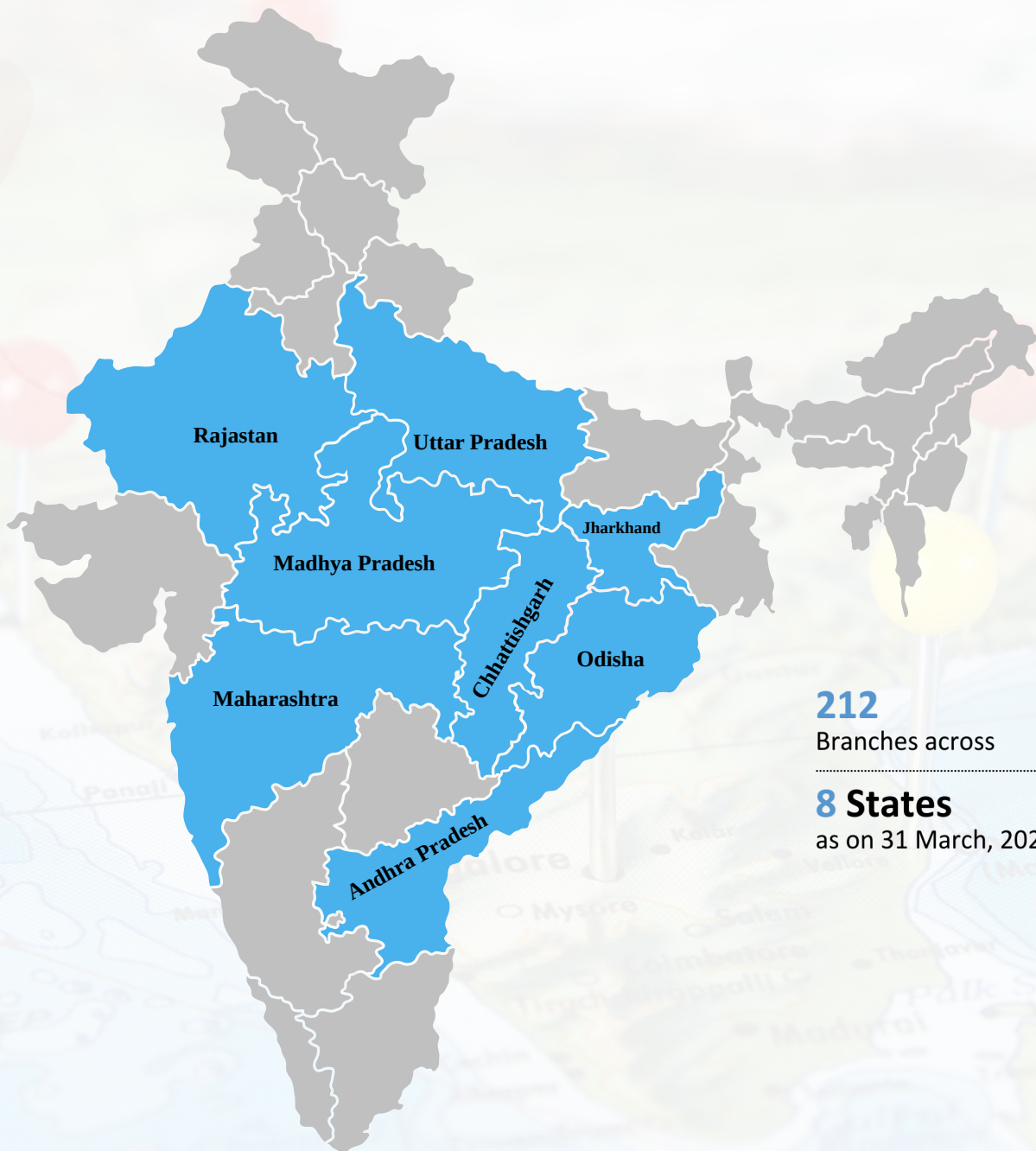
#### **Vardhman Trusteeship Private Limited**

The Capital, A wing, 412 A, Bandra Kurla Complex, Bandra  
(East) Mumbai -400 051  
**Email: [Compliance@vardhmantrustee.com](mailto:Compliance@vardhmantrustee.com)**





## OUR PRESENCE



**212**

Branches across

**8 States**

as on 31 March, 2024



## MESSAGE FROM THE CHAIRMAN

### Dear Shareholders,

As another year concludes, I am pleased to share my reflections on the journey we've undertaken at Shri Ram Finance Corporation Private Limited. This past year has presented both challenges and opportunities, not only for our company but also for the broader financial services sector. I am proud to announce that we have successfully transitioned into a mid-layer NBFC this year and have upheld our commitments across Quality, Profitability, and Growth.

Our asset quality remains among the best in the industry, our profitability is robust, and we have achieved significant growth over the past financial year. The regulatory landscape has evolved, with the RBI taking a more proactive stance, emphasizing the need for sustainable growth strategies, prudent risk management, and sufficient capital reserves. We have embraced these guidelines and are well-positioned to adapt to these changes without major operational impacts.



In the past year, we have undertaken substantial organizational enhancements to fortify our governance and operational excellence. We welcomed two Independent Directors and one non-executive director to our board, established robust board-approved policies, and reconstituted various board committees. Our commitment to regulatory compliance and process improvement is further demonstrated by the appointment of a Chief Compliance Officer, the expansion of our infrastructure, and the strategic enhancement of our IT team. These initiatives underscore our dedication to fostering a strong compliance culture and driving continuous improvement across the organization.

Before diving into our operational and financial performance for FY-2023-24, I want to share four key insights that have shaped our path over the past year:

- 1. Fundamental Strength of Our Business Model:** Our resilient lending business is built on a robust foundation. This year, we have focused on refining our business and underwriting models, gaining valuable insights into borrower behavior and effective practices. This foundational work has been instrumental in driving our growth.
- 2. Right People in the Right Roles:** The importance of having the right team cannot be overstated. With a strong business model in place, we prioritized assembling a skilled management team and an efficient execution team. Their efforts have resulted in exceptional asset quality and robust growth.
- 3. Strong Governance and Compliance Culture:** We take pride in our compliance-first approach, which emphasizes not only adhering to regulations but also fostering a culture of ethical governance. Compliance is essential for maintaining a healthy ecosystem, and we are committed to prioritizing it in all aspects of our operations.
- 4. Guardedly Optimistic Approach:** While we have confidence in the strength of our business model and team, we also recognize the importance of cautious growth. Different circumstances require tailored strategies, and our experience has taught us to balance optimism with vigilance. This approach has been crucial in navigating the complexities of our industry.

As we look back on FY2024, I am pleased to report strong operational and financial results, continuing the momentum from FY2023. Our theme this year—guardedly optimistic—captures our strategy perfectly, especially amid the recent regulatory developments. By maintaining a careful and considered approach, we can confidently pursue our goals.





I would like to express my heartfelt gratitude to all our stakeholders:

- To our employees, the backbone of our success.
- To our shareholders, for your unwavering trust in our management.
- To our lenders, for providing essential support.
- To our directors, whose guidance is invaluable.
- To our auditors, who keep us accountable. To all industry stakeholders, including rating agencies and regulatory bodies, for your ongoing support.

With a strong business model, an exceptional team, and a clear strategy, I am confident that we will continue to elevate Shri Ram Finance Corporation in the years to come.

Thank you for your continued support.

Warm regards,

**Gaurav Bhattar**

**Director, Shri Ram Finance Corporation Private Limited**



# DIRECTORS' REPORT

To,  
The Shareholders  
Shri Ram Finance Corporation Private Limited

Your directors have the pleasure in presenting the 20th Annual Report of Shri Ram Finance Corporation Private Limited ("SRFC" or "the company") together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024. The summarised financial results of the Company are presented hereunder:

## 1. Financial Performance of the Company

Your Company prepares its Financial Statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2021 and the guidelines issued by the Reserve Bank of India as applicable to Mid-Layer NBFCs. These financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The summary of the Company's financial performance for the financial year ended March 31, 2024 as compared to the previous financial year ended March 31, 2023 is given below:

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Total Income	2,58,18,12,525	1,83,28,19,880
Total Expenses	1,93,78,44,413	1,37,14,30,672
Profit Before Tax	64,39,68,112	46,13,89,209
Profit After Tax	48,70,88,706	35,04,97,249
Earnings Per Equity Share		
- Basic (₹)	27.33	21.02
- Diluted (₹)	27.33	21.02

## 2. Company Overview & State of Affairs

Your Company is a non-deposit taking Non-Banking Finance Company (NBFC) registered with the Reserve Bank of India and is a NBFC – Investment and Credit Company (NBFC-ICC) holding a valid Certificate of Registration ("CoR") vide registration no. B.03.00170 dated March 01, 2013 issued pursuant to name change of the company. Your Company has been classified as a NBFC in Middle Layer under the Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions dated October 19, 2023, as amended from time to time. The Company is engaged in the business of providing financing for income generation activity mainly MSME, Vehicle Finance and Personal Loans to Govt. Employees.

At Shri Ram Finance Corporation Private Limited, we aim to tap the untapped potential of the market and reach to the last standing persona who has been left behind in the financial stream. We cater to the needs of rural, semi urban and urban markets by offering a bundle of customized and tailor-made loan products suiting to their needs. Your Company provides secured financial solutions to a vital yet often overlooked segment: micro-entrepreneurs, small business owners and self-employed individuals. Most of these borrowers often lack access to formal financial institutions and rely on informal lenders, friends, or family for their business and personal needs. Our experienced and technically sound in house teams help us in discharging day to day business roles.



### **3. Operational Highlights**

The Company reported strong financial results due to its judicious pricing decisions, increase in its AUM, quality disbursements and better collection efficiency. Further, the Company was able to raise the necessary resources throughout the year to match the business and operational requirements, leveraging its relationships with banks and financial institutions, as well as forming new lender relationships.

#### **3.1 Total Income and Expenditure**

During the Financial Year 2023-24, the Company has recorded Total Income of Rs. 25,818.13/- Lakhs as against Rs. 18,328.20/- Lakhs in Financial Year 2022-23. Further, total expenditure incurred during the Financial Year 2023-24 was Rs. 19,378.44/- Lakhs as against Rs. 13,714.31/- Lakhs in Financial Year 2022-23.

#### **3.2 Profit After Tax**

The Company's overall performance during the Financial Year 2023-24 was robust resulting in improvement in all operational and financial parameters. The Company recorded a profit after tax of Rs. 4,870.89/- Lakhs in Financial Year 2023-24 as compared to Rs. 3,504.97/- Lakhs in Financial Year 2022-23 with tremendous growth of around 38.97%.

#### **3.3 Branch Network Expansion**

The Company further expanded its geographical presence by reaching out to underserved/unserved semi urban and rural areas and increased its footprint by opening new branches and making it more accessible to its customers. During the Financial year, the Company has strengthened its presence across 8 states with a network of more than 212 branches.

#### **3.4 Disbursement**

During the Financial Year 2023-24, your Company has disbursed Rs. 742.95/- Crores of loans as compared to 632.92/- Crores in the previous year depicting a remarkable growth of around 29.13%.

#### **3.5 Asset Under Management**

During the period under review, the AUM of the Company stood at Rs. 1,07,136.46/- Lakhs as on March 31, 2024 against Rs. 82,964.10/- Lakhs as on March 31, 2023.

#### **3.6 Capital Adequacy**

As on March 31, 2024 the Capital adequacy ratio stood at 23.60% comprising of Tier I Capital Ratio of 21.47% and Tier II Capital Ratio of 2.12% exceeding the minimum regulatory requirement of 15.00%.

Your Company has carried out an Internal Capital Adequacy and Assessment Process (ICAAP) and is adequately capitalized as per the assessment.

#### **3.7 Non-Performing Asset (NPA)**

Your Company is in strict adherence to the provisions of Guidelines issued by Reserve Bank of India ("RBI") with respect to computation of NPA. The Company's assets have been classified based on the expected performance. The Gross NPA and Net NPA as on March 31, 2024 were 2.55% and 1.98% respectively as against 2.74% and 2.26% respectively in the previous Financial Year.

#### **3.8 Debt-Equity Ratio**

The Debt Equity Ratio of the Company as at March 31, 2024 was 3.90 Times.





### **3.9 Earnings Per Share (EPS)**

The Earning per Share was 27.33 for the financial year ended March 31, 2024 as against 21.02 in the previous financial year ended March 31, 2023.

### **3.10 Net Owned Funds (Total Equity)**

The Net Owned Funds of the Company as at the financial year ended March 31, 2024 stood at Rs. 250.06/- Crores as against Rs. 189.86/- Crores in the previous financial year ended March 31, 2023.

## **4. Change in nature of business**

There has been no change in the nature of business of the Company during the Financial Year 2023-24.

## **5. Subsidiaries, Associates and Joint Ventures**

The Company operates as a standalone entity and does not have any subsidiary, associate and joint venture within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013.

## **6. Management Discussion and Analysis**

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report in accordance with the Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 forming part of this Annual Report as Annexure F.

## **7. Transfer to Reserves**

Your Company has transferred to statutory reserve as per Section 45-IC of The RBI Act, 1934 an amount of Rs. 9,74,17,741/- for the year ended 31st March 2024 as against Rs. 7,00,99,450 /- for the year ended 31st March, 2023.

## **8. Dividend**

Your directors have decided not to recommend any dividend for the financial year ended March 31, 2024, and the profit for the year will be ploughed back into the business.

## **9. Material Changes Affecting the Financial Position of the Company**

There are no material changes and commitments having an adverse bearing on the financial position of the Company between March 31, 2024, and the date of this report.

## **10. Deposits**

Your Company is a non-deposit taking Company. The Company has not accepted any public deposits during the financial year ended 31st March 2024.

## **11. Capital Structure**

During the Financial Year 2023-24, following changes took place in the Share Capital structure of the Company

### **11.1 Authorized Share Capital**

The authorized share capital of the Company as on March 31, 2024 stands at Rs. 25,00,00,000/- (Rupees Twenty-five Crores only) consisting of 2,50,00,000 Equity Shares of 10/- each.



## **11.2 Issued and Paid-up Capital**

During the year under review, there has been change in the Issued and Paid-up capital of the Company from Rs. 17,81,91,840/- (Rupees Seventeen Crores Eighty-One Lakhs Ninety-One Thousand Eight Hundred Forty Only) to Rs. 18,92,53,780/- (Rupees Eighteen Crores Ninety-Two Lakhs Fifty-Three Thousand Seven Hundred Eighty Only) comprising of 1,89,25,378 (One Crore Eighty-Nine Lakh Twenty-Five Thousand Three Hundred Seventy-Eight) fully paid equity shares of face value of Rs. 10/- each.

## **12. Related Party Transactions**

Your Company has in place a policy on related party transactions as approved by the board and the same is available on the website of the Company at <https://srfc.org.in/investorcorner/policy>.

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business, the particulars of such transactions are disclosed in the notes to the financial statements.

Details of the Related party transaction that are entered during the FY 2023-24 are given in the notes to the Financial Statement which forms part of the Annual Report. Further, material contracts or arrangement or transactions at arm's length basis are mentioned in AOC-2 as a part of Annexure A.

## **13. Annual Return**

The Annual Return in form MGT-7 referred to in Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 is available on the website of the Company at <https://srfc.org.in/investorcorner/annual-return>

## **14. Particulars of Loans, Guarantees or Investments**

Pursuant to Section 186 (11) of the Companies Act, 2013 (the 'Act') read with Rule 11 (2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by an NBFC registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. As such, the particulars of loans have not been disclosed in this Report. Further the Company has not made any investments during the year.

## **15. Material Changes & Commitments affecting the Financial Position of the Company**

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

## **16. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

Your Company being a non-banking financial company, the operations of Company are not energy intensive and thus do not require adoption of any specific technology. However, the Company is making continuous efforts to conserve energy by adoption of innovative measures to reduce wastage and optimize consumption. Hence, the Information as required to be given under Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not provided in this Report.

The foreign exchange earnings and outgo stood at Nil during the year under review.



## **17. Information as per clauses (xi) and (xii) of Rule 8(5) of the Companies (Accounts) Rules, 2014**

There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year ended March 31, 2024.

The Company has not entered into any one-time settlement with its lenders during the financial year ended March 31, 2024, and therefore the requirements of clause (xii) of Rule 8(5) of the Companies (Accounts) Rules, 2014 are not applicable.

## **18. Significant and Material Orders passed by the Regulators or Courts or Tribunals**

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company's and its future operations.

## **19. Risk Management**

Being in the lending business, risk management forms a vital element of our business. Your Company has a well-defined risk management framework, approved by the Board of Directors. It provides the mechanism for identifying, assessing and mitigating risks.

The Company has adopted its own Risk Management policy that represent the basic standards of risk assessment to be followed by the Company. The Board is responsible for managing risk at an overall level to do this. The Board has delegated authority for overall risk management to the Risk Management Committee (RMC) to ensure focused oversight and committed board level capacity for this task. The Board has constituted the Asset Liability Management Committee (ALCO) to assess the risk arising out of liquidity gap and interest rate sensitivity.

## **20. Board of Directors and Key Managerial Personal**

Your Company boasts a well-diversified Board in terms of experience and expertise. The composition of the Board of Directors of the Company is in accordance with Companies Act, 2013 (hereinafter referred to as "the Act"). The Board members are accomplished individuals with a proven track record of competence and integrity. They are highly committed to your Company and dedicate ample time to Board meetings and preparation. The Board of Directors comprises 6 (six) directors, including 3 (three) Independent Directors, 1 (one) Non-Executive Directors, and 2 (two) Executive Directors, as of March 31, 2024. The Company has one Key managerial Person also as Company Secretary in its Board. The details for period under review are as under

Name	Designation	DIN/ PAN
Mr. Gaurav Bhattar	Executive Director	01248032
Mr. Ganesh Kumar Bhattar	Executive Director	01248202
Mr. Harsh Kumar Maheshwary*	Independent Director	00088660
Mr. Ajay Vyas	Independent Director	07553649
Mrs. Swati Bhattar	Additional Non- Executive Director	10521496
Mr. Manoj Kumar Verma	Additional Independent Director	10335698
Ms. Ayushi Saraf**	Company Secretary	EXUPS6910N

All the Directors of the Company have confirmed through the declaration that they are not disqualified to act as Director in terms of Section 164 of the Companies Act, 2013.





Further, on the recommendation of the Nomination & Remuneration Committee and the approval of Board of Directors, Mr. Manoj Kumar Verma (DIN: 07553649) and Mrs. Swati Bhattar (DIN: 07553649) were appointed as additional Director of the Company. Furthermore, the appointment of both the directors will be regularised in ensuing General meeting.

\*Mr. Harsh Kumar Maheshwary's term of 5 years as an Independent Director will end at the ensuing Annual General Meeting and being eligible, offers himself for reappointment for a term of 5 years.

\*\*Ms Ayushi Saraf (M.No. ACS 62235) resigned as Company Secretary of the company w.e.f April 01, 2024 and Mr. Nilesh Maheshwari (M.No. ACS 50121) was appointed as a Company secretary w.e.f. April 01, 2024.

## **21. Declaration from Independent Directors**

Pursuant to Section 149(7) of the Companies Act, 2013 read along with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 of the Companies Act, 2013, the Company has received necessary declarations/ disclosures from each of the Independent Directors of the Company stating that he meets the criteria of independence as required under Section 149(6) of the Companies Act, 2013 and that he/she has a valid certificate of registration for his/her enrolment into the data bank for Independent Directors.

## **22. Internal Financial Control & its adequacy**

The Company has put in place adequate internal controls with reference to accuracy and completeness of the accounting records and timely preparation of reliable financial information, commensurate with the size, scale and complexity of operations and ensures compliance with various policies and statutes in keeping with the organization's pace of growth, increasing complexity of operations, prevention and detection of frauds and errors.

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 controls 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.

## **23. Meetings of Board of Directors**

The Board meets at regular intervals to inter-alia discuss about the Company's policies and strategy apart from other Board matters. The Board is responsible to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. The Board of Directors along with its constituted Committees provide direction and guidance to the Company's Leadership Team and further direct, supervise as well as review the performance of the Company.

During the year under review, Twenty-Six Board Meetings were convened and the required quorum was present for all the Board meetings and the gap between two meetings did not exceed a period of 120 days.

The Company adheres to the applicable provisions of the Act and the Secretarial Standards on the Board Meetings as prescribed by the Institute of Company Secretaries of India. Agenda papers containing all necessary information/documents are made available to the Board Committee Members in advance to enable them to discharge their responsibilities effectively and take informed decisions.

## **24. Directors' Responsibility Statement**

Pursuant to the requirements under Section 134(3)(c) read with Section 134(5) of the Act with respect to Directors' Responsibility Statement, the Directors, to the best of their knowledge and belief, and as per the information and explanations obtained by them, hereby confirm that:



- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The Directors have 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 state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively and;
- Internal financial controls to be followed by the Company had been laid down and such internal financial controls are adequate and were operating effectively.

## **25. Frauds Reported by Auditors u/s 143 of the Companies Act, 2013**

There were no instances of frauds reported by the auditors during the financial year ended March 31, 2024 under Section 143(12) of the Companies Act, 2013.

## **26. Company's Policy Relating to Directors' Appointment, Payment of Remuneration & Discharge of their duties**

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013 read with the Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs as outlined in Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, issued by the Reserve Bank of India, the Company has formulated Nomination, Remuneration and Compensation Policy. The Nomination, Remuneration and Compensation Policy provides guidelines relating to the Appointment, Removal & Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. It also provides the manner for effective evaluation of performance of Board, its committees and individual directors. Nomination and Remuneration Policy is appended as Annexure E to this Report.

## **27. Auditors' Report**

### **27.1 Statutory Auditors**

Pursuant to the provisions of Section 139 and 141 of the Companies Act, 2013 read with rules made thereunder and the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by RBI vide Circular RBI/2021- 22/25 Ref. No. DoS.CD.AR G/SEC.01/08.91.001/2021-22 dated April 27, 2021 ('RBI Guidelines'), M/s SSSD & CO (Firm Registration Number 020203C), Chartered Accountants were appointed as the Statutory Auditors of the Company at the annual General Meeting (AGM) of the Company was held on 30.09.2022 for a period of three years to hold office from the conclusion of the said AGM until the conclusion of the AGM to be held in the year 2024.

The statutory audit report is annexed with the financial statements as Annexure B and forms a part of this report. The report indicates a clean audit with no qualifications, reservations, adverse remarks, or disclaimers.

### **27.2 Secretarial Auditors**

Pursuant to the applicable provisions of Section 204 of the Act and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had at their meeting held on August 20, 2024 appointed M/S SVS and Co. LLP, Company Secretaries, Peer Review No: 5784/2024 as the Secretarial Auditors of the Company for the financial year ended March 31, 2024.

The secretarial audit report for the financial year ended March 31, 2024, forms part of this report as Annexure D and does not contain any qualification, reservation or adverse remarks.



### **27.3 Internal Auditors**

Pursuant to the requirements of Section 138 of the Act and rule 13 of Companies (Accounts) Rules, 2014, the Board of Directors of the Company had at their meeting held on May 05, 2024 appointed M/s Gopichand Mathani, Chartered Accountants (Membership No.: 072748) Raipur as the Internal Auditors of the Company for the financial year ended March 31, 2024. This comprehensive approach ensures thorough review of all operations of the Company regularly. The audit teams regularly assess the adequacy of control measures and recommend improvements as needed. The Audit Committee oversees the internal audit functions, scope of internal audit and reviews its effectiveness.

### **28. Transfer Of Unclaimed Dividend to Investor Education and Protection Fund**

The provisions of Section 125 (2) of the Companies Act, 2013 do not apply as there was no dividend was declared and paid last year.

### **29. Cost Records**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable on the Company.

### **30. Policy For Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace**

The policy against sexual harassment is embodied both in the Code of Conduct in a specifically written policy in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has adopted zero tolerance for sexual harassment at workplace. The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee formed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The committee is responsible for redressal of complaints related to sexual harassment. During the period under review no cases/complaints in the nature of sexual harassment were reported.

### **31. 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**

The requirement to disclose the 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, is not applicable during the year.

### **32. Credit Rating**

During the year under review, Acuite Ratings and Research Limited has assigned A- (stable) rating for the Company. The ratings continue to reflect your Company's healthy earning profile, adequate capitalization, strong net worth base and steady improvement in its scale of operations.

### **33. Borrowings**

The Company has strengthened its relationships with banks /financial institution. During the period under review, the Company met its funding requirements through debts from Financial Institutions and Banks and issuance of Non-Convertible Debentures. The Company has been regular in servicing all its debt obligations.





### **34. Compliance of Secretarial Standards**

During the year under review, the Company has complied with the applicable SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 (10) of the Companies Act, 2013.

### **35. Reserve Bank of India (RBI) Guidelines**

The Company complies in all material respects, with the prudential norms relating to income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in directions/ guidelines issued by Reserve Bank of India, from time to time as applicable to the Company.

The Company adheres to the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Updated as on March 21, 2024) issued vide notification no. RBI/DoR/2023-24/106, DoR. FIN. REC.No.45/03.10.119/2023-24 dated October 19, 2023 and other guidelines as applicable to the systemically important non-deposit taking NBFCs, as amended from time to time.

### **36. Whistle Blower Policy/ Vigil Mechanism**

The Company has established a vigil mechanism to deal with instances of fraud and mismanagement and to provide appropriate avenues to the directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud and to bring to the attention of the management, their genuine concerns and grievances about the behaviour of the employees. Adequate safeguards are provided against victimization of those who avail of the mechanism and direct access to the Chairperson of the Audit Committee in exceptional cases is provided to them.

The Board of Directors of the Company have adopted a vigil mechanism policy which is in compliance with Section 177 (10) of Companies Act, 2013. During the period under review, no cases under this mechanism were reported to the Company.

### **37. Details Of Non-Compliance with Requirements of Companies Act 2013**

During the financial year 2023-24, the Company has complied with all the applicable provisions of the Companies Act, 2013. There were no instances of non-compliance reported during this period. The Board of Directors confirms that the Company has adhered to all statutory requirements and regulatory guidelines, ensuring robust corporate governance and transparency in its operations.

### **38. Details Of Penalties and Strictures**

During the financial year 2023-24, the Company has adhered to all applicable regulations and guidelines issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFCs). There were no instances of non-compliance reported during this period. The Board of Directors confirms that the Company has maintained strict compliance with all statutory requirements, ensuring robust governance and operational transparency.

### **39. Breach of covenant**

The company has no instance of breach of covenant in respect of loans availed and debt securities issued as at March 31, 2024 and March 31, 2023



## 40. Corporate Governance

In accordance with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, the Company falls under the category of Middle Layer ('NBFC-ML'). Non-listed NBFCs at the minimum should disclose following under the corporate governance section of the annual report.

The Company is firmly committed to upholding the highest standards of corporate governance. This commitment goes beyond mere compliance with prescribed requirements; the Company actively endeavour to implement best practices that foster transparency, accountability, and sustainable value creation for all stakeholders.

### 40.1 Composition of Board

Sl. No.	Name of Director	Director since	Capacity	DIN	Number of Board Meetings		No. of other Directorships	Remuneration (Rs.)			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mr. Gaurav Bhattar	29/04/2004	Executive Director	01248032	26	26	3	48,00,000	Nil	Nil	15825855
2	Mr. Ganesh Kumar Bhattar	29/04/2004	Executive Director	01248202	26	26	1	18,00,000	Nil	Nil	1846343
3	Mr. Ajay Vyas	30/09/2023	Independent Director	07553649	26	02	5	Nil	Sitting fees of INR 40,000 for attending each meeting of the Board.	Nil	Nil
4	Mrs. Swati Bhattar	16/02/2024	Non-Executive Director	10521496	26	06	3	Nil	Nil	Nil	615422
5	Mr. Harsh Kumar Maheshwary	22/02/2019	Independent Director	00088660	26	05	10	Nil	Nil	Nil	0
6	Mr. Manoj Kumar Verma	16/02/2024	Independent Director	10335698	26	01	2	Nil	Sitting fees of INR 40,000 for attending each meeting of the Board.	Nil	0



## 40.2 Details of change in composition of the board during the current and previous Financial Year

Sl. No.	Name of Director	Capacity (i.e., Executive/ non-executive / Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, appointment)	Effective date
1	Mr. Manoj Kumar Verma	Independent Director	Appointment	16.02.2024
2	Mrs. Swati Bhattar	Non-executive Director	Appointment	16.02.2024

## 40.3 Committees

In accordance with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, the Company falls under the category of Middle Layer ('NBFC-ML'). Non-listed NBFCs at the minimum should disclose following under the corporate governance section of the annual report. The Company is firmly committed to upholding the highest standards of corporate governance. This commitment goes beyond mere compliance with prescribed requirements; the Company actively endeavour to implement best practices that foster transparency, accountability, and sustainable value creation for all stakeholders.

Sr. No.	Type of committee
1	CSR committee
2	Audit committee
3	Nomination Remuneration Committee
4	Risk Management Committee
5	Asset Liability Committee
6	IT Strategy Committee

### 40.3.1 Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board is constituted and the terms of reference of the committee in compliance with the requirements of Section 135 of the Act and is vested with the authority to make contributions to CSR projects or programs to be implemented directly or through eligible executing agency(ies), of at least two percent of the Company's average net profits during the three immediately preceding Financial Years in pursuance of its CSR Policy. As on the date of this report the Corporate Social Responsibility Committee comprises of following members:

1. **Gaurav Bhattar, Executive Director (Chairperson)**
2. **Ganesh Kumar Bhattar, Executive Director (Member)**
3. **Ajay Vyas, Independent Director\* (Member)**





\*Mr. Vyas was appointed as a member of the Corporate Social Responsibility (CSR) Committee, replacing Mr. Harsh Kumar Maheshwary, following the reconstitution of the committee at the Board meeting held on July 22, 2024

During the Financial Year 2023-24, the Committee is comprised of 3 (three) members of which 1 (one) is an independent director viz, Harsh Kumar Maheshwari, Mr. Gaurav Bhattar, Director and Mr. Ganesh Kumar Bhattar, Director. During the period under review, 2 (Two) CSR Committee Meeting was convened and the required quorum was present. The requisite quorum was present in all the Committee meetings. The Company Secretary acts as the Secretary to the CSR Committee. The attendance of the members of the Committee at the above meeting were as under:

Sr. No.	Name of Director	Member of committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ganesh Kumar Bhattar	25.04.2019	Member	2	2	1846343
2	Mr. Gaurav Bhattar	25.04.2019	Chairperson	2	2	15825855
3	Mr. Harsh Kumar Maheshwary	25.04.2019	Member	2	2	0

### ***Brief description of Terms of Reference***

The Corporate Social Responsibility Committee inter-alia formulates CSR policy, recommends the amount of expenditure to be incurred, oversees the CSR projects, recommend the annual action plan in pursuance of the CSR policy and such other matters as prescribed under Companies Act 2013 and carry out any other function or activity as may be required to ensure that the CSR objectives are met.

### **40.3.2 Audit Committee**

The Audit Committee of the Board is constituted and the terms of reference of the committee is in compliance with the requirements of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 issued by the Reserve Bank of India. As on the date of this report, the Audit Committee comprises of the following members:

- 1. Ajay Vyas, Independent Director\* (Chairperson)**
- 2. Gaurav Bhattar, Executive Director (Member)**
- 3. Ganesh Kumar Bhattar, Executive Director (Member)**
- 4. Swati Bhattar, Non-Executive Director\* (Member)**
- 5. Manoj Kumar Verma, Independent Director\* (Member)**

\*The Committee was reconstituted at the Board meeting held on July 22, 2024 in which Mr. Ajay Vyas was appointed as Chairperson, while Mr. Manoj Kumar Verma and Ms. Swati Bhattar were appointed as members. Additionally, Mr. Harsh Kumar Maheshwary was formally released from his duties.



During the Financial Year 2023-24, the Committee is comprised of 3 (three) members of which 1 (one) is an independent director viz, Harsh Kumar Maheshwari, Mr. Gaurav Bhattar, Director and Mr. Ganesh Kumar Bhattar, Director. The members of the Committee are financially literate and learned, experienced and well known in their respective fields. The gap between two meetings of the Committee did not exceed one hundred and twenty days (120) and the requisite quorum was present in all the Committee meetings. The Company Secretary acts as the Secretary to the Audit Committee. During the financial year under review, 4 (Four) Audit Committee Meetings were convened and held. The attendance of the members of the Committee at the above meetings were as under:

Sr. No.	Name of Director	Member of committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ganesh Kumar Bhattar	10.01.2022	Member	4	4	1846343
2	Mr. Gaurav Bhattar	10.01.2022	Chairperson	4	4	15825855
3	Mr. Harsh Kumar Maheshwary	10.01.2022	Member	4	1	0

### ***Brief description of Terms of Reference***

The Audit Committee is one of the key pillars of Corporate Governance, as it ensures hygiene in financial reporting and audit matters. The terms of reference inter-alia includes review/oversee the Company's financial reporting process and the disclosure of its financial interest, recommending to the Board for appointment, remuneration and terms of appointment of the statutory auditor, review of annual financial statements and auditors report, review of statement of uses/ application of funds raised through an issue, granting omnibus/prior approval for the related party transactions, review of inter-corporate loans and investments, valuation of undertaking or assets of the Company, Internal financial controls, review of internal audit reports (including ensuring adequacy of internal audit function, in terms of strength and scope), approving information system (IS) audit policy, reviewing processes and system of internal audit of all outsourced activities, review of whistle blower mechanism and such other matters as prescribed under Companies Act 2013.

### **40.3.3 Nomination And Remuneration Committee**

The Nomination and Remuneration Committee of the Board is constituted and terms of reference of the Committee in compliance with the requirements of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 issued by the Reserve Bank of India. As on the date of this report, the Nomination & Remuneration Committee comprises of the following members:

- 1. Manoj Kumar Verma, Independent Director\* (Chairperson)**
- 2. Ajay Vyas, Independent Director\* (Member)**
- 3. Swati Bhattar, Non- Executive Director (Member)**



\*The Committee was reconstituted at the Board meeting held on July 22, 2024 in which Mr. Manoj Kumar Verma was appointed as Chairperson, while Mr. Ajay Vyas appointed as member replacing Mr. Harsh Kumar Maheshwary.

During the financial year under review, the NRC consists of 3 (Three) members. During the financial year under review, 2 (Two) Nomination Remuneration Committee Meeting was convened and held and the required quorum was present. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The attendance of the members of the Committee at the above meeting were as under:

Sr. No.	Name of Director	Member of committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ganesh Kumar Bhattar	10.01.2022	Chairperson	2	2	1846343
2	Mr. Gaurav Bhattar	10.01.2022	Member	2	2	15825855
3	Mr. Harsh Kumar Maheshwary	10.01.2022	Member	2	1	0

### ***Brief description of Terms of Reference***

The Nomination & Remuneration committees ensure a proper level of balance between executive and non-executive directors and diversity in the Board by undertaking diligence in matters relating to evaluation, appointment and remuneration to the Directors, KMPs and senior management. The terms of reference inter-alia include to consider and recommend persons who are qualified for board positions, evaluate directors' performance prior to recommendation for re-appointments, assess the fit and proper criteria of all the directors, identify persons who are qualified to be in senior management and recommend their appointments, remuneration payable and removal. Further, the committee shall work with risk management committee to achieve effective alignment between compensation and risks.

### **42.3.4 Risk Management Committee**

The Risk Management Committee of the Board is constituted and the terms of reference in compliance with the requirements of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 issued by the Reserve Bank of India. As on the date of this report, the Risk Management Committee comprises of the following members:

- 1. Gaurav Bhattar, Executive Director (Chairperson)**
- 2. Ganesh Kumar Bhattar, Executive Director (Member)**
- 3. Sanjay Patil, HR Head (Member)\***
- 4. Khushboo Mathani, Collection Head (Member)\***
- 5. Anurag Sharma, Credit Head (Member)\***



\*The Committee was reconstituted at the Board meeting held on July 22, 2024 in which Mr. Sanjay Patil, Ms. Khushboo Mathani and Mr. Anurag Sharma were appointed as member of the Committee.

During the financial year under review, the Committee is comprised of 2 (two) Members. During the financial year under review, 2 (Two) Risk Committee Meetings were convened and held and the required quorum was present. The Company Secretary acts as the Secretary to the Risk Management Committee. The details of the members of the Committee at the above meeting were as under:

Sr. No.	Name of Director	Member of committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ganesh Kumar Bhattar	25.05.2020	Member	2	2	1846343
2	Mr. Gaurav Bhattar	25.05.2020	Chairperson	2	2	15825855

### **Brief description of Terms of Reference**

The risk management committee is constituted under the framework and terms of reference provided under Master Directions issued by Reserve Bank of India as applicable to the Company. It inter-alia considers and formulate a detailed risk management policy, ensures that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company, monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems and periodically review the risk management policy, including by considering the changing industry dynamics.

### **40.3.5 Asset Liability Management Committee**

The Asset Liability Management Committee of the Board, constitution and terms of reference in compliance with the requirements of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 issued by the Reserve Bank of India. As on the date of this report, the Risk Management Committee comprises of the following members:

- 1. Gaurav Bhattar, Executive Director (Chairperson)**
- 2. Kashish Sachdev, Treasury Head (Member)\***
- 3. Sanjay Patil, HR Head (Member)**

\*The Committee was reconstituted at the Board meeting held on July 22, 2024 in which Mr. Sanjay Patil, Ms. Khushboo Mathani and Mr. Anurag Sharma were appointed as member of the Committee.

During the financial year under review, the Committee is comprised of 2 (two) Members. During the financial year under review, 2 (Two) Risk Committee Meetings were convened and held and the required quorum was present. The Company Secretary acts as the Secretary to the Risk Management Committee. The details of the members of the Committee at the above meeting were as under:





Sr. No.	Name of Director	Member of committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ganesh Kumar Bhattar	25.05.2020	Member	4	4	1846343
2	Mr. Gaurav Bhattar	25.05.2020	Chairperson	4	4	15825855

### **Brief description of Terms of Reference**

The Asset Liability Management Committee is responsible for ensuring adherence to the risk tolerance and limits set by the Board, while implementing the Company's liquidity risk management strategy. The Committee will handle funding and capital resource planning, ensuring the effectiveness of Asset Liability Management (ALM) controls. Additionally, it will review statements on short-term dynamic liquidity, structural liquidity, and interest rate sensitivity. Managing market risks will involve evaluating the current interest rate outlook and its potential future trends. The Committee will also focus on forecasting and analysing the future business and economic environment, as well as preparing a Contingency Funding Plan. Regular reviews of the Company's liquidity position, including stress testing under various hypothetical scenarios, will be conducted. Furthermore, the Committee will provide a comprehensive and dynamic framework for measuring, monitoring, and managing both liquidity and interest rate risk. It will also review and monitor key ratios related to liquidity risk measurement under the stock approach, as well as evaluate the collateral position of assets, distinguishing between encumbered and unencumbered assets.

### **40.3.6 Information Technology Strategy Committee**

The IT Strategy Committee is constituted and the terms of reference is in compliance with the requirements of Master Direction - Information Technology Framework for the NBFC Sector (repealed w.e.f. April 01, 2024) and Master Direction – Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023 notified on November 07, 2023 (effective from April 01, 2024) issued by the Reserve Bank of India, and assumes a pivotal role within the Board's structure. As on the date of this report, the Risk Management Committee comprises of the following members:

- 1. Ajay Vyas, Independent Director (Chairperson)\***
- 2. Gaurav Bhattar, Executive Director (Member)**
- 3. Swati Bhattar, Non-Executive Director (Member)\***
- 4. IT Authorized Representative (Representative Member of the Steering Committee)\***

\*The Committee was reconstituted at the Board meeting held on July 22, 2024 in which Mr. Ajay Vyas was appointed as Chairperson, while Ms. Swati Bhattar and an IT authorized Representative were appointed as member replacing Mr. Ganesh Kumar Bhattar.

During the financial year under review, 3 (Three) IT Committee Meetings were convened and the required quorum was present. The Company Secretary acts as the Secretary to the Information Technology Strategy Committee. The attendance of the members of the Committee at the above meeting were as under:



Sr. No.	Name of Director	Member of committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ganesh Kumar Bhattar	08.04.2022	Member	3	3	1846343
2	Mr. Gaurav Bhattar	08.04.2022	Chairperson	3	3	15825855

#### 40.4 General Body Meetings

Give details of the date, place and special resolutions passed at the General Body Meetings.

Sr. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1.	Annual General Meeting	30.09.2023 (At Registered Office)	Appointment of Appointment of Mr. Ajay Vyas (DIN:07553649) as an Independent Director

#### 41. Acknowledgement

Your directors wish to thank the shareholders, customers, employees, bankers, non-bank lenders, financial institutions, debenture trustees, R&T agent, credit rating agencies and auditors for their co-operation and continued support to the Company. The directors also thank the employees for their contribution during the financial year ended March 31, 2024.

For and on behalf of the Board of Directors of  
**Shri Ram Finance Corporation Private Limited**

**Sd/-**

**Gaurav Bhattar**

Director

DIN: 01248032

Address :29/B7 Parishram tower, Anupam Nagar, Shankar Nagar, opposite, opposite Doordarshan T.V. Tower, Raipur Chhattisgarh, 492007

**Sd/-**

**Ganesh Kumar Bhattar**

Director

DIN: 01248202

Address: Fifth Floor, Parishram, Anupam Nagar, Shankar Nagar, opposite Doordarshan T.V. Tower, Raipur Chhattisgarh, 492007

**Date: 05.09.2024**

**Place: Raipur**



### ***Annexures:***

- A. Details of Related party transactions during the FY- 2023-24 (AOC-2)
- B. Independent Auditor's Report 2023-24
- C. Annual Report on Corporate Social Responsibility (CSR)
- D. Secretarial Audit Report 2023-24 (MR-3)
- E. Nomination Remuneration Policy
- F. Management Discussion and Analysis Report



## FORM NO. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014).

**1. Details of contracts or arrangements or transactions not at arm's length basis : None**

(a)	Name(s) of the related party and nature of relationship
(b)	Nature of contracts/arrangements/transactions
(c)	Duration of the contracts/arrangements/transactions
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any
(e)	Justification for entering into such contracts or arrangements or transactions
(f)	Date(s) of approval by the Board
(g)	Amount paid as advances, if any:
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis**

(a) Name(s) of the related party, Nature of relationship and Nature of contracts/arrangements/transactions :

Related Parties	Nature of Relationship	Nature of Transactions	Amount
Gaurav Bhattar	Director	Rent Paid	2,09,64,000
Ganesh Bhattar	Director	Rent Paid	35,31,000
Sarla Bhattar	Director's (Ganesh Bhattar) Spouse	Rent Paid	49,80,000
Swati Bhattar	Director's (Gaurav Bhattar) Spouse	Rent Paid	1,01,40,000
Total			3,96,15,000

(b) Duration of the contracts/arrangements/transactions: **2023-24**

(c) Salient terms of the contracts or arrangements or transactions including the value, if any: **At arms length price**

(d) Date(s) of approval by the Board, if any: **08.03.2024**

(e) Amount paid as advances, if any: **None**

# **SHRI RAM FINANCE CORPORATION PRIVATE LIMITED**

**Audited Financial Statements**  
**Financial Year : 2023-24**

**Auditors**

**SSSD & CO**

**Chartered Accountants**

**Shreemata Nilay, A-11(7), Sector-3, Udaya Society,**

**Tatibandh, RAIPUR: 492099**

**Tel.: 9589134150**



# SSSD & CO

Chartered Accountants

Shreemata Nilay, A-11(7) Sector-3, Udaya Society, Tatibandh, Raipur - 492 099 ☎ 9589134150  
✉: sssdandco@gmail.com, Branch : 260, Kalindi Kunj, Kabir Chowk, Raigarh - 496001 (C.G.)

## Independent Auditor's Report

(Under Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016)

To  
The Board of Directors  
**SHRI RAM FINANCE CORPORATION PRIVATE LIMITED**

- 1 This report is issued in accordance with the requirements of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 (the "Directions")
- 2 We have audited the attached Balance Sheet of **SHRI RAM FINANCE CORPORATION PRIVATE LIMITED** as at 31st March 2024, the Statement of Profit & Loss and Cash Flow Statement for the year ended and Summary of significant policies and other explanatory information on that date annexed thereto.
  - i. The Company being Non-Banking financial Institution ( Not valid for Accepting Public Deposits), engaged in the business of Assets financing and it has obtained a Certificate of Registration from the Reserve Bank of India dated 15th July, 2008 having Registration number **B-03.00170**.
  - ii. The Company is entitled to continue to hold such Certificate of Registration in terms of its Principal Business Criteria (Financial asset/income pattern) as on March 31, 2024.
  - iii. The company complied with the minimum prescribed Net Owned Fund requirement as laid down in Master Direction Non-Banking Financial Companies-Systemically Important Non-deposit taking and Deposit taking Company (Reserve Bank) Directions, 2016;
  - iv. The company being non-banking financial Institution (Not valid for Accepting Public Deposits), the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions is not applicable to the company.
  - v. The Board of Directors of the company has duly passed a resolution for non- acceptance of any public deposits.
  - vi. The Company being non-banking financial Institution (Not valid for Accepting Public Deposits), has not accepted any public deposits during the year.





- vii. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
- viii. The Capital Adequacy Ratio of the company as on 31st March, 2024 is in compliance with the Minimum CRAR prescribed by RBI.

Raipur, 22nd July '2024



**For SSSD & CO**  
Chartered Accountants  
F.R.No.020203C

**(Gaurav Ashok Baradia)**  
**Partner**

**Membership No. 164479**

UDIN-24164479 BKCACF3544



# SSSD & CO

Chartered Accountants

Shreemata Nilay, A-11(7) Sector-3, Udaya Society, Tatibandh, Raipur - 492 099 ☎ 9589134150  
✉: sssdandco@gmail.com, Branch : 260, Kalindi Kunj, Kabir Chowk, Raigarh - 496001 (C.G.)

## Independent Auditor's Report

To the Members of  
**SHRI RAM FINANCE CORPORATION PRIVATE LIMITED**

### Report on the Standalone Financial Statements Opinion

We have audited the accompanying Standalone Financial Statements of SHRI RAM FINANCE CORPORATION PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit, and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Management's Responsibility for the Standalone Financial Statements

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





In preparing the Standalone Financial 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 responsible for overseeing the Company's financial reporting process.

The Board of Directors is also responsible for establishing and maintaining adequate and effective controls in respect of use of accounting software that entails the requisite features as specified by the Companies (Accounts) Rules, 2014, as amended from time to time, including an evaluation and assessment of the adequacy and effectiveness of the company's accounting software in terms of recording and maintaining audit trail (edit log) of each and every transaction and ensuring that the audit trail cannot be disabled and has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledge user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning in the scope of our audit work in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.



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

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

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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the mandatory Accounting Standards referred to in section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024 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 the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, is not applicable to the Company.
- 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 Standalone Financial Statements – Refer Note 52 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.
  - iii) There is no liability on the part of the company to transfer any amount to Investor Education and Protection Fund.





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, 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 Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on the audit procedures that have been considered reasonable and appropriate in the circumstances,

(c) nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The company has not declared/paid dividend during the year and hence provisions of section 123 of the Companies Act 2013 are not applicable on the company.

(vi)

Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended on March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As per proviso to Rule 3(1) of the companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the companies act (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 March 31, 2024.

As per our attached report of even date.



For, SSSD & Co  
Chartered Accountants  
FR No. 020203C

*Gaurav*

(Gaurav Ashok Baradia)

Partner

Membership No. - 164479

UDIN - 24164479 BKCACE5066

Raipur, 22nd July '2024

## Annexure "A" to the Independent Auditor's Report

The Annexure referred to in paragraph "7" of our Independent Auditors' Report of even date to the members of the Company on the standalone financial statements for the year ended 31 March 2024, we report that:

- (i) (A) According to the information and explanations given to us the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
(B) As per the records examined by us, there are no intangible assets in the books of the company and hence reporting under the clause 3(i)(a)(B) is not applicable to the company.
- (b) As explained to us the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of one year. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties, as disclosed in the financial statements, are held in the name of the company.
- (d) Company has not revalued its Property, Plant, and Equipment or intangible assets or both during the year.
- (e) According to information and explanation given to us, no any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and rules made there under.
- (ii) In our opinion and according to the information and explanation given to us, the company is not having any inventory hence this paragraph 3 (ii) (a) & (b) of the Order is not applicable during the year.
- (iii) Based on the reports examined by us, the company has made investments in and provided loans and advances in the nature of loans, secured and unsecured to other parties during the year.
  - (a) As the principal business of the company is to give loans, reporting under clause 3(iii)(a) of the order is not applicable on the company.
  - (b) Based on the records examined by us, the investments made and the loans and advances in the nature of loans granted are not prejudicial to the interest of the company.
  - (c) Based on the records examined by us, the schedule of repayment of principal and interest has been stipulated and the receipts are regular, except in case of the assets classified as Non Performing Assets in the Financial Statements.
  - (d) The total amount of interest overdue for the period specified amounts to Rs. 7,41,05,932 which has been reversed during the year and as per the explanations provided to us, the company has taken reasonable steps for the recovery of the same.
  - (e) The principal business of the company is to provide loans and hence reporting under this clause is not applicable to the company.
  - (f) Based on the information and explanations provided to us, the company has not provided any loans in the nature of loans either repayable on demand or without specifying the terms of repayment to promoters and related parties as defined under clause (76) of section 2 of the Companies Act, 2013.
- (iv) The company has granted loans in its ordinary course of business covered under the provisions of section 185 & 186 of the Act and complied the applicable procedures during the year.
- (v) According to the explanation and information given to us, the Company has not accepted any deposits during the year within the meaning of section 73 to 76 of the Act and the rules framed there under to the extent notified.
- (vi) The Central Govt. has not prescribed maintenance of cost records under section 148(1) of the Companies Act 2013 in respect of activities of the company. Accordingly, paragraph 3 (vi) of the Order is not applicable during the year.





- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the
- (a) company, the company is 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 statutory dues to the appropriate authorities.
  - (b) According to the information and explanation given to us and the records examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute.
- (viii) According to the information and explanations given to us, there are no such unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- (ix) According to the records of the company examined by us and the information and explanation given to us, the company
    - (a) has not defaulted in repayment of loans or borrowings or payment of interest there on to any lender at any time during the year.
    - (b) According to the information or explanation given to us, the company has not been declared an willful defaulter by any bank or financial institutions.
    - (c) According to the information or explanation given to us, term loans have been utilized for the purpose they were obtained.
    - (d) According to the information obtained by us, no Funds that are short term in nature have been utilized for long term purposes.
    - (e) Based on the information provided us, the company has not taken any funds from an entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
    - (f) As per the information provided to us the company has not raised any loan during the year on the pledge of securities held in subsidiaries, associates and Joint ventures.
    - (x) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
    - (b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year. However the company has issued 11,06,194 shares by way of Right issue of shares.
  - (xi) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or
    - (a) reported during the course of our audit.
    - (b) No report under sub section (12) of section 143 of the Companies Act 2013 has been filed by the auditors .
    - (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
  - (xii) In our opinion and according to the information and explanation given to us, the company is not a nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable during the year.
  - (xiii) According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standard.
  - (xiv) Based on the information and explanations given to us and based on the records examined by us, the company has an
    - (a) internal audit system commensurate with size and nature of it's business.
    - (b) During the course of statutory audit, the reports of internal auditor were taken into consideration and no adverse remark on the functioning of the company has been noticed in such report.



- (xv) According to the information and explanation 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 them as prescribed under section 192 of the Act. Accordingly, paragraph 3 (xv) of the Order is not applicable during the year.
- (xvi) The company has obtained registration as an Asset Financing NBFC under section 45-IA with the registration number
- (a) B-03.00170 of the Reserve Bank of India Act 1934.
- (b) The company has conducted Non Banking Financial activities with a valid certificate of registration from the Reserve Bank of India.
- (c) Based on the records examined by us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) There are no companies falling within the ambit of group companies and hence reporting under the clause 3(xvi)(d) of the order is not applicable on the company.
- (xvii) As per the records examined by us and the information provided to us, the company has not incurred any cash losses during the financial year or the immediately preceding financial year.
- (xviii) There has been resignation of Statutory Auditors during the year. No objections, issues or concerns have been raised by the outgoing auditors.
- (xix) 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, we are of the opinion that no material uncertainty exists as on the date of the audit report on the capability of the company in 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
- (xx) There is no requirement of transferring any amount to special account prescribed under section 135 of the Companies Act, 2013.
- (xxi) The company is not a holding of any other company and therefore this clause is not applicable on the company.

Raipur, 22nd July '2024

As per our attached report of even date.  
For, SSSD & Co  
FR No. 020203C



*Gaurav*

(Gaurav Ashok Baradia)  
Partner  
Membership No. - 164479  
UDLN-24164479 BILKALE 5066



## **Annexure "B" to the Independent Auditor's Report:**

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

We have audited the Internal Financial controls over financial reporting of Shri Ram Finance Corporation Private 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 the date.

#### **Management's Responsibility for Internal Financial Controls**

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

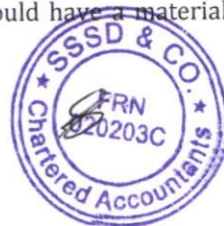
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance note") and the Standards on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

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 of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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



### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal controls 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.

As per our attached report of even date.

**For, SSSD & Co**

Chartered Accountants

FR No. 020203C



**(Gaurav Ashok Baradia)**

Partner

Membership No. - 164479

UDIN-24164479 BR/ACE 5066

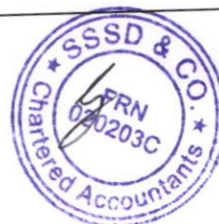
Raipur, 22nd July '2024



### Statutory Auditors Certificate

We have examined the books of accounts and other records of Shri Ram Finance Corporation Private Limited for the Financial Year ending March 31, 2024. On the basis of the information submitted to us, we certify the following:

S.No.	Particulars	Details
1	Name of the company	Shri Ram Finance Corporation Private Limited
2	Certificate of Registration No.	B-03.00170
3	Registered office Address	Raipur Road, Baloda Bazar (Chhattisgarh)
4	Corporate office Address	B-7 Plot No. 29, Shri Ram Nagar Phase-I, In front of Doordarshan TV Tower, Shankar Nagar, Raipur-492007
5	The company has been classified by RBI as : (Investment Company / Loan Company /AFC / NBFC-MFI / NBFC- Factor / IFC / IDF- NBFC)	AFC
6	Net Owned Fund (in Rs. Crore) (Calculation of the same is given in the Annex)	250.06
7	Total Assets (in Rs. Crore)	1253.61
8	Asset-Income pattern: (in terms of RBI Press Release 1998-99/1269 dated April 8, 1999) a) % of Financial Assets to Total Assets  b) % of Financial Income to Gross Income (NBFC-Factor / NBFC-MFI / AFC / IFC may also report separately below)	a) 90.6%  b) 99.17%
9	Whether the company was holding any Public Deposits, as on March 31, 2024 If Yes, the amount in Rs. Crore	No
10	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (in terms of Sec 45-IC of the RBI Act, 1934).	Yes
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	No
12	If the company is classified as an NBFC-Factor; a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	Not Applicable
13	If the company is classified as an NBFC-MFI; % of Qualifying Assets to Net Assets (refer to Notification DNBS.PD.No.234 CGM (US) 2011 dated December 02, 2011)	Not Applicable



14	If the company is classified as an AFC: a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of income generated out of these assets to Total Income	a) 90.6%
		b) 99.17%
15	If the company is classified as an NBFC- IFC % of Infrastructure Loans to Total Assets	Not Applicable
16	Has there been any takeover/ acquisition of control/change in shareholding/ Management during the year which required prior approval from RBI? (please refer to Master Directions issued by DNBR i) Master Direction- Non-Banking Financial Company- Systemically Important Non-Deposit taking company (Reserve Bank) Direction; and ii) Master Direction- Non Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Copany (Reserve Bank) Directions.)	No

In terms of Chapter II of the Master Direction- Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, a separate report to the Board of Directors of the company has been prepared.

I have read and understood Chapter III of the Master Direction- Non Banking Financial Companies Auditor's Report (Reserve bank) Directions, 2016



Gaurav Ashok Baradia  
(Partner)  
ICAI Membership No. 164479  
UDIN: 24164479BK1A1F3544  
Raipur, 22nd July 2024



## Annexure

As at 31.03.2024

	Capital Funds - Tier I	(` In crore)
1	Paid up Equity Capital	18.93
2	Preference shares to be compulsorily converted into equity	-
3	Free Reserves:	
	a. General Reserve	-
	b. Share Premium	67.37
	c. Capital Reserves	-
	d. Debenture Redemption Reserve	-
	e. Capital Redemption Reserve	-
	f. Credit Balance in P&L Account	132.43
	g. Statutory Reserves	32.95
4	Special Reserves	-
	<b>Total of 1 to 4</b>	<b>251.68</b>
5	Less: i. Accumulated Balance of Loss	-
	ii. Deferred Revenue Expenditure	-
	iii. Deferred Tax Assets (Net)	1.62
	iv. Other intangible Assets	-
	<b>Owned Fund</b>	<b>250.06</b>
6	Investment in shares of:	
	(i) Companies in the Same group	-
	(ii) Subsidiaries	-
	(iii) Wholly Owned Subsidiaries	-
	(iv) Other NBFCs	-
7	Book value of debentures, bonds, outstanding loans and advances, bills purchased and is counted (including H.P. and lease finance) made to, and deposits with	
	(i) Companies in the same group	-
	(ii) Subsidiaries	-
	(iii) Wholly Owned Subsidiaries/Joint Ventures Abroad	-
8	Total of 6 and 7	-
9	Amount in item 8 in excess of 10% of Owned Fund	Not Applicable
10	<b>Net Owned Fund</b>	<b>250.06</b>



**SHRI RAM FINANCE CORPORATION PRIVATE LIMITED**  
CIN - U65100CT2004PTC016590  
**BALANCE SHEET AS AT 31st MARCH, 2024**

(Amounts in Lakhs)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' Fund			
(a) Share Capital	3	1,892.54	1,781.92
(b) Reserve & Surplus	4	23,868.34	17,908.07
(2) Non-Current Liabilities			
(a) Long Term Borrowings	5	57,457.03	36,857.92
(b) Long Term Provisions	6	513.75	420.10
(3) Current Liabilities			
(a) Short-Term Borrowings	5	40,072.46	30,294.04
(b) Trade Payable			
Total outstanding dues of micro enterprises and small enterprises		680.38	383.34
(c) Other Current Liabilities	7	464.35	479.57
(d) Short-Term Provisions	6	411.93	421.91
<b>TOTAL::</b>		<b>1,25,360.76</b>	<b>88,546.88</b>
<b>II. ASSETS</b>			
(1) Non-current Assets			
(a) Property, Plant, Equipment and Intangible Assets	8		
Property, Plant, Equipment		2,247.40	1,905.07
Intangible Assets		194.70	216.32
(b) Deferred Tax Assets (Net)	9	161.63	113.97
(c) Long term Loans and Advances	10	50,479.78	36,203.99
(d) Other Non-Current Assets	12	4,197.64	2,633.37
(2) Current Assets			
(a) Current Investments	13	3,734.02	296.04
(b) Cash and Cash Equivalents	11	7,401.16	1,083.67
(c) Short Term Loans and Advances	10	55,728.83	45,361.50
(d) Other Current Assets	12	1,215.60	732.94
<b>TOTAL::</b>		<b>1,25,360.76</b>	<b>88,546.88</b>

Significant Accounting Policies

2

The accompanying notes are an integral part of the financial statements.

3 to 54

As per our attached report  
For S S S D & CO  
Chartered Accountants  
ICAI FRN : 020203C

Gaurav Ashok Baradina  
(Partner)

ICAI Membership No. 164479

UDIN: 24164479BKACE5066

Raipur, 22nd July 2024

For and on behalf of the Board of Directors

Ganesh Bhattachar  
(Director)  
DIN- 01248202

Gaurav Bhattachar  
(Director)  
DIN-01248032

Nilesh Maheshwari  
(Company Secretary)  
Membership No. A50121  
Raipur, 22nd July 2024

**SHRI RAM FINANCE CORPORATION PRIVATE LIMITED**  
CIN -U65100CT2004PTC016590  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

(Amounts in Lakhs)

Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
I. Revenue From Operations	14	25,603.75	18,169.25
II. Other Income	15	214.38	158.95
III. Total Revenue (I+II)		25,818.13	18,328.20
IV. Expenses			
Employee Benefit Expenses	16	4,176.38	3,151.54
Finance Cost	17	10,032.17	6,661.94
Depreciation	8	559.67	400.98
Other Expenses	18	2,504.81	2,127.85
Provisions & Write offs	19	2,105.40	1,372.01
Total Expenses		19,378.44	13,714.31
V. Profit Before Tax (III-IV)		6,439.68	4,613.89
VI. Tax expense			
Current Tax		1,616.45	1,129.91
Deferred Tax	10	(47.66)	(20.99)
VII. Profit After Tax (V-VI)		4,870.89	3,504.97
Basic / Diluted Earnings Per Equity Share (Face Value of Rs. 10/- per share)	20	27.33	21.02

Significant Accounting Policies

2

The accompanying notes are an integral part of the financial statements.

3 to 54

As per our attached report  
For S S S D & CO  
Chartered Accountants  
ICAI FARN : 020203C

Ravur Ashok Baradia  
(Partner)

ICAI Membership No. 164479

UDIN: 24164479 BRCLCE5066

Raipur, 22nd July 2024

For and on behalf of the Board of Directors.

Ganesh Chandra  
(Director)

DIN: 01248802

Ganesh Chandra  
(Director)

DIN: 01248032

Nitesh Maheshwari  
(Company Secretary)

Membership No. A50121

Raipur, 22nd July 2024



## SHRI RAM FINANCE CORPORATION PRIVATE LIMITED

CIN -U65100CT2004PTC016590

Cash Flow Statement for the year ended 31st March, 2024

(Amounts in Lakhs)

PARTICULARS	As at 31.03.2024	As at 31.03.2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	6,439.68	4,613.89
Adjustments For		
Depreciation and Amortisation Expense	559.67	400.98
Profit on Sale of Fixed Assets		(4.35)
Profit on Sale of Investment	(148.19)	(11.24)
Bad debts Written off	1,734.75	1,121.41
Provision For Diminution on Investments	5.01	-
Provision For Sub Standard Assets	222.96	125.71
Provision for Standard Assets as per RBI	142.68	124.89
Provision for Gratuity	9.94	5.97
<b>Operating Profit before working capital changes and adjustments for interest received and interest paid</b>	<b>8,966.51</b>	<b>6,377.25</b>
(Increase)/Decrease in Loans and Advances	(26,600.82)	(32,050.04)
Increase/(Decrease) in other Current Liabilities	281.81	(77.92)
(Increase) / Decrease in Other Current Assets	(482.66)	484.13
(Increase) / Decrease in Other Non- Current Assets	(1,564.27)	(1,279.49)
<b>Cash used in operations before adjustments for interest received and interest paid</b>		
Cash generated from / (used) in Operations	(19,399.43)	(26,546.07)
Income Tax paid	(1,685.41)	(1,025.02)
<b>NET CASH GENERATED USED IN OPERATING ACTIVITIES (A)</b>	<b>(21,084.84)</b>	<b>(27,571.09)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Increase) /Decrease in Fixed Assets	(880.39)	(703.73)
Purchase of Investments (Net)	(3,294.80)	(200.53)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(4,175.19)</b>	<b>(904.25)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net (repayment)/ proceeds from Long Term Borrowings	20,599.11	15,104.11
Net (repayment)/ proceeds from Short term Borrowings	9,778.42	8,781.03
Proceeds from Issue of Share Capital with Share Premium	1,200.00	1,918.00
<b>NET CASH GENERATED FROM IN FINANCING ACTIVITIES (C)</b>	<b>31,577.53</b>	<b>25,803.14</b>
<b>Net (Decrease) / Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>6,317.49</b>	<b>(2,672.20)</b>
Add: Cash and Cash Equivalents at the beginning of the year	1,083.67	3,755.87
<b>Cash and Cash Equivalents at the end of the year</b>	<b>7,401.16</b>	<b>1,083.67</b>
<b>Components of Cash and Cash equivalents</b>		
Cash in hand	642.08	636.17
Balance with banks	813.70	221.19
Fixed Deposits (less than 3 months)	5,945.38	226.31
	<b>7,401.16</b>	<b>1,083.67</b>

## Notes :

- Figures for the previous year have been regrouped, wherever necessary.
- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

As per our attached report

For SSSD &amp; CO

Chartered Accountants

ICAI FRN : 020203C

Gaurav Ashok Baradia  
(Partner)

ICAI Membership No. 164479

UDIN: 24164479BKALE5066

Raipur, 22nd July 2024

For and on behalf of the Board of Directors.

Ganesh Bhattar  
(Director)  
DIN- 01248202Gaurav Bhattar  
(Director)  
DIN-01248032Nilesh Maheshwari  
(Company Secretary)  
Membership No. A50121  
Raipur, 22nd July 2024

## SHRI RAM FINANCE CORPORATION PRIVATE LIMITED

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

### 1. CORPORATE INFORMATION

Shri Ram Finance Corporation Private Limited (the 'Company') is a Private limited company domiciled in India and incorporated under the provision of the Companies Act, 1956. A Non-Banking Finance company – Systemically Important Non-Deposit taking Company duly registered with RBI. The Company provides finance for vehicle, bikes, Micro Finance and Small and Micro Enterprise sectors. The company is registered with various regulatory authorities, the registration numbers are as follows:

Corporate Identification Number (CIN) - U60232CT2004PTC016590

RBI Regd. No. - B-03.00170

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Preparation of Financial Statements

The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting standards ('AS') under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2021 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC'). These financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

These financial statements are not for general purpose and have been prepared solely for reference of the Board of Directors of the Company and shall not be distributed to or used by other parties.

#### b. Use of Estimates

The preparation of financial statements ("financial statements") in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operation during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future years.

#### c. Operating Cycle

The company has classified all its assets/liabilities into current/non-current portion based on the time frame of 12 months from the date of the financial statements. Accordingly, assets /liabilities expected to be realised/ settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non-current.

#### d. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Corporation are segregated based on the available information.

#### e. Cash and Cash equivalents (For Purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term deposits with banks (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### f. Receivables under Financing Activity

Receivables under financing activities represent Principal and matured finance charges outstanding at the close of the year net of amount provided for.





**g. Provision for Loans and Advances.**

Provisions made for secured/ unsecured loans and advances as per company's policy subject to minimum provision required as per Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016. Accordingly, the Company has its recognition norms of Non-Performing Assets (NPA) as 90 days (RBI has stipulated 180 days).

Classification of assets as per policy of the current Financial Year	
Asset Type	Percentage of provision
<b>Standard Assets</b>	
Days past Due (DPD) upto 90 days	0.40% of Outstanding
<b>Substandard Assets</b>	
Auto Loans - DPD 91 to 360 days	21% of Outstanding
Unsecured Loans - Personal Loans & Micro Finance Loans - DPD 91 to 360 days	21% of Outstanding
Small and Medium enterprise Loans - DPD 91 to 450 days	21% of Outstanding
<b>Doubtful Assets</b>	
Auto Loans - DPD 361 to 450 days or POS<25000	30% of Outstanding
Unsecured Loans - Personal Loans & Micro Finance Loans - DPD 361 to 450 days	30% of Outstanding
Small and Medium enterprise Loans - DPD 451 to 750 days	30% of Outstanding
<b>Loss assets</b>	
Auto Loans - DPD Above 450 days and POS>25000.	100% of Outstanding
Unsecured Loans - Personal Loans & Micro Finance Loans - DPD Above 450 days.	100% of Outstanding
Small and Medium enterprise Loans - DPD Above 750 days	100% of Outstanding

**h. Write-Offs**

Loans and Advances are written off when the company has no reasonable expectations of recovering the loan either in its entirety or portion of it. This is the case when the company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write off. A write off constitutes a derecognition event. The company may apply enforcement activities to loans and advances written off. Recoveries resulting from the company's enforcement activities could result in impairment gains.

Asset Type	Percentage of provision - Write off
Auto Loans - DPD Above 450 days and POS>25000.	100% of Outstanding
Unsecured Loans - Personal Loans & Micro Finance Loans - DPD Above 450 days.	100% of Outstanding
Small and Medium enterprise Loans - DPD Above 750 days	100% of Outstanding

**i. Revenue recognition**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the revenue can be reliably measured.

**i) Interest Income on loans given:**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable. Income including interest or any other charges on non-performing asset is recognized on receipt basis as per the RBI guidelines. Any such income recognized before the asset become non-performing and remaining unrealized is reversed.

**ii) Fee Income:**

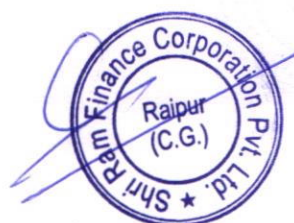
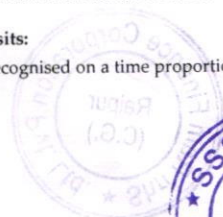
Loan origination fee i.e. processing fees and other charges collected upfront, are recognized at the inception of the loan.

**iii) Other operating Income:**

Additional charges such as penal interest, moratorium interest, cheque bounce charges, recovery charges, rescheduling charges are recognized on accrual basis on standard assets.

**iv) Income from Deposits:**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.





**j. Securitization and Assignment**

In case of securitization of receivable, the assets are de-recognised in the books as all the rights, title, future receivable and interest thereof are transferred to the purchaser. The gain arising on such transfer is accounted over the tenure of the assets. In case of loss if any, the same is charged to the statement of profit and loss immediately at the time of transfer. Company's contractual rights to receive the share of future interest (i.e. interest spread), in the transferred asset from the SPV is capitalized at the present value as interest only strip with a corresponding liability created for unrealized gain on loan transfer transactions.

The excess interest spread on the securitization are recognized as and when it is redeemed by the SPV agreement.

In case of assignment of receivable, the assets are de-recognised in the books as all the rights, title, future receivable and interest thereof are transferred to the purchaser (assignee). The gain arising on such transfer is accounted over the tenure of the assets. In case of loss if any, the same is charged to the statement of profit and loss immediately at the time of transfer. The interest on the assigned receivables (assignee part) is de-recognised from the income in the profit and loss statement of the Company.

**k. Repossessed Vehicles**

The seized vehicles at the year end are transferred to a separate ledger including the interest outstanding and charges but excluding the penal interest. The interest outstanding and the charges are then reversed and reduced from the seized ledgers and the same is recognized (debited) in the profit and loss statement and the balance is shown at the principal outstanding value, i.e. basic value.

**l. Borrowing Costs**

Borrowing cost attributable to the acquisition or construction of a qualifying asset is capitalised as a part of the cost of that asset. Other borrowing cost are recognised as an expense in the year in which they are incurred.

**m. Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are charged off to the statement of profit and loss on a straight-line basis over the lease term.

**n. Investments**

Long Term Investments are stated at cost including directly attributable cost. A provision for diminution in the value of long term investments is made in accordance with the Accounting Standard on 'Accounting for Investments' (AS 13) only if such diminution is other than temporary, in the opinion of Management.

Current Investment is stated at lower of cost or fair value by category of investments.

**o. Impairment of Assets other than Loans and Advances**

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to profit & loss account. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

**p. Property, plant & equipment, depreciation/amortisation and impairment**

**Property, plant & equipment and Intangible assets**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Lease hold building is amortised on WDV basis over the period of lease. Addition to lease hold building (lease hold improvements) are charged over the remaining period of lease subject to maximum of 10 years.

**Depreciation on property, plant & equipment and Intangible assets**

Depreciation is provided (WDV Method) based on useful life of the assets and scrap value (5% of the original cost) as prescribed in Schedule II to the Companies Act, 2013.

**q. Provisions and Contingent Liabilities**

The company recognises a provision when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation on the balance sheet date. These are reviewed at each balance sheet date.

Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and are disclosed by way of notes to the accounts.



**r. Employee benefits**

Employee benefits include provident fund, employee state insurance scheme and gratuity fund.

**i) Defined contribution plans:**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss in the year in which they occur. The Company is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the employee provident scheme, 1952 is recognised as an expense in the year in which it is determined.

**ii) Defined benefit plans:**

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

**iii) Short term employee benefits:**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, the undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related services is rendered by employees. Contribution payable by the company to the concern government authority in respect of provident fund & employee state insurance are charged to profit & loss account. In accordance with the payment of Gratuity Act 1972 the company provide for the gratuity covering eligible employees. Gratuity valuation is recognized based on actuarial valuation report as at year end.

**s. Goods and services Tax**

Goods & Service Tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

**t. Taxes on Income**

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

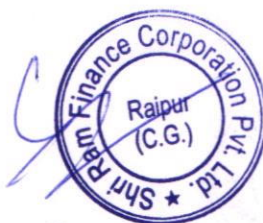
Current tax and deferred tax assets and liabilities are offset to the extent to which the Company has a legally enforceable right to set off and they relate to taxes on income levied by the same governing taxation laws.

**u. Earnings per Share**

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share is computed after adjusting the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

**v. Segment Reporting**

The Company has only one segment of operation namely "Financing Company" and the operations are located in India. Consequently, the requirement for a separate disclosure as required under Accounting Standard 17 "Segment Reporting" is not applicable. The company shall not undertake banking business as defined under the Banking Regulation Act, 1949.





## 3. SHARE CAPITAL

(Amounts in Lakhs)

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
(A) Authorised, Issued, Subscribed and paid-up share capital		
Authorised Share Capital		
2,50,00,000 Equity Shares of Rs. 10/- each	2,500.00	1,650.00
Addition Nil During The Year	-	850.00
2,50,00,000 Equity Shares of Rs. 10/- each (Previous year 2,50,00,000)	TOTAL:-	2,500.00
Issued, Subscribed & Fully Paid-up Share Capital		
1,78,19,184 Equity Shares of Rs. 10/- each (Previous Year 1,54,80,713)	1,781.92	1,548.07
Addition 11,06,194 Equity Shares of Rs. 10/- each During The Year (Previous Year 23,38,471)	110.62	233.85
1,89,25,378 Equity Shares of Rs. 10/- each (Previous Year 1,78,19,184)	TOTAL:-	1,892.54

## (B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
No of Shares Outstanding As At The Beginning Of The Year	1,78,19,184	1,54,80,713
Add : Number Of Shares Allotted During The Year As Fully Paid-Up	11,06,194	23,38,471
Number of shares outstanding As at the end of the year	TOTAL:-	1,89,25,378

## (C) Shares in the company held by each shareholder holding more than 5% shares

Sl. No.	Name of Shareholders	As at 31.03.2024		As at 31.03.2023	
		No. of shares	% of Shares Held	No. of shares	% of Shares Held
1	Gaurav Bhattar	1,58,25,855	83.62%	1,47,19,661	82.61%
2	Ganesh Bhattar	18,46,343	9.76%	18,46,343	10.36%

## (D) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (E) Shares held by promoters at the end of the year

Sl. No.	Name of Promoters	% Change during the year	As at 31.03.2024		As at 31.03.2023	
			No. of shares	% of Total shares	No. of shares	% of Total shares
1	Gaurav Bhattar	1.02%	1,58,25,855	83.62%	1,47,19,661	82.61%
2	Ganesh Bhattar	-0.61%	18,46,343	9.76%	18,46,343	10.36%

## 4. RESERVES &amp; SURPLUS

(Amounts in Lakhs)

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
Securities Premium - Opening Balance	5,647.76	3,963.61
Add : Addition during the year	1,089.38	1,684.15
Securities Premium - Closing Balance	6,737.14	5,647.76
Statutory Reserve as per Section 45-IC of The RBI Act, 1934 - Opening Balance	2,320.88	1,619.88
Add : Current year Surplus	974.18	700.99
Statutory Reserve - Closing Balance	3,295.05	2,320.88
Revaluation Reserve - opening Balance	593.32	593.32
Add : Addition during the year	-	0.00
Revaluation Reserve - Closing Balance	593.32	593.32
Surplus Brought forward from previous year	9,346.12	6,542.14
Add : Current year Surplus	4,870.89	3,504.97
	14,217.00	10,047.11
Less : Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(974.18)	(700.99)
Add : Transfer from Revaluation reserve	-	-
Net Carried Forward Surplus	13,242.83	9,346.12
TOTAL:-	23,868.34	17,908.07

Note: The company has not declared any dividend in current year or previous year.



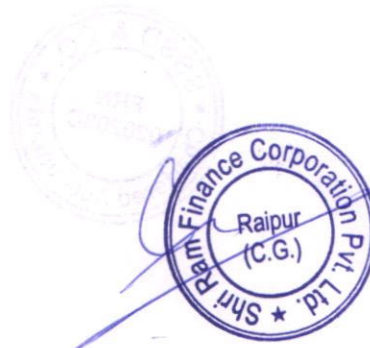
## 5. BORROWINGS

(Amounts in Lakhs)

PARTICULARS	As at 31.03.2024		As at 31.03.2023	
	Non-Current	Current	Non-Current	Current
<b>(a) Secured Car Loan</b>				
<b>Bank of Baroda - Car Loan</b> (Secured by Hypothecation of Vehicle. Term loan is repayable in 84 monthly instalment starting from November 2019 & ending on October 2026)	23.16	8.39	31.62	7.51
<b>Punjab National Bank - Car Loan</b> (Secured by Hypothecation of Vehicle. Term loan is repayable in 84 monthly instalment starting from September 2022 & ending on August 2029)	16.55	2.65	18.26	3.37
<b>(b) Secured Term Loan from Banks</b>				
<b>IDFC First Bank</b> (Secured by Hypothecation of present & future receivables and personal guarantee by directors. Repayable in 18 Equated Quarterly Instalments starting from November 2018 to February 2023)				173.74
<b>IDFC First Bank</b> (Secured by Hypothecation of present & future receivables and personal guarantee by directors. Repayable in 30 Equated Monthly Instalments starting from Feb 2021 to July 2023)				260.96
<b>IDFC First Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 30 Monthly Instalments starting from December 2021 to May 2024)		100.00	100.00	600.00
<b>IDFC First Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 30 Monthly Instalments starting from January 2022 to June 2024)		150.00	150.00	600.00
<b>IDFC First Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 48 Monthly Instalments starting from February 2023 to January 2027)	2,291.67	1,250.00	3,541.67	1,250.00
<b>IDFC First Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 48 Monthly Instalments starting from January 2024 to December 2027)	2,062.50	750.00		
<b>IDFC First Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 48 Monthly Instalments starting from February 2024 to January 2028)	2,125.00	750.00		
<b>Punjab National Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 28 Quarterly Instalments starting from December 2022 to September 2029)	578.57	128.57	707.14	128.57
<b>Utkarsh Small Finance Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from March 2020 to Feb 2023)				27.55
<b>Utkarsh Small Finance Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from July 2022 to June 2025)	95.83	383.33	479.34	383.33
<b>Utkarsh Small Finance Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from July 2023 to June 2026)	895.83	716.67		
<b>ESAF Small Finance Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 24 Monthly Instalments starting from September 2021 to July 2023)				86.94



<b>Esaf Small Finance Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from May 2022 to March 2025)		342.75	342.78	342.90
<b>Esaf Small Finance Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 33 Monthly Instalments starting from July 2024 to March 2027)	760.15	239.85		
<b>Bandhan Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 27 Monthly Instalments starting from February 2023 to April 2025)		444.44	444.44	444.44
<b>Bandhan Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 27 Monthly Instalments starting from November 2022 to January 2025)		333.33	370.37	407.41
<b>Bandhan Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 33 Monthly Instalments starting from November 2023 to July 2026)	727.27	500.00		
<b>Bandhan Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 33 Monthly Instalments starting from February 2024 to October 2026)	863.64	500.00		
<b>State Bank of India</b> (Secured by Hypothecation of present & future receivables. Repayable in 18 Quarterly Instalments starting from July 2022 to October 2026)	2,098.02	900.00	3,244.57	1,000.00
<b>Bank Of Maharashtra</b> (Secured by Hypothecation of present & future receivables. Repayable in 18 Quarterly Instalments starting from October 2022 to January 2027)	828.36	444.00	1,336.09	444.00
<b>Bank Of Maharashtra</b> (Secured by Hypothecation of present & future receivables. Repayable in 57 Monthly Instalments starting from December 2023 to August 2028)	1,413.35	421.05		
<b>Bank Of Maharashtra</b> (Secured by Hypothecation of present & future receivables. Repayable in 57 Monthly Instalments starting from July 2024 to March 2029)	824.56	175.44		
<b>Bank Of Baroda</b> (Secured by Hypothecation of present & future receivables. Repayable in 60 Monthly Instalments starting from April 2023 to March 2028)	1,500.00	500.00	1,200.00	300.00
<b>Uco Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 18 Quarterly Instalments starting from June 2023 to September 2027)	1,110.36	444.44	1,555.46	444.44
<b>Indian Overseas Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 18 Quarterly Instalments starting from March 2023 to June 2027)	499.19	166.67	719.38	222.22
<b>Indian Overseas Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 26 Quarterly Instalments starting from April 2024 to July 2030)	1,269.23	173.08		
<b>Indian Bank (Allahabad Bank)</b> (Secured by Hypothecation of present & future receivables. Repayable in 60 Monthly Instalments starting from January 2023 to December 2027)	985.34	300.00	1,500.00	400.00
<b>Indian Bank (Allahabad Bank)</b> (Secured by Hypothecation of present & future receivables. Repayable in 60 Monthly Instalments starting from March 2024 to February 2029)	1,553.05	500.00		
<b>Federal Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 48 Monthly Instalments starting from August 2022 to July 2026)	328.53	249.96	582.67	249.96
<b>Federal Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 48 Monthly Instalments starting from September 2023 to August 2027)	603.98	249.96		

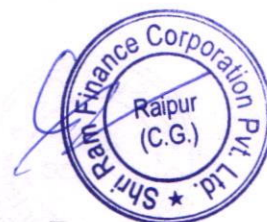




<b>Jana Small Finance Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 30 Monthly Instalments starting from June 2023 to November 2025)	266.67	400.00		
<b>Jana Small Finance Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 30 Monthly Instalments starting from August 2023 to January 2026)	666.67	800.00		
<b>Union Bank of India</b> (Secured by Hypothecation of present & future receivables. Repayable in 57 Monthly Instalments starting from November 2023 to July 2028)	1,403.51	421.05		
<b>Union Bank of India</b> (Secured by Hypothecation of present & future receivables. Repayable in 57 Monthly Instalments starting from July 2024 to March 2029)	1,263.16	236.84		
<b>Kotak Mahindra Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 30 Monthly Instalments starting from October 2023 to March 2026)	434.85	387.29		
<b>Kotak Mahindra Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 30 Monthly Instalments starting from March 2024 to August 2026)	417.54	258.79		
<b>Fincare Small Finance Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from October 2023 to September 2026)	818.82	467.97		
<b>Odisha Gramya Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 42 Monthly Instalments starting from July 2024 to December 2027)	1,964.24	535.71		
<b>Canara Bank</b> (Secured by Hypothecation of present & future receivables. Repayable in 18 Quarterly Instalments starting from November 2024 to February 2029)	2,666.67	333.33		

(c) Secured Term Loan from Others

<b>Nabsamrudhi Finance Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from August 2022 to July 2025)	263.32	722.87	986.20	634.22
<b>Nabkisan Finance Limited</b> (Secured by Hypothecation of present & future receivables and personal guarantee by directors. Repayable in 16 Quarterly Instalments starting from August 2019 to May 2023)				92.10
<b>Sundaram Finance Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from April 2022 to March 2025)		375.02	375.02	331.05
<b>Sundaram Finance Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from June 2022 to May 2025)	65.88	367.77	433.65	324.63
<b>Hinduja Leyland Finance Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from January 2022 to December 2024)		512.23	512.13	615.25
<b>Hinduja Leyland Finance Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from January 2023 to December 2025)	630.88	751.42	1,381.77	664.60
<b>Hinduja Leyland Finance Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from April 2024 to March 2027)	1,060.73	439.27		

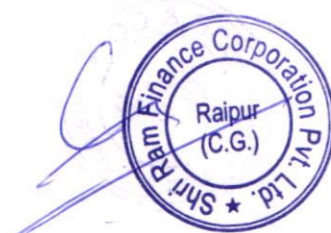




Incred Financial Service (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from May 2023 to April 2026)	304.11	245.98	550.09	199.91
Incred Financial Service (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from August 2023 to July 2026)	368.65	238.38		
Electronica Finance Limited (Secured by Hypothecation of present & future receivables. Repayable in 26 Monthly Instalments starting from May 2021 to June 2023)				38.88
Capri Global Capital Limited (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from November 2023 to October 2026)	527.78	333.33		
Capri Global Capital Limited (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from December 2023 to November 2026)	555.56	333.33		
Maanaveeya Development & Finance Private Limited (Secured by Hypothecation of present & future receivables. Repayable in 33 Monthly Instalments starting from July 2021 to March 2024)				545.55
Maanaveeya Development & Finance Private Limited (Secured by Hypothecation of present & future receivables. Repayable in 33 Monthly Instalments starting from July 2022 to March 2025)		1,091.10	1,091.10	1,090.80
Maanaveeya Development & Finance Private Limited (Secured by Hypothecation of present & future receivables. Repayable in 33 Monthly Instalments starting from July 2024 to March 2027)	954.60	545.40		
Credit Saison India (Secured by Hypothecation of present & future receivables. Repayable in 10 Quarterly Instalments starting from May 2023 to August 2025)	400.00	800.00	1,200.00	800.00
Credit Saison India (Secured by Hypothecation of present & future receivables. Repayable in 10 Quarterly Instalments starting from June 2024 to September 2026)	900.00	600.00		
Muthoot Capital Services Limited (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from April 2022 to March 2025)		333.33	333.33	333.33
Muthoot Finance Limited (Secured by Hypothecation of present & future receivables. Repayable in 8 Quarterly Instalments starting from January 2023 to October 2024)		375.00	375.00	500.00
Muthoot Finance Limited (Secured by Hypothecation of present & future receivables. Repayable in 8 Quarterly Instalments starting from May 2023 to February 2024)		500.00	500.00	500.00
Muthoot Finance Limited (Secured by Hypothecation of present & future receivables. Repayable in 8 Quarterly Instalments starting from May 2024 to February 2026)	500.00	500.00		
IKF Finance Limited (Secured by Hypothecation of present & future receivables. Repayable in 48 Monthly Instalments starting from November 2021 to October 2025)	109.38	171.88	296.88	171.88
IKF Finance Limited (Secured by Hypothecation of present & future receivables. Repayable in 48 Monthly Instalments starting from May 2022 to April 2026)	216.67	200.00	416.67	200.00



MUDRA (Secured by Hypothecation of present & future receivables. Repayable in 12 Quarterly Instalments starting from December 2020 to September 2023)				250.00
MUDRA (Secured by Hypothecation of present & future receivables. Repayable in 11 Quarterly Instalments starting from August 2023 to February 2025)	626.00	628.00		
MUDRA (Secured by Hypothecation of present & future receivables. Repayable in 10 Quarterly Instalments starting from November 2023 to February 2025)	110.00	110.00		
Northern Arc (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from Sep 2020 to Aug 2023)				336.55
Northern Arc (Secured by Hypothecation of present & future receivables. Repayable in 38 Monthly Instalments starting from November 2020 to December 2023)				333.03
Northern Arc (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from May 2022 to April 2025)	25.75	185.97	204.22	163.88
Northern Arc (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from April 2023 to March 2026)	752.51	662.23	1,414.73	585.27
Northern Arc (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from June 2022 to May 2025)	128.13	551.83	656.60	486.29
Northern Arc (Secured by Hypothecation of present & future receivables. Repayable in 24 Monthly Instalments starting from April 2023 to March 2025)		531.19	531.19	468.81
Northern Arc (Secured by Hypothecation of present & future receivables. Repayable in 24 Monthly Instalments starting from June 2023 to May 2025)	97.06	520.23		
Northern Arc (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from June 2023 to May 2026)	443.06	323.06		
Northern Arc (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from June 2023 to May 2026)	1,025.81	441.71		
Vivriti Capital Services Private Limited (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from April 2021 to March 2024)				332.89
Vivriti Capital Services Pvt Ltd (Secured by Hypothecation of present & future receivables. Repayable in 30 Monthly Instalments starting from January 2022 to June 2024)		200.00	200.00	800.00
Vivriti Capital Services Pvt Ltd (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from January 2024 to December 2026)	1,166.67	666.67		
Vivriti Capital Services Pvt Ltd (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from March 2024 to March 2027)	638.89	333.33		
Vivriti Capital Services Pvt Ltd (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from April 2024 to March 2027)	666.67	333.33		



<b>Profectus Capital</b> (Secured by Hypothecation of present & future receivables. Repayable in 24 Monthly Instalments starting from December 2021 to November 2023)				181.69
<b>SIDBI</b> (Secured by Hypothecation of present & future receivables. Repayable in 26 Monthly Instalments starting from July 2023 to August 2025)	383.00	924.00	1,307.00	693.00
<b>Manappuram Finance Ltd</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from December 2022 to November 2025)	511.83	691.55	1,203.38	609.37
<b>Manappuram Finance Ltd</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from September 2023 to August 2026)	675.32	408.92		
<b>Tata Capital Finance Ltd</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from January 2023 to December 2025)	249.67	333.34	583.33	333.34
<b>A.K. Capital Finance Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 11 Quarterly Instalments starting from April 2023 to September 2025)	459.55	612.73	1,072.27	612.73
<b>A.K. Capital Finance Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 12 Quarterly Instalments starting from August 2022 to May 2025)	166.67	666.67	833.33	666.67
<b>STCI</b> (Secured by Hypothecation of present & future receivables. Repayable in 48 Monthly Instalments starting from April 2023 to March 2027)	1,000.00	500.00	750.00	250.00
<b>STCI</b> (Secured by Hypothecation of present & future receivables. Repayable in 48 Monthly Instalments starting from April 2024 to March 2028)	375.00	125.00		
<b>Cholamandalam Investment And Finance Company</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from May 2022 to April 2025)	33.59	254.42	303.70	226.77
<b>Cholamandalam Investment And Finance Company</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from July 2023 to June 2026)	439.06	306.27		
<b>Netafim Agricultural Financing Agency</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from August 2022 to June 2025)			498.07	316.24
<b>Mahindra &amp; Mahindra Financial Services Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from September 2022 to August 2025)	241.65	532.97	774.48	472.21
<b>Bajaj Finance Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from September 2023 to July 2026)	566.67	400.00		
<b>Piramal Enterprises Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from September 2023 to July 2026)	944.44	666.67		
<b>Piramal Enterprises Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from March 2024 to January 2027)	638.89	333.33		
<b>Ambit Finvest Private Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from March 2024 to February 2027)	681.72	295.31		
<b>Ambit Finvest Private Limited</b> (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from April 2024 to March 2027)	353.89	146.11		





Poonawalla Fincorp Limited (Secured by Hypothecation of present & future receivables. Repayable in 36 Monthly Instalments starting from November 2023 to October 2026)	1,141.75	620.29		
Arka Fincap Limited (Secured by Hypothecation of present & future receivables. Repayable in 30 Monthly Instalments starting from April 2024 to September 2026)	450.00	300.00		
(d) Unsecured Term Loan				
IDFC First Bank (Subordinate (Tier 2) Debt) (Repayment shall be made at the end of 84 months i.e February 2025)		1,000.00	1,000.00	
Maanaveeya Development & Finance Private Limited (Repayment shall be made at the end of 66 months i.e. September 2029)	1,500.00			
(e) Debentures				
Secured : Vivriti Asset Management Private Limited (Secured by Hypothecation of present & future receivables. Repayable in 12 Quarterly Interest Payable & Bullet Principal Repayment. Starting from June 2021 to March 2024)				1,000.00
NCD - Creation Investment FPI LLC (Secured by Hypothecation of present & future receivables. Repayable Bullet Re-Payment in 2 Instalments. First Instalment due on March 2023 and Last Instalment due on March 2024)				2,000.00
NCD- VISTRA A.K Capital (Secured by Hypothecation of present & future receivables. Repayable Bullet Re-Payment in 2 Instalments. First Instalment due on December 2023 and Last Instalment due on July 2025)	750.00		750.00	750.00
(f) Loans Repayable on Demand				
Secured : Cash Credit facility Punjab National Bank (Secured by Hypothecation of specific receivables of present & future and personal guarantee by directors. Additional security in the form of property.)		79.24		1,509.21
Union Bank of India (Secured by Hypothecation of specific receivables of present & future and personal guarantee by directors. Additional security in the form of property.)				392.06
Bank of Baroda (Secured by Hypothecation of specific receivables of present & future and personal guarantee by directors. Additional security in the form of property.)		36.52		348.21
Bank of Baroda (Earlier Dena Bank) (Secured by Hypothecation of specific receivables of present & future and personal guarantee by directors. Additional security in the form of property.)				366.33
Indian Bank (Secured by Hypothecation of specific receivables of present & future and personal guarantee by directors. Additional security in the form of property.)		97.99		198.63
Bank of Maharashtra (Secured by Hypothecation of specific receivables of present & future and personal guarantee by directors.)		151.94		122.78
IDFC First Bank (Overdraft A/c) (Secured by Hypothecation of specific receivables of present & future and personal guarantee by directors.)		607.92		660.46
Bandhan Bank (Overdraft A/c) (Secured by Hypothecation of specific receivables of present & future and personal guarantee by directors.)		57.96		8.08
Kotak Mahindra Bank (Overdraft A/c) (Secured by Hypothecation of specific receivables of present & future and personal guarantee by directors.)		34.91		
<b>TOTAL:</b>	<b>57,457.03</b>	<b>40,072.46</b>	<b>36,857.92</b>	<b>30,294.04</b>

Note : There is no default, continuing or otherwise, as at the balance sheet date, in repayment of any of the above loans.

Note : The average rate of Secured term loan borrowings of the Company is 12.27 % (previous year rate: 12.29%).

Note : The average rate of Debentures borrowings of the Company is 14 % (previous year rate: 14%).

Note : The average rate of Unsecured Sub-debt borrowings of the Company is 14 % (previous year rate: 14%).

Note : The average rate of Cash credit/Overdraft borrowings of the Company is 10.70% (previous year rate: 9.70%).

Note : The above bifurcation into current and non-current portion has been based on the contractual maturities.

Note: The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.





## 6. PROVISIONS

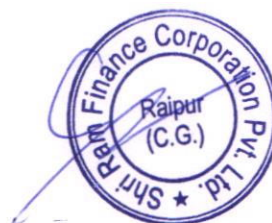
(Amounts in Lakhs)

PARTICULARS	As at 31.03.2024		As at 31.03.2023	
	Long Term	Short Term	Long Term	Short Term
Provision for Standard Assets	334.79	369.60	249.32	312.39
Provision for Employee Benefit Expenses				
Gratuity	178.96	7.96	170.78	6.20
Provision for Income Tax (Net of Advance Tax)		34.36		103.33
<b>TOTAL::</b>	<b>513.75</b>	<b>411.93</b>	<b>420.10</b>	<b>421.91</b>

## 7. OTHER CURRENT LIABILITIES

(Amounts in Lakhs)

PARTICULARS	As at 31.03.2024	As at 31.03.2023
Payable to Dealers	100.56	272.58
Interest Accrued and Not Due	245.02	105.09
Statutory Dues Payables	103.67	96.16
Other Payables	15.09	5.75
<b>TOTAL::</b>	<b>464.35</b>	<b>479.57</b>



Shri Ram Finance Corporation Private Limited

8. Property, Plant, Equipment

(Amounts in Lakhs)

S. No.	PARTICULARS	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK			
		As on 01.04.2023	Addition	Deduction	Total as on 31.03.2024	As on 01.04.2023	For the year	Deduction	Total as on 31.03.2024	As on 31.03.2024	As on 31.03.2023
1	Freehold Land	721.28	-	-	721.28	-	-	-	-	721.28	721.28
2	Building	100.05	-	-	100.05	36.74	3.11	-	39.86	60.19	63.31
3	Building (Lease)	511.32	404.66	-	915.97	205.15	133.54	-	338.69	577.28	306.17
4	Furniture & Fittings	639.18	79.40	-	718.58	318.51	91.74	-	410.25	308.33	306.17
5	Computer Equipment	670.59	87.83	-	758.42	524.92	102.20	-	627.13	131.29	145.67
6	Vehicle - Four Wheeler	229.18	13.74	-	242.92	176.65	14.78	-	191.43	51.49	52.53
7	Vehicle - Two Wheeler	236.68	96.95	26.47	307.16	78.76	39.87	8.92	109.72	197.44	157.91
8	Office Equipments	392.59	136.74	-	529.33	255.05	74.19	-	329.24	200.09	137.53
	Total	3,500.87	819.32	26.47	4,293.72	1,595.80	459.44	8.92	2,046.32	2,247.40	1,905.07

Intangible Asset

S. No.	PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION			NET BLOCK		
		As on 01.04.2023	Addition	Deduction	Total as on 31.03.2024	As on 01.04.2023	For the year	Deduction	Total as on 31.03.2024	As on 31.03.2024	As on 31.03.2023
1	Computer Software	338.28	78.62		416.90	121.96	100.23		222.20	194.70	216.32
	Total	338.28	78.62		416.90	121.96	100.23		222.20	194.70	216.32

Property, Plant, Equipment

S. No.	PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
		As on 01.04.2022	Addition	Deduction	Total as on 31.03.2023	As on 01.04.2022	For the year	Deduction	Total as on 31.03.2023	As on 31.03.2023	As on 31.03.2022
1	Freehold Land	721.28	-	-	721.28	-	-	-	-	721.28	721.28
2	Building	100.05	-	-	100.05	33.47	3.28	-	36.74	63.31	66.58
3	Leasehold Improvements	292.62	218.69	-	511.32	171.70	33.44	-	205.15	306.17	120.92
4	Furniture & Fittings	545.74	93.44	-	639.18	234.84	83.67	-	318.51	320.66	310.90
5	Computer Equipment	576.69	93.90	-	670.59	441.42	83.51	-	524.92	145.67	135.27
6	Vehicle - Four Wheeler	217.29	26.39	14.49	229.18	175.30	14.19	12.84	176.65	52.53	41.99
7	Vehicle - Two Wheeler	173.62	103.65	40.60	236.68	56.48	30.75	8.47	78.76	157.91	117.14
8	Office Equipments	284.61	107.97	-	392.59	194.63	60.42	-	255.05	137.53	89.98
	Total	2,911.91	644.04	55.09	3,500.87	1,307.84	309.26	21.31	1,595.80	1,905.07	1,604.07

Intangible Assets

S. No.	PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
		As on 01.04.2022	Addition	Deduction	Total as on 31.03.2023	As on 01.04.2022	For the year	Deduction	Total as on 31.03.2023	As on 31.03.2023	As on 31.03.2022
1	Computer Software	240.47	97.82	-	338.28	30.25	91.72	-	121.96	216.32	210.22
	Total	240.47	97.82	-	338.28	30.25	91.72	-	121.96	216.32	210.22



## 9. DEFERRED TAX ASSET (NET)

PARTICULARS	(Amounts in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
Deferred Tax Asset		
Opening	113.97	92.98
Additions/(Reversed) during the year	47.66	20.99
Closing	161.63	113.97
<b>Deferred Tax Asset (Net)</b>	<b>TOTAL:-</b>	<b>161.63</b>
		<b>113.97</b>

The major components of deferred tax assets and liabilities are :

Particulars	(Amounts in Lakhs)	
	31.03.2024	31.03.2023
Deferred Tax Assets		
a) On difference between book balance and tax balance of assets	111.93	69.47
b) On account of provision for employee benefits	46.70	44.51
c) On account of provision on debtors	2.99	-
<b>Total</b>	<b>161.63</b>	<b>113.97</b>
Deferred Tax Liabilities		
<b>Total</b>		
<b>Net Deferred Tax Asset</b>	<b>161.63</b>	<b>113.97</b>

## 10. LOANS AND ADVANCES

PARTICULARS	(Amounts in Lakhs)			
	As at 31.03.2024		As at 31.03.2023	
	Non-Current	Current	Non-Current	Current
Receivable Against Financing Activity*				
Secured #				
(a) Considered good	38,931.34	51,796.63	26,997.98	41,998.65
(b) Considered doubtful	273.58	302.02	166.21	208.26
	39,204.92	52,098.66	27,164.20	42,206.90
(Less) : Provision for doubtful assets	(273.58)	(302.02)	(166.21)	(208.26)
	38,931.34	51,796.63	26,997.98	41,998.65
Un-secured				
(a) Considered good	11,548.44	3,932.19	9,206.01	3,362.85
(b) Considered doubtful	22.14	24.44	10.98	13.76
	11,570.58	3,956.63	9,217.00	3,376.62
(Less) : Provision for doubtful assets	(22.14)	(24.44)	(10.98)	(13.76)
	11,548.44	3,932.19	9,206.01	3,362.85
<b>TOTAL:-</b>	<b>50,479.78</b>	<b>55,728.83</b>	<b>36,203.99</b>	<b>45,361.50</b>

\*Refer Note 30 for details in respect of loans given to related parties.

# Loans are secured against vehicles, equipments, stock and property.

## 11. CASH &amp; CASH EQUIVALENTS

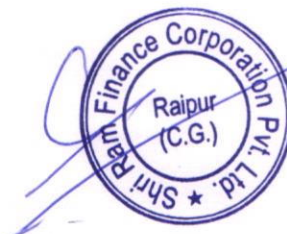
PARTICULARS	(Amounts in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
(a) Cash in hand	642.08	636.17
(b) Balances with Banks in current accounts	813.70	221.19
(c) Fixed Deposits (less than 3 months)	5,945.38	226.31
<b>TOTAL:-</b>	<b>7,401.16</b>	<b>1,083.67</b>

## 12. OTHER ASSETS

PARTICULARS	(Amounts in Lakhs)			
	As at 31.03.2024		As at 31.03.2023	
	Non-Current	Current	Non-Current	Current
Unsecured, considered good				
Margin Money Deposits #	3,635.23	713.61	2,177.42	188.68
Advances Recoverable in Cash or in Kind or for value to be received	-	432.02	-	479.06
Advances classified as Capital Advances	-	69.96	-	21.85
Balance with Authorities	-	-	-	30.12
Other Deposits*	562.41	-	455.95	13.23
<b>TOTAL:-</b>	<b>4,197.64</b>	<b>1,215.60</b>	<b>2,633.37</b>	<b>732.94</b>

# Margin money deposits are placed to avail loans from Banks, Financial Institutions and Non Banking Financial Companies.

\* Other deposits are the rental deposits with landlords for various branches and head office.





## 13. CURRENT INVESTMENTS

(Amounts in Lakhs)

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
<b>Trade Investments</b> (Valued at Cost or Fair Market Value whichever is lower)		
<b>In Equity Instruments(Quoted)</b>		
Edelweiss Financial Services Ltd [(39950 Shares of Rs. 1 each. Market Price Rs. 63.55: PY 39950 Shares of Rs. 1 each. Market Price Rs. 52.60)]	10.67	21.05
Future Retail Ltd [(No Change: PY 1000 Shares of Rs. 2 each. Market Price Rs. 2.10)]	0.34	0.34
L&T Finance Holdings Ltd [(No Change: PY 5100 Shares of Rs. 10 each. Market Price Rs. 82.05)]	-	4.24
PAYTM[(12840 Shares of Rs. 1 each. Market Price Rs. 402.65: PY 10104 Shares of Rs. 1 each. Market Price Rs. 636.80)]	49.28	49.96
Repro India Limited[(No Change:PY 3550 Shares of Repro India Limited of Rs. 10 each. Market Price Rs. 356.45)]	-	15.01
Steel Authority of India[(No Change: PY 450 Shares of Rs. 10 each. Market Price Rs. 82.70)]	-	0.45
Adani Green Energy Limited[(No Change: PY 3165 Shares of Rs. 10 each. Market Price Rs.881.15)]	-	24.96
Bank Of Baroda @Mutual Fund[(No Change: PY 149982.5 Units of Rs. 10 each. Market Price Rs.10.55)]	-	15.00
Indian Railway Catering And Tourism Corporation[(No Change: PY 3260 Shares of Rs.2 each. Market Price Rs.572.8	-	20.30
Life Insurance Corporation Of India[(No Change: PY 3860 Shares of Rs. 10 each. Market Price Rs.534.35)]	-	24.49
NCC Limited[(No Change: PY 8797 Shares of Rs.10 each. Market Price Rs.106.10)]	-	5.24
Punjab National Bank[(No Change: PY 81050 Shares of Rs. 10 each. Market Price Rs.46.60)]	-	45.50
Sunteck Realty Ltd[(No Change: PY 5590 Shares of Rs.1 each. Market Price Rs.284.70)]	19.91	19.91
Tata Motors Limited[(No Change: PY 12826 Shares of Rs.2 each. Market Price Rs.420.80)]	-	49.58
Bandhan Bank[(47390 Shares of Rs.10 each. Market Price Rs.180.00: PY Nil)]	100.65	-
Delta Corp Limited[(10620 Shares of Rs.1 each. Market Price Rs.110.65: PY Nil)]	20.09	-
Less: Provision for diminution on Investments	(5.01)	-
<b>In Non Convertible Debenture (Quoted)</b>		
Navi Finserv Limited[(130 Secured Redeemable Non-Convertible Debenture of face value Rs.10.00.000 each: PY Nil)]	1,452.17	-
Vivriti Capital Private Limited[(139 Secured Redeemable Non-Convertible Debenture of face value Rs.10.00.000 each: PY Nil)]	1,593.69	-
Vivriti Capital Private Limited[(250 Secured Redeemable Non-Convertible Debenture of face value Rs.1.00.000 each: PY Nil)]	262.41	-
Vivriti Capital Private Limited[(21 Secured Redeemable Non-Convertible Debenture of face value Rs.10.00.000 each: PY Nil)]	229.81	-
<b>TOTAL:-</b>	<b>3,734.02</b>	<b>296.04</b>
Aggregate amount of Quoted Investment	3,734.02	296.04
Aggregate Amount of Unquoted Investment	-	-

## 14. Revenue From Operations

(Amounts in Lakhs)

PARTICULARS	For the year ended	
	31.03.2024	31.03.2023
Revenue from Interest Income *	23,251.77	16,589.55
Revenue from Others Charges	2,160.86	1,465.90
Interest on Margin Money Deposits #	191.12	113.79
<b>TOTAL:-</b>	<b>25,603.75</b>	<b>18,169.25</b>

\* Revenue from Interest income is net off Interest on Off book portfolio (Direct Assignment, Securitization Interest) of Rs. 69,61,128 (PY Rs. 3,40,65,543).

# Represents Interest on margin money deposits placed to avail loans from Banks, Financial Institutions and Non Banking Financial Companies.





## 15. Other Income

PARTICULARS	(Amounts in Lakhs)	
	For the year ended	
	31.03.2024	31.03.2023
Interest on Fixed Deposits	45.90	-
Profit on Sale of Investment	148.19	11.24
Miscellaneous Income*	20.29	147.71
<b>TOTAL:</b>	<b>214.38</b>	<b>158.95</b>

\* Miscellaneous income primarily includes insurance fees income, income on sale of fixed assets and spread income on the business correspondence portfolio.

## 16. EMPLOYEE BENEFIT EXPENSES

PARTICULARS	(Amounts in Lakhs)	
	For the year ended	
	31.03.2024	31.03.2023
Salaries, Wages & Other Benefits	3,832.86	2,869.85
Contribution to Provident Fund	230.45	188.86
Contribution to Employee State Insurance Scheme	58.45	49.51
Staff & Workers Welfare Expenses	54.62	43.31
<b>TOTAL:</b>	<b>4,176.38</b>	<b>3,151.54</b>

## 17. FINANCE COSTS

PARTICULARS	(Amounts in Lakhs)	
	For the year ended	
	31.03.2024	31.03.2023
Interest on Borrowings	9,356.75	6,238.93
Interest on Unsecured Loans	135.54	54.03
Other Borrowing Cost	539.88	368.98
<b>TOTAL:</b>	<b>10,032.17</b>	<b>6,661.94</b>

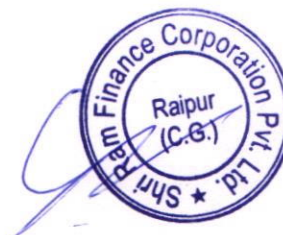
## 18. OTHER EXPENSES

PARTICULARS	(Amounts in Lakhs)	
	For the year ended	
	31.03.2024	31.03.2023
Advertisement Expenses	15.27	19.79
Auditor's Remuneration - Refer Details Below	4.50	4.00
Software and Computer Maintenance Expenses	179.96	121.76
Director's Remuneration	66.00	66.00
Electricity Charges	64.95	48.72
Commission Expenses	46.12	76.57
Professional Consultancy Fees	132.63	97.57
Legal Expenses	114.13	74.49
Office Expenses	76.99	80.63
General Expenses	58.24	56.72
Other Credit Charges	90.82	75.57
CSR Expenses	64.39	54.39
Postage Expenses	8.29	6.97
Printing & Stationery Expenses	52.65	55.31
Repair & Maintenance	10.04	11.52
Rent Expenses	749.28	685.60
Duties & Taxes Expenses	183.19	92.99
Telephone Expenses	143.56	124.19
Travelling Expenses	48.14	39.53
Vehicle Running Expenses	395.64	335.52
<b>TOTAL:</b>	<b>2,504.81</b>	<b>2,127.85</b>

PARTICULARS	(Amounts in Lakhs)	
	For the year ended	
	31.03.2024	31.03.2023
Payment to Statutory Auditors	4.00	4.00
Audit Fees	0.50	-
Certification Fees	4.50	4.00
<b>TOTAL:</b>	<b>4.50</b>	<b>4.00</b>

## 19. PROVISIONS &amp; WRITE OFFS

PARTICULARS	(Amounts in Lakhs)	
	For the year ended	
	31.03.2024	31.03.2023
Bad debts Written off	1,734.75	1,121.41
Provision For Diminution on Investments	5.01	-
Provision For Sub Standard Assets	253.11	156.89
Provision For Doubtful Assets	(30.15)	(31.18)
Provision for Standard Assets as per RBI	142.68	124.89
<b>TOTAL:</b>	<b>2,105.40</b>	<b>1,372.01</b>



## 20. EARNING PER EQUITY SHARE

PARTICULARS	(Amounts in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
Profit after Taxation as per Profit & Loss Account	4,870.89	3,504.97
Weighted Average No. of Equity Share Outstanding	1,78,22,206.39	1,66,77,616.00
Basic / Diluted Earning per Equity Share (Face Value of Rs. 10/- per share)	27.33	21.02

## 21. GRATUITY

## Defined Benefit Plan :-

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of 6 month and its payable on retirement / termination/ resignation. The benefit vests on the employees after completion of 5 Year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

	(Amounts in Lakhs)	
	Gratuity (non-funded)	
	2023-24	2022-23
I) Reconciliation of opening & closing balances of defined benefit obligation		
Defined Benefit obligation at beginning of year	179.03	172.94
Present value of Past Service Benefit	-	-
Current Service Cost	52.95	53.91
Interest Cost	12.98	12.28
Actuarial (gain) / loss	(55.86)	(60.09)
Benefits paid	-	-
Defined Benefit obligation at year end	189.11	179.03
II) Reconciliation of fair value of assets and obligations		
Defined Benefit obligation	189.11	179.03
Fair value of Plan assets	(2.19)	(2.1)
	186.92	176.98
Less : Unrecognised Past Service Cost	-	-
Amount recognised in Balance Sheet	186.92	176.98
III) Expenses recognised during the year		
Past Service Benefit	-	-
Current Service Cost	52.95	53.91
Interest Cost	12.83	12.14
Expected return on Plan assets	-	-
Actuarial (gain) / loss	(55.86)	(60.09)
Net Cost	9.93	5.96

## IV) Investment Details :-

The Gratuity liability is a non-funded liability and is managed in-house in the Company's Gratuity fund.

## V) Actuarial assumptions

Mortality Table (LIC) Ultimate		
Discount rate (per annum)	7.20%	7.25%
Expected rate of return on plan assets (per annum)	7.20%	7.25%
Rate of escalation in salary (per annum)	7.50%	7.50%
Expected Average remaining working lives of employees Years)	31.93	31.76
Principal Plan is under Payment of Gratuity Act 1972 (as amended up to date)		

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

## 22. STATUTORY RESERVE

According to the NBFC (ND) prudential norms issued by Reserve Bank of India company has created Statutory reserve and as per the requirement of the aforesaid norms company has transferred 20% of Net Profit amounting to Rs. 974.18 Lakh to this Statutory Reserve for the year 2023-24 (PY Rs. 700.99 Lakh)

23. The Company is having Certificate of Registration dated July 15, 2008 from the Reserve Bank of India to carry on the business of Non Banking Financial Institution without accepting deposits. Accordingly, the Company is become a Non-deposit taking Non-Banking Finance Company (NBFC-ND).

24. In opinion of the Board, the value of realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.

25. The company operate in a single reportable segments i.e. financing, which has similar risk and return for the purpose of AS-17 on "Segment Reporting" notified under the companies (Accounting standard) rule 2014. The company operates in a single geographical segment i.e. domestic. Hence, no further requirement of Segment Reporting for the year.

26. There are no forward contract hedging instrument or exchange traded derivatives during the year.

27. During the year ended 31st March 2024, no penalties have been levied by Reserve Bank of India on the company.

(Amounts in Lakhs)



28. Movement of Advances

	31.03.2024	31.03.2023
(a) Gross NPAs to Advances (%)	2.55%	2.74%
(b) Net NPAs to Advances (%)	1.98%	2.26%
(c) Movement of Gross Advances		
(i) Opening Balance	81,964.71	51,036.08
(ii) Closing balance	1,06,830.78	81,964.71
(d) Movement of Net Advances		
(i) Opening Balance	81,565.49	50,762.57
(ii) Closing balance	1,06,208.60	81,565.49
(e) Movement of NPA's (Net)		
(i) Opening Balance	1,843.15	1,334.16
(ii) Closing balance	2,106.08	1,843.15
(f) Movement of NPA's (Gross)		
(i) Opening Balance	2,242.37	1,607.67
(ii) Closing balance	2,728.26	2,242.37
(g) Assets under Management (AUM)	1,07,136.46	82,964.10
(h) Gross NPAs to AUM (%)	2.55%	2.70%
(i) Net NPAs to AUM (%)	1.97%	2.22%

29. In respect of non-cancellable operating leases as per Accounting Standard on Leases (AS-19), the minimum lease rentals are as follows :

(Amounts in Lakhs)

Particulars	Total Minimum Lease payments outstanding as at	
	31.03.2024	31.03.2023
Not later than one year	360.84	236.40
Later than one year and not later than five years	1,292.16	945.60
More than five years	628.92	633.60

30. Information on Related Parties as required by Accounting Standard-18, "Related Party Disclosures" issued by The Institute of Chartered Accountants of India, are given below :

i)

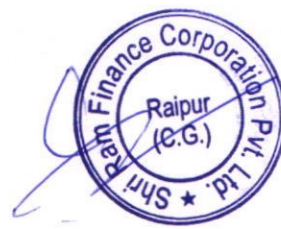
Related Parties

a) Key Management Personnel

- Ganesh Bhattar
- Gaurav Bhattar
- Swati Bhattar
- Nilesh Maheshwari - Company Secretary
- Avushi Saraf

b) Relative of KMP

- Sarla Bhattar
- Sarita Devi Bhutda
- Durga Kalantry
- Rekha Somani
- Naresh Bhattar
- Bhanwarlal Bhattar HUF
- Ganesh Bhattar HUF
- Gaurav Bhattar HUF
- Garima Mundra





ii)

## Transaction with Related Parties in the ordinary course of business

(Amounts in Lakhs)

		2023-24	2022-23
Key Management Personnel & Their Relatives	Remuneration Paid		
	Gaurav Bhattar	48.00	48.00
	Ganesh Bhattar	18.00	18.00
	Rent Paid		
	Gaurav Bhattar	209.64	209.64
	Ganesh Bhattar	35.31	35.31
	Sarla Bhattar	49.80	49.80
	Swati Bhattar	101.40	101.40
	Arrangement fees		
	Bhanwarlal Bhattar HUF	-	10.00
	Ganesh Bhattar HUF	-	10.00
	Interest Paid		
	Gaurav Bhattar	56.73	51.37
	Gaurav Bhattar HUF	39.72	-
	Ganesh Bhattar HUF	39.09	-
	Ganesh Bhattar	-	2.65
	Interest Received		
	Naresh Bhattar	7.33	6.47
	Rekha Somani	1.17	-
	Sarla Bhattar	0.57	-
	Swati Bhattar	0.77	-
	Ganesh Bhattar Huf	10.59	-
	Gaurav Bhattar Huf	5.92	-
	Gaurav Bhattar	3.66	1.19
	Ganesh Bhattar	0.93	1.29
	Salary Paid		
	Ayushi Saraf	6.54	-
	Swati Bhattar	22.50	6.00
	Sarla Bhattar	13.50	6.00
	Garima Mundra	10.50	5.90
	Loans taken		
	Gaurav Bhattar	2,294.72	3,860.08
	Gaurav Bhattar HUF	966.75	-
	Ganesh Bhattar	-	4.16
	Ganesh Bhattar HUF	499.68	-
	Swati Bhattar	-	5.00
	Repayments made		
	Gaurav Bhattar	2,294.72	3,897.30
	Gaurav Bhattar HUF	966.75	-
	Ganesh Bhattar	-	38.49
	Swati Bhattar	-	5.00
	Ganesh Bhattar HUF	499.68	-
	Loans Given		
	Gaurav Bhattar	23.07	4.03
	Ganesh Bhattar	6.78	4.50
	Rekha Somani	51.52	-
	Sarla Bhattar	13.09	5.69
	Gaurav Bhattar Huf	104.48	1.43
	Ganesh Bhattar Huf	197.08	10.43
	Bhanwarlal Bhattar (Hu)	-	9.06
	Swati Bhattar	28.67	18.85
	Repayments received		
	Gaurav Bhattar	23.07	4.03
	Ganesh Bhattar	6.78	4.50
	Bhanwarlal Bhattar (Hu)	-	9.06
	Gaurav Bhattar Huf	104.48	1.43
	Ganesh Bhattar Huf	127.49	10.43
	Sarla Bhattar	9.86	5.69
	Swati Bhattar	1.36	18.85

iii)

## Loans Given Balances outstanding

(Amounts in Lakhs)

		As at 31.03.2024	As at 31.03.2023
Key Management Personnel & Their Relatives	Naresh Bhattar	63.56	56.23
	Rekha Somani	51.52	-
	Ganesh Bhattar Huf	69.59	-
	Sarla Bhattar	3.23	-
	Swati Bhattar	27.31	-
	Ganesh Bhattar	1.07	7.29
	Gaurav Bhattar	0.99	6.71

iv)

## Deposit Balances given outstanding

(Amounts in Lakhs)

		As at 31.03.2024	As at 31.03.2023
Key Management Personnel & Their Relatives	Bhanwarlal Bhattar HUF	2.00	2.00
	Ganesh Bhattar	31.00	31.00
	Gaurav Bhattar	419.64	317.17
	Swati Bhattar	16.00	16.00
	Sarla Bhattar	45.99	45.99





(Amounts in Lakhs)

31. PARTICULARS	As at	As at
	31.03.2024	31.03.2023
Expenditure in Foreign Currency (In Rs.)	Nil	Nil
Earnings in Foreign Exchange (In Rs.)	Nil	Nil
Amount remitted during the year in foreign currency on account of dividend	Nil	Nil

As per the RBI Circular on Unhedged Foreign Currency Exposure, in respect of Shri Ram Finance Corporation Private Limited, we hereby declare that as at the aforesaid date there are no un-hedged foreign exchange exposures (trade payable, loan payables, receivables) outstandings as per the books of accounts of the said entity. That is, the total outstanding foreign currency exposure as on 31st March 2024 is Nil.

## 32. CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(Amounts in Lakhs)

Particular	31.03.2024	31.03.2023
i) CSR amount required to be spent during the year	67.23	52.19
ii) Amount of expenditure incurred		
a) Construction/acquisition of any asset		
b) On other purposes	64.39	54.39
Total	64.39	54.39
iii) Shortfall at the end of the year	2.84	(2.19)
iv) Total of previous years shortfall	(4.49)	(2.30)
v) Reasons for shortfall	Excess spent *	Excess spent *
iv) Nature of CSR activities		
a) Eradicating hunger, poverty, and malnutrition,		
b) Promoting health care including preventive health care and making available safe drinking water.		
c) Training to promote rural sports, nationally recognized sports, Paralympic sports, and Olympic sports.		

\* Note : The excess spent expenditure in previous years has been utilised against the shortfall in current year.

## 33 (A). Dues to micro enterprises and small enterprises:

Particulars	2023-24	2022-23
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year: *	35,000.00	-
(ii) the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year:	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006:	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

Note: The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006.

\* Note : Represents principal amount due which is subsequently cleared. There is no any interest amount payable.

## (B). Trade Payables aging schedule

There are no overdue balances in the payables as at 31st March, 2024 and as at 31st March, 2023.

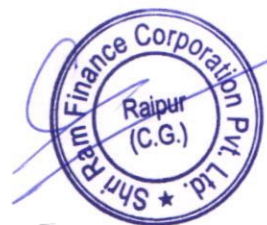
34. No Benami Property are held by the Company and no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

35. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

36. The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

37. There is no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.

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



### 39. DIRECT ASSIGNMENT TRANSACTION

During the year the company has assigned loan receivable amounting to Rs. NIL (PY Rs.41,97,40,825) for a consideration of Rs. NIL (PY Rs.41,97,40,825) and derecognised the asset from the book.

Sl.No.	Particulars	As at 31.03.2024 No. / Amount in Lakh	As at 31.03.2023 No. / Amount in Lakh
1	No of transactions assigned by the company	-	2
2	Total amount outstanding	-	842.15
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	<input type="checkbox"/> First loss credit enhancement		
	<input type="checkbox"/> Others		
	b) On-balance sheet exposures		
	<input type="checkbox"/> First loss credit enhancement in form of fixed deposit		
	<input type="checkbox"/> Others		93.57
4	Amount of exposures to assignment transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own assigned transactions		
	<input type="checkbox"/> First loss		
	<input type="checkbox"/> Others		
	ii) Exposure to third party assigned transactions		
	<input type="checkbox"/> First loss		
	<input type="checkbox"/> Others		
	b) On-balance sheet exposures		
	i) Exposure to own assigned transactions		
	<input type="checkbox"/> First loss		
	<input type="checkbox"/> Others		
	ii) Exposure to third party assigned transactions		
	<input type="checkbox"/> First loss		
	<input type="checkbox"/> Others		

40. Details of loans transferred / acquired during the year ended March 31, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) Details of transfer through Direct assignment in respect of loans not in default during the year March 31, 2024:

Particulars	Year ended March	Year ended March
Number of Loans	-	11,058
Aggregate amount (₹ in Lakhs)	-	4,663.79
Sale consideration (₹ in Lakhs)	-	4,197.41
Number of transactions	-	2
Weighted average remaining maturity (in months)	-	12
Weighted average holding period after origination (in months)	-	12
Retention of beneficial economic interest	-	5-10%

- (ii) The Company has not transferred any non-performing assets (NPAs).  
 (iii) The Company has not acquired any loans through assignment.  
 (iv) The Company has not acquired any stressed loan.

### 41. Utilisation of Borrowed funds and share premium:

Other than the transactions that are carried out as part of Company' normal lending business:

- A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -  
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or  
 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries:

- B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -  
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



42. Disclosure of details as required by Revised Para 19 of Non-Banking Financial Company -Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as amended.				Rs. In Lakhs	
Particulars		Amount Outstanding		Amount Overdue	
Liabilities side		2023-24	2022-23	2023-24	2022-23
<b>1 Loan and advance availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>					
(a) Debenture:					
:Secured		750	4,500	-	-
:Unsecured		-	-	-	-
(other than falling within the meaning of public deposit)					
(b) Deferred Credits		-	-	-	-
(c) Term Loans		95,713	59,046	-	-
(d) Inter -corporate loans and borrowing		-	-	-	-
(e) Commercial Paper		-	-	-	-
(f) Public deposits		-	-	-	-
(g) Other loan (Working capital loan)		1,066	3,606	-	-
<b>2 Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):</b>					
(a) In the form of Unsecured debentures		-	-	-	-
(b) In the form of party secured debentures		-	-	-	-
i.e. debentures where there is a shortfall		-	-	-	-
in the value of security		-	-	-	-
(c) Other public deposits		-	-	-	-
<b>Assets side</b>		<b>2023-24</b>		<b>2022-23</b>	
<b>3 Break-up of Loan and Advances including bills receivables (other than those included in (4) below:</b>					
(a) Secured			90,728		68,997
(b) Unsecured			15,481		12,569
<b>4 Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>					
(i) Lease asset including lease rentals under					
Sundry debtors:					
(a) Financial lease			-		-
(b) Operating lease			-		-
(ii) Stock on hire including hire charges under					
Sundry debtors:					
(a) Assets on hire			-		-
(b) Repossessed Assets			-		-
(iii) Other loans counting towards AFC activities					
(a) Loans where assets have been			Refer Note 1		Refer Note 1
Reposessed					
(b) Loans other than (a) above			Refer Note 1		Refer Note 1
<b>5 Break-up of Investment</b>					
Current Investment					
1 Quoted					
(i) Shares					
(a) Equity					
(b) Preference			195.94		296.04
(ii) Debenture and Bonds			-		-
(iii) Units of mutual funds			3,538.08		-
(iv) Government Securities			-		-
(v) Others(please specify)			-		-
2 Unquoted					
(i) Shares					
(a) Equity					
(b) Preference			-		-
(ii) Debenture and Bonds			-		-
(iii) Units of mutual funds			-		-
(iv) Government Securities			-		-
(v) Others(please specify)			-		-





Long Term Investment			
1 Quoted			
(i) Shares			
(a) Equity	-	-	-
(b) Preference	-	-	-
(ii) Debenture and Bonds	-	-	-
(iii) Units of mutual funds	-	-	-
(iv) Government Securities	-	-	-
(v) Others(please specify)	-	-	-
2 Unquoted			
(i) Shares			
(a) Equity	-	-	-
(b) Preference	-	-	-
(ii) Debenture and Bonds	-	-	-
(iii) Units of mutual funds	-	-	-
(iv) Government Securities	-	-	-
(v) Others(please specify)	-	-	-

6 Borrower groups-wise classification of assets financed as in (3) and (4) above :

Particulars		Amount net of Provision					
		Secured		Unsecured		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
1 Related Parties							
(a) Subsidiaries		-	-	-	-	-	-
(b) Companies in the same group		-	-	-	-	-	-
(c) Other related parties		-	-	217.27	70.20	217.27	70.20

2 Other than related parties		90,728	68,997	15,263	12,499	1,05,991	81,495
Total		90,728	68,997	15,481	12,569	1,06,209	81,565

7 Investor group-wise classification of all investment (current and long term ) in share and securities(both quoted and unquoted)

Category		Market Value/Break up or fair value or NAV		Book Value (Net of Provisions)	
		2022-23	2021-22	2022-23	2021-22
1 Related Parties					
(a) Subsidiaries		-	-	-	-
(b) Companies in the same group		-	-	-	-
(c) Other related parties		-	-	-	-
2 Other than related parties		-	-	-	-
Total		-	-	-	-

8 Other information

Particulars		2023-24	2022-23
(i) Gross Non Performing Assets			
(a) Related parties		-	-
(b) Other than related parties		2,728.26	2,242.37
(ii) Net Non -performing Assets			
(a) Related parties		-	-
(b) Other than related parties		2,106.08	1,843.15



43. There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

44. Following disclosure needs to be made as per Appendix I of Annex II to Guidelines on Liquidity Risk Management Framework to Master Direction

Public disclosure on Liquidity risk management

(i) Funding concentration based on significant Counterparty \*(both deposits and borrowings)

As at March 31, 2024

Number of significant counterparties	Amount (Lakh)	% of Total Deposits	% of Total Liabilities
1	11,087.08	NA	11.13%

As at March 31, 2023

Number of significant counterparties	Amount (Lakh)	% of Total Deposits	% of Total Liabilities
32	64,939.33	NA	94.31%

(ii) Top 20 large deposits (amount in Lakh and % of total deposits): Not applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India does not accept public deposits.

(iii) Top 10 borrowings (amount in Lakh and % of total borrowings)

As at March 31, 2024

Amount (Lakh)	% of Total Borrowings
25,447.92	26.18%

As at March 31, 2023

Amount (Lakh)	% of Total Borrowings
37,229.90	55.44%

(iv) Funding concentration based on significant instrument / product\*

Name of the instrument/ product	March 31, 2024	% of Total	March 31, 2023	% of Total Liabilities
Term loans from Banks	49,271.08	49.47%	25,040.37	36.37%
Term Loans from Financial Institutions and Non Banking Financial Companies	46,391.18	46.58%	33,945.07	49.30%
Non Convertible Debentures	750.00	0.75%	4,500.00	6.54%
External commercial borrowings	-	-	-	-

(v) Stock Ratios

As at March 31, 2024

Particulars	as a % of total	as a % of total	as a % of total assets
Commercial papers	-	-	-
Non-convertible debentures (original maturity of less than one year)	-	-	-
Other short-term liabilities	-	41.80%	33.21%

As at March 31, 2023

Particulars	as a % of total	as a % of total	as a % of total assets
Commercial papers	-	-	-
Non-convertible debentures (original maturity of less than one year)	-	-	-
Other short-term liabilities	-	45.86%	35.66%

(vi) Institutional set-up for liquidity risk management

The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the Company to manage liquidity risk in accordance with the risk tolerance/limits decided by it.

The Company also has a Risk Management Committee, which is a sub-committee of the Board and is responsible for evaluating the overall risk faced by the Company including liquidity risk.

Asset Liability Management Committee (ALCO) of the Company is responsible ensuring adherence to the risk tolerance/limits as well as implementing the liquidity risk management strategy of the Company.

The ALM support group consist of Head-Treasury who shall be responsible for analysing, monitoring and reporting the liquidity profile to the ALCO.

\*Notes

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSF's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

2. A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSF's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

3. Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.

4. "Public funds" shall include funds raised either directly or indirectly through public deposits, commercial paper, debentures, inter-corporate deposits and bank finance but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue as defined in Regulatory Framework for Core Investment Companies issued vide Notification No. DNBS (PD) CC.No. 206/03.10.001/2010-11 dated January 5, 2011.

5. The amount stated in this disclosure is based on the audited standalone financial statements for the year ended March 31, 2024.

45. Capital

(Amount in Lakhs)

Particulars	Current Year	Previous Year
(i) CRAR (%)	23.60%	23.55%
(ii) CRAR Tier 1 capital (%)	21.47%	22.34%
(iii) CRAR Tier 2 capital (%)	2.12%	1.21%
(iv) Amount of subordinated debt raised as Tier-2 capital	1500	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-



46. Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	2,000.62	-	3,944.76	3.78	-	-	709.83	1,129.21	2,197.63	308.37	10,294.20
Advances	5,007.02	3,309.81	991.05	4,544.00	4,553.00	13,348.00	23,975.95	44,855.19	5,470.95	153.64	1,06,208.61
Investments	1,593.69	-	-	1,714.58	-	-	425.75	-	-	-	3,734.02
Borrowings	729.97	254.44	1,731.40	3,303.47	2,771.33	9,659.04	21,622.67	47,842.07	8,454.67	1,160.44	97,529.49
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-

(Amount in Lakhs)





## 47. Exposure to Capital Market

(Amount in Lakhs)

S.N.	Particulars	Current Year	Previous Year
1	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	194.94	296.04
2	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	-	-
3	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	-	-
4	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	-	-
5	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
6	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	-	-
7	Bridge loans to companies against expected equity flows / issues	-	-
8	All exposures to Venture Capital Funds (both registered and unregistered)	-	-

## 48. Sectoral Exposure

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and offbalance sheet exposure) ( crore)	Gross NPAs ( crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and offbalance sheet exposure) ( crore)	Gross NPAs ( crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
2. Industry						
3. Services	658.61	14.16	2.15%	500.57	11.89	2.38%
4. Personal Loans	119.89	1.33	1.11%	69.58	0.29	0.42%
Others : MFI	1.00	0.05	5.14%	7.95	0.3	3.77%
Others : AL	291.86	11.75	4.02%	251.54	9.94	3.95%

## 49. Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

(Amount in Lakhs)

	Current Year	Previous Year
Provisions for depreciation on Investment	5.01	-
Provision towards NPA	222.96	125.71
Provision made towards Income tax	34.36	103.33
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	142.68	124.89

## 50. Concentration of Deposits, Advances, Exposures and NPAs

## 1. Concentration of Deposits (for deposit taking NBFCs)

Particulars	Amount in Cr.
Total deposits of twenty largest depositors	Not Applicable
Percentage of Deposits of twenty largest depositors to Total Deposits of the deposit taking NBFC	Not Applicable

## 2. Concentration of Advances

Particulars	Amount in Cr.
Total Advances to twenty largest borrowers	0.81
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.08%

## 3. Concentration of Exposures

Particulars	Amount in Cr.
Total Exposure to twenty largest borrowers/customers	0.81
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	0.08%

## 4. Concentration of NPAs

Particulars	Amount in Cr.
Total Exposure to top four NPA accounts	0.20

## 5. Sector-wise NPAs

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture and allied activities	-
2	MSME	-
3	Corporate borrowers	2.15%
4	Services	-
5	Unsecured personal loans	5.14%
6	Auto loans	1.11%
7	Other personal loans	4.02%



## 51. Disclosure of complaints

- (a) No. of complaints pending at the beginning of the year  
 (b) No. of complaints received during the year  
 (c) No. of complaints redressed during the year  
 (d) No. of complaints pending at the end of the year

## Current year

NIL  
 526  
 526  
 NIL

## 52. Contingent Liability and Commitments

There are no outstanding commitments or contingent liabilities as at March 2024 (Previous year - Under the Business Correspondence transaction with Small Industries Development Bank of India (SIDBI), the Company has provided First Loss Default Guarantee (FLDG)/ Performance Guarantee/ Security to the tune of 6% of Rs. 6,90,35,000 disbursed).

## 53. Analytical Ratios

Ratios	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
Tier I CRAR	Tier I Capital	Total Risk Weighted Assets	21.47%	22.34%	-3.88%	N/A
Tier II CRAR	Tier II Capital	Total Risk Weighted Assets	2.12%	1.21%	75.40%	Additional Sub debt under Tier II capital taken in March 2024.
Current ratios	Current Assets	Current Liabilities	1.64	1.50	9.03%	N/A
Debt Equity Ratio	Debt Capital	Shareholder's Equity	3.90	3.54	10.18%	N/A
Debt Service coverage ratio	EBITDA	Debt Service (Int+Principal)	0.39	0.41	-4.14%	N/A
Return on Equity Ratio	Profit for the year	Average Shareholder's Equity	22.15%	21.94%	0.94%	NA
Net capital turnover ratio	Sales	Working capital (CA-CL)	0.98	1.15	-15.12%	N/A
Net profit ratio	Net Profit	Sales	18.87%	19.12%	-1.33%	N/A
Return on Capital employed	Earnings before interest and tax	Capital Employed	13.44%	13.11%	2.54%	N/A

54. Amounts have been rounded off to lakhs and previous year's figures have been re-grouped and reclassified wherever considered necessary to conform to the current presentation.

## Signature to Notes to Accounts

For and on behalf of the Board of Directors

Ganesh Bhattar (Director)  
 DIN: 01248202

Saurav Bhattar (Director)  
 DIN: 01248032

Nilesh Maheshwari  
 (Company Secretary)  
 Membership No. A50121  
 Raipur, 22nd July 2024

For S S S D & Co.  
 Chartered Accountants  
 ICAI FRN : 020203C

Gaurav Ashok Baradia  
 (Partner)  
 ICAI Membership No. 164479  
 UDIN: 24164479BKACE5066  
 Raipur, 22nd July 2024





## **ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2023-24**

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

The Company has a Board adopted Corporate Social Responsibility ('CSR') Policy, in accordance with the provisions of Section 135 of the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR Rules') and Schedule VII of the Act. The Company focuses its CSR initiatives on areas where it can create a meaningful and lasting impact on society. Key efforts include promoting healthcare, eradicating hunger, poverty, and malnutrition, and providing training to advance rural and national sports. The policy reflects the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programme for the welfare & sustainable development of the community.

Further, guided by the CSR Committee of the Board and in line with its CSR Policy, the Company has identified CSR thrust areas for undertaking CSR projects/ programs. The Company gives preference to the areas around which the Company operates and the areas with identified needs for CSR spending.

Key highlights of the CSR Projects undertaken by the Company during the Financial Year 2023-24 are listed below:

- a) Eradicating hunger, poverty, and malnutrition,
- b) Promoting health care including preventive health care and making available safe drinking water.
- c) Training to promote rural sports, nationally recognized sports, Paralympic sports, and Olympic sports.

### **2. Composition of CSR Committee**

The Board of Directors has constituted a CSR Committee in accordance with the requirements of Section 135(1) of the Companies Act, 2013 ("Act"). The Composition of the Committee as at March 31, 2024 was as under:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ganesh Kumar Bhattar	Director	2	2
2	Mr. Gaurav Bhattar	Director	2	2
3	Mr. Harsh Kumar Maheshwary	Independent Director	2	1

The Composition of the CSR Committee remained unchanged throughout the financial year 2023-24





**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

<https://www.srfc.org.in/>

**4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:**

Not Applicable

5.

**(a) Average net profit of the company as per sub-section (5) of section 135:** Rs. 33,59,52,061 (Rupees Thirty- Three crores Fifty-nine Lakhs Fifty-Two Thousand Sixty-One)

**(b) Two percent of average net profit of the Company as per sub-section (5) of section 135:**

Rs. 67,19,041 (Rupees Sixty-Seven Lakhs Nineteen Thousand Forty-one)

**(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

**(d) Amount required to be set off for the financial year, if any:** Rs. 2,80,025 (Rupees Two Lakhs Eighty Thousand Twenty-Five)

**(e) Total CSR obligation for the financial year (b+c-d):** Rs. 64,39,016 (Rupees Sixty-Four Lakhs Thirty-Nine Thousand Sixteen)

**(f) 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 (in Rs)	Amount setoff in the financial year, if any (in Rs)	Balance Amount (in Rs)
1	2022-23	2,19,471	0	2,19,471
2	2021-22	2,29,691.37	1,80,499.05	49,192.32
3	2020-21	99,526.05	99,526.05	0
	<b>Total</b>	<b>5486688.42</b>	<b>2,80,025.1</b>	<b>268663.32</b>

6.

**(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** Rs. 64,39,016 (Rupees Sixty-Four Lakhs Thirty-Nine Thousand Sixteen)

**(b) Amount spent in Administrative Overheads:** Nil

**(c) Amount spent on Impact Assessment, if applicable:** Nil

**(d) Total amount spent for the Financial Year (a+b+c):** Rs. 64,39,016 (Rupees Sixty-Four Lakhs Thirty-Nine Thousand Sixteen)

**(e) 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
64,39,016	NA	NA	NA	NA	NA

(f) Excess amount for set-off, if any: Nil

**7. Details of Unspent CSR amount for the preceding three financial years:**

Sl.No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
							NA
	<b>Total</b>						

1. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

2. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board of Directors of  
**Shri Ram Finance Corporation Private Limited**

Sd/-

**Gaurav Bhattar**

Director

DIN: 01248032

Address :29/B7 Parishram tower, Anupam Nagar, Shankar Nagar, opposite, opposite Doordarshan T.V. Tower, Raipur Chhattisgarh, 492007

Sd/-

**Ganesh Kumar Bhattar**

Director

DIN: 01248202

Address: Fifth Floor, Parishram, Anupam Nagar, Shankar Nagar, opposite Doordarshan T.V. Tower, Raipur Chhattisgarh, 492007

**Date: 05.09.2024**

**Place: Raipur**



**FORM NO. MR-3**  
**SECRETETIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 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 Members,  
Shri Ram Finance Corporation Private Limited,  
Raipur Road, Baloda Bazar,  
Dist. Baloda Bazar, Raipur (C.G) 493332

We have conducted the secretarial audit of the compliance applicable statutory provisions and the adherence to good corporate practices by Shri Ram Finance Corporation Private Limited (Hereinafter called the Company) CIN: U65100CT2004PTC016590, Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Shri Ram Finance Corporation Private Limited's books, papers, minute books, forms, and returns filed, and other records maintained by the company and 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 on March 31, 2024, generally complied with the statutory provisions listed hereunder and 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 on March 31, 2024, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under.

During the period under review the Company has complied with the provisions of the Act, Rules and Regulations, Guidelines, as mentioned above wherever applicable.

(ii) The provisions of The Securities Contracts (Regulation) Act 1956('SCRA') and the rules made there under do not apply to the company.

(iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;

(iv) There is no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings made during the Year and as such, provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under are not applicable.

(v) The Company is not a listed company and hence the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act') are not applicable to the Company: -

a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;

b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011;

c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

e. The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations 2009 & 2018;

f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014;





- g.**The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations 2008;
- h.**The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- i.**The Securities and Exchange Board of India (Delisting of equity shares) Regulations, 2009; and
- j.**The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- k.**The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

As informed and certified by the management, the following are the specific laws which are applicable to the company based on its section/industry

**a.** Master Direction – Reserve Bank of India (Non- Banking Financial Company – Scale Based Regulation) Directions 2023, Master Direction - Know Your Customer (KYC) Direction, 2016 and other applicable Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to NBFC Mid layer which are specifically applicable to the company.

**b.** Other Laws including Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Labour Laws etc. to the extent applicable to the Company.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India. We further report that based on the information provided by the Company, its officer, and authorized representatives during the conduct of Audit, and also review of the compliance certificate by respective departmental head/ Company Secretary taken on record by the Board of Directors of the Company, in our opinion adequate system and processes and control mechanism exists in the Company to monitor and ensure compliance with applicable general laws like labour laws.

Adequate notice is given to all directors to schedule the Board Meetings, agenda, and detailed notes on agenda were sent at least seven days in advance except for Annual General Meeting where consent of shorter notice was obtained from all the members, 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 the minutes of the meetings of the Board of Directors and committees thereof all decisions were unanimous, and no dissenting views have been recorded.

We further report that in accordance with the information provided to us, 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 the Company has:

- 1.** Approved the Appointment of Ajay Vyas (DIN 0755649) as an Independent Director of the Company w.e.f 30.09.2023 his DIN was allotted on 27.06.2016 and the corresponding form was filed on 26.10.2023.
- 2.** Approved the Appointment of Manoj Kumar Verma (DIN 10335698) as an Additional Independent Director w.e.f 16.02.2024 his DIN was allotted on 26.09.2023, and the corresponding form was filed on February 28, 2024.
- 3.** Approved the appointment of Mrs. Swati Bhattar as an Additional Non-executive Director, effective from February 16, 2024, has been approved. Her Director Identification Number (DIN) was allotted on February 23, 2024, and the corresponding form was filed on February 28, 2024.



4. Approved Resignation of Ms. Ayushi Saraf (M. No. ACS 62235) w.e.f 01.04.2024 and Appointment of Mr. Nilesh Maheswari (M. No. ACS 50121) w.e.f 01.04.2024 on meeting date 30.03.2024 as Company Secretary & Compliance Officer

5. Approved the issue and allotment of 11,06,194 equity share with value of Rs. 11,99,99,925/- with nominal value of 1,10,61,940/- with premium of Rs. 10,89,37,985/- in the Board Meeting held on 30.03.2024.

We further report that during the audit period there were no other specific events / actions having a major bearing on the company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

For M/s SVS & CO LLP

ICSI Unique Code: L2020CG007500

Peer Review No.

Place: Bilaspur

Date:

UDIN: F010957F001233926

Sd/-

CS Vivek Kumar Sharma

Partner

FCS: 10957, C.P. No.16280

*Note: This Report is to be read with my letter of even date which is annexed as Annexure -1 hereto and forms an integral part of this report.*



## Annexure-1

To,  
The Members,  
Shri Ram Finance Corporation Private Limited,  
Raipur Road, Baloda Bazar,  
Dist. Baloda Bazar, Raipur (C.G) 493332

My Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Shri Ram Finance Corporation Private Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as it is carried out by the Statutory Auditor.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc, is the responsibility of the management of the Company. Our examination was limited to the verification of documents required by me and produced before me.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future stability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have tried to verify the physical records to the extent possible, for the period under review in order to verify the compliances, however, reliance was also placed on electronic records for the verification.

Date:  
Place: Bilaspur  
UDIN: F010957F001233926

For M/s SVS & CO LLP  
ICSI Unique Code: L2020CG007500  
Peer Review No.5748/2024

Sd/-  
CS Vivek Kumar Sharma FCS: 10957, C.P.  
No.16280





## Management Discussion and Analysis Report

### 1. Industry Structure and Developments

#### **A. Overview of the NBFC sector**

The Indian economy has been on positive trajectory in the amount of formal credit deployed, supplemented by rising consumer disposable income and ease of access to credit. However, despite overall credit growth, India still remains under penetrated in retail and MSME lending, with household credit to GDP ratio lagging several major emerging and developed economies. The opportunity has driven several non-banks to enter the retail lending space, through the use of innovative lending models and product innovation.

In recent years, non-banks, particularly Non-Banking Finance Companies (NBFCs), have outperformed banks in new credit deployment. The NBFCs have been at the forefront of leveraging technology and bridging the gap between the providers and last mile customers. By leveraging technology to penetrate underserved segments, NBFCs have capitalized on inability of banks to rapidly scale operations and customize rigid policies. NBFCs have seen significant increase in their share of total new disbursements at the cost of public sector banks.

NBFCs have significantly contributed to financial inclusion, especially in rural and semi-urban areas. The sector has experienced robust growth driven by a rising middle class, technological advancements, and supportive regulatory frameworks. Despite facing challenges like credit risk and liquidity issues, NBFCs continue to expand their reach and innovate, playing a complementary role to traditional banks in meeting the diverse financial needs of the population.

#### **B. Key developments and regulatory changes:**

The Non-Banking Financial Company (NBFC) sector in India has seen significant regulatory changes aimed at enhancing resilience and transparency. The Reserve Bank of India (RBI) has implemented several measures, including stricter asset classification norms, higher capital adequacy requirements, and the mandate for maintaining a Liquidity Coverage Ratio (LCR) to ensure sufficient liquidity. Additionally, there has been a strong push towards digital transformation, with regulatory support for digital lending platforms and fintech collaborations. Enhanced risk management practices, such as stress testing and risk-based supervision, have also been emphasized to better manage potential risks.

In FY 2023-24, the RBI introduced Scale-Based Regulation (SBR), which tailors regulatory requirements based on the size, activity, and risk profile of NBFCs, ensuring proportional regulation. Other norms introduced include stricter guidelines for credit risk concentration and enhanced scrutiny of licensing requirements. These developments aim to create a more robust and transparent NBFC sector capable of withstanding economic shocks and contributing to financial stability.

#### **C. Market trends and growth drivers:**

The NBFC sector in India is experiencing robust growth driven by several key trends and factors. Digital transformation has been a major catalyst, with advancements in digital lending platforms and fintech collaborations enhancing customer reach and operational efficiency. The sector's focus on financial inclusion has enabled it to extend credit to underserved and unbanked populations, particularly in rural and semi-urban areas. Supportive regulatory frameworks from the Reserve Bank of India (RBI) have further facilitated growth by improving transparency and risk management. Additionally, the diversification of services, including personal loans, housing finance, and microfinance, has catered to a wide range of customer needs. Overall economic growth, increased consumer spending, and technological innovations such as AI and machine learning have also significantly contributed to the sector's expansion.



## **2. Outlook**

### **A. Financial Performance and Stability**

Your company has shown consistent financial performance, driven by its strong presence in vehicle financing. The company has maintained a healthy profitability profile, supported by efficient cost management and robust revenue streams.

### **B. Capital Structure and Resource Mobilization**

The company's capital structure is comfortable, with a balanced mix of debt and equity. SRFCPL has demonstrated a good ability to raise resources from various financial institutions, which is crucial for maintaining liquidity and funding its lending operations. The anticipated equity infusion will strengthen its capital adequacy ratio, providing a cushion against potential credit risks.

### **C. Asset Quality and Risk Management**

While your company has a strong lending portfolio. The company has moderate asset quality, with some exposure to non-performing assets (NPAs). Effective risk management practices and stringent credit appraisal processes are essential to mitigate these risks and maintain the health of the lending portfolio.

### **D. Geographical Concentration**

A significant portion of your company's lending portfolio originates from the states of Chhattisgarh and Madhya Pradesh, followed by Orissa, Jharkhand, Maharashtra, Rajasthan, Andhra Pradesh, and Uttar Pradesh. Recognizing the inherent risks of geographical concentration, the company is actively expanding its presence in other regions. This strategic diversification aims to mitigate concentration risk and foster sustainable growth, ensuring long-term stability and success.

### **E. Technological Advancements and Customer Reach**

Your company has been leveraging digital technologies to enhance its operational efficiency and customer reach. The adoption of digital tools has improved the company's ability to process loans quickly and provide better customer service. Continued investment in technology will be vital for staying competitive and meeting the evolving needs of customers.

### **F. Future Prospects**

Looking ahead, your company's focus will be on maintaining asset quality, achieving timely equity infusion, and expanding its geographical footprint. The company's strong management team and strategic initiatives position it well for future growth. However, it will need to navigate challenges related to asset quality and geographical concentration to sustain its performance.



### **3. SWOT Analysis:**

#### **Strengths:**

The organization boasts strong governance with a Board of Directors made up of eminent professionals from diverse disciplines. It has a robust management team with deep expertise in the mid-market segment and a strong network. The company also maintains strong internal control systems and processes, ensuring quick response times and effective risk mitigation. Additionally, it leverages the capabilities and expertise of various business units within the Ambit Group.

#### **Weaknesses:**

Concentration risk in structured finance segment, although backed by strong asset quality parameters. Further Market volatility, regulatory changes, and broader economic conditions such as inflation or recession could also impact the portfolio's performance and compliance requirements.

#### **Opportunities:**

With a well-capitalized balance sheet and substantial growth capital, a strong gearing profile, good asset quality parameters, and a strong credit rating, the company is favorably positioned to tap credit markets. Adopting digital technologies enhances customer experience and operational efficiency, while extending credit to underserved populations promotes financial inclusion. Targeting niche markets such as MSMEs, and rural populations improves transparency and risk management.

#### **Threats:**

Maintaining adequate liquidity during economic downturns, adapting to sudden or stringent regulatory changes, and competing with traditional market players are significant challenges. Additionally, economic volatility can impact credit demand and repayment capacity, while fluctuations in interest rates can affect financial performance, leading to volatility in earnings and asset values

### **4. Segment or Product wise details**

The company primarily engages in secured financing, with a portion dedicated to unsecured financing. Detailed figures are delineated in the company's financial statements. The product base includes MSME, vehicle financing, and personal loans.

MSME is a significant part of the company's portfolio, which are small, short-term loans provided to individuals for business purposes. These loans are aimed at low-income borrowers who may not have access to traditional banking services, promoting financial inclusion by offering credit to those who need it the most. This enables borrowers to improve their livelihoods or grow their small businesses, contributing to economic development at the grassroots level.

Vehicle financing involving loans for the purchase of new and used vehicles, including motorcycles and commercial vehicles. These loans are typically secured against the vehicle being financed, making it accessible to a broader range of customers by eliminating the need for upfront payment.

Personal loans are specifically tailored for government employees, allowing them to address various personal needs such as medical expenses, education, or home renovation. These loans often come with favourable terms and conditions due to the stable income and job security associated with government employment, making them an attractive option for this segment.

Overall, the company's diverse product offerings cater to a wide range of financial needs, supporting both individual and business growth.



## **5. Risk and Concerns**

### **A. Risk Management System**

Shri Ram Finance Corporation Private Limited (SRFCPL) employs a comprehensive risk management framework to ensure financial stability and operational efficiency. The company rigorously assesses credit risk through stringent credit evaluation processes and maintains a diversified loan portfolio to mitigate sector-specific risks. To manage market and liquidity risks, SRFCPL adheres to regulatory requirements like the Liquidity Coverage Ratio (LCR) and employs robust asset-liability management (ALM) practices. Operational and compliance risks are addressed through strong internal controls, regular audits, and advanced cybersecurity measures. Additionally, the company follows a risk-based supervision approach to proactively identify and mitigate potential vulnerabilities. The company has also constituted risk management committee to identify, mitigate and eliminate various risk, related to business. The committee is operating in its best efforts to meet the industry demand and stakeholders' expectations.

### **B. Risk Management Process**

The risk management process of the Company, is driven by a strong organisational culture and sound operating procedures involving corporate values, attitudes, competencies, internal control culture, effective internal reporting and contingency planning. The risk management process broadly comprises of the following steps:

- Risk Identification
- Risk measurement
- Risk monitoring
- Risk reporting
- Risk control/ Mitigation

The respective risk related policies viz. credit policy, market risk policy etc. shall define the steps to be followed for risk identification, tools / techniques/ indicators to be used. Risk parameters are applied on capital adequacy ratios, NPA ratios, liquidity ratios, profitability ratios, etc. for measuring risks and tolerance limits fixed for various risks against which the risk levels are monitored. Control / mitigation measures are tracked for different risks. The Material Risk Identification aims to provide the senior management with appropriate information pertaining to the risk profile of the Company in a comprehensive and timely manner. The performance indicators are risk metrics and/or statistics that provide insight into the company's risk exposure.

Key Performance Indicators (KPIs) provide insight into the status of operational processes to evaluate operational weaknesses, failures, and potential loss. Escalation triggers provide alerts when risk levels approach or exceed thresholds or limits and prompt mitigation plans. Risk Identification is a dynamic and a continuous process. Risk Management Division works with the product process owners to identify the risks and controls and records them in the risk register. The Internal Audit reports / Loss events data, if any, are also be considered to identify any new risks. Business process mappings identify the key steps in business processes, activities and functions. The key risk points in the overall business process are documented. Process maps reveal individual risks, risk interdependencies, and areas of control. The Risk Management Team co-ordinates these activities and provide support in identifying risks and controls. Once the risk universe is identified, the materiality of risks is assessed and all material risks are covered in the ICAAP framework. The categorization of each identified risk to the various materiality levels requires identifying the criteria and assessing size, complexity etc. The Company periodically revisits the risk universe and update appropriately. In case of product changes and additions the respective teams appraise the Risk Management Team of the new risks faced





### **C. Compliance Risk**

Compliance risk is composed of integrity risk and operational compliance risk. In the day-to-day operations the three lines of defence model defines the roles and responsibilities for compliance and integrity risk in the Company. The first line of defence lies with the respective departments and units, which are responsible for ensuring that compliance risks are identified, understood and reported to the decision-making bodies of the Company. The second line of defence lies with Risk Management Team, which assesses and monitors the compliance and integrity risks and coordinates its control activities with the Risk Management functions, as necessary. Internal Audit is the third line of defence. In managing compliance and integrity risks, the Company places particular emphasis on preventing fraud and corruption.

### **D. Credit Risk**

Credit risk arises from business operations that give rise to actual, contingent, or potential claims against any counterparty, borrower, or obligor. The scope of the Credit Risk unit includes measuring, assessing, and monitoring credit risk within your Company through strengthening underwriting norms, and keeping a close watch on asset quality trends and concentrations at individual exposures as well as at the portfolio level. The Company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals.

### **E. Risk Governance and Reporting**

The Company has strong governance arrangements consistent with other principles and guidance embedded in the risk data aggregation capabilities and risk-reporting practices. The Company has a robust Management Information Reporting (MIS) to provide the Board and senior management in a clear and concise manner with timely and relevant information concerning the risk profile. Senior management is informed of the assumptions behind and limitations inherent in specific risk measures. These measures are developed to improve the senior management's ability to evaluate the impact of various types of economic and financial shocks that could probably affect the Company. They are flexible, adaptable and responsive to changes in the Company's underlying risk assumptions and incorporate multiple perspectives of risk exposure to account for uncertainties in risk measurement. It helps in ensuring that appropriate actions are initiated before the risk in providing threshold-based limit trading.

## **6. Internal Control System**

Shri Ram Finance Corporation Private Limited (SRFCPL) has implemented a robust internal control system to ensure financial integrity, regulatory compliance, and operational efficiency. This system includes a strong control environment with clear organizational structures and ethical guidelines, rigorous risk assessment processes, and effective control activities such as segregation of duties and transaction authorization. Accurate information and communication channels are maintained to keep stakeholders informed, while regular internal audits and continuous monitoring ensure that controls are functioning as intended. These measures collectively help prevent fraud, ensure compliance, and promote efficient operations.

The Company believes that internal control is a necessary prerequisite of Governance and that freedom should be exercised within a framework of checks and balances. Therefore, the Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. Periodic audit of all functions is carried out by the internal auditors thereby ensuring regulatory compliance of various applicable statutes as well as internal guidelines and policies. The management is committed to ensure an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets. The Company policies are reviewed periodically in line with the dynamic business environment and regulatory requirements. The Board reviews adherence to internal control systems and internal audit reports. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Secretarial and IS Auditors and external consultants and the reviews performed by management and the Audit Committee, Company has sound internal financial controls and are commensurate with the nature and size of the business operations and are adequate and operating effectively with no material weakness.



The Company has its own process driven framework for internal financial controls. The Board is of the opinion that the Company has sound internal financial controls commensurate with the nature and size of its business operations; wherein controls are in place and operating effectively and no material weaknesses exist. The Company has appointed Mr. Gopichand Mathani, to carry out internal audit on a regular basis that includes monitoring and evaluation of the efficacy and adequacy of internal financial controls, accounting procedures and policies and statutory compliances of the Company. The reports of the internal auditors are presented to the Audit Committee/Board which oversees the implementation of any corrective actions required

## **7. Human Resources**

The Company values its people as its greatest asset, fostering an open, transparent, and merit-based culture. SRFC's mission to cultivate a high-performance environment is reinforced through initiatives like developing a capability model to identify key competencies, nurturing talent via coaching, seminars, competency-based training programs, and cross-functional projects. The Company promotes a work environment that motivates individuals to excel, encouraging teamwork, continuous learning, and work-life balance. Believing that employees perform best when they feel truly connected to the organization, the Company focuses on expanding organizational capabilities and enhancing effectiveness by maintaining a skilled and engaged workforce. Our people are partners in our progress, and their empowerment has been crucial in advancing our organizational growth to the next level. As of March 31, 2024, the company had 2,440 employees on its rolls, compared to 1,943 employees on March 31, 2023.

### **Network Expansion (Branches)**

The Company is growing at fast pace and continuously expanding its business in different states of Central India. The company is having total 212 branches as on 31st March, 2024, which covers eight states- Chhattisgarh, Madhya Pradesh, Odisha, Jharkhand Rajasthan, Andhra Pradesh, Uttar Pradesh and Maharashtra. The details of branches are as mentioned below:

State	No. of Branches
Chhattisgarh	55
Madhya Pradesh	98
Odisha	33
Jharkhand	6
Maharashtra	10
Rajasthan	5
Andhra Pradesh	3
Uttar Pradesh	2
<b>Total</b>	<b>212</b>

## **8. Financial Summary and Highlights**

The Company's performance for the financial year ended March 31, 2024 is summarized as below:

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Total Income	2,58,18,12,525	1,83,28,19,880
Total Expenses	1,93,78,44,413	1,37,14,30,672
Profit Before Tax	64,39,68,112	46,13,89,209
Profit After Tax	48,70,88,706	35,04,97,249
Earnings Per Equity Share		
- Basic (₹)	27.33	21.02
- Diluted (₹)	27.33	21.02



The Company reported strong financial results due to its judicious pricing decisions, increase in its AUM, quality disbursements and better collection efficiency. Further, the Company was able to raise the necessary resources throughout the year to match the business and operational requirements, leveraging its relationships with banks and financial institutions, as well as forming new lender relationships.

#### **A. Total Income and Expenditure**

During the Financial Year 2023-24, the Company has recorded Total Income of Rs. 25,818.13/- Lakhs as against Rs. 18,328.20/- Lakhs in Financial Year 2022-23. Further, total expenditure incurred during the Financial Year 2023-24 was Rs. 19,378.44/- Lakhs as against Rs. 13,714.31/- Lakhs in Financial Year 2022-23.

#### **B. Profit After Tax**

The Company's overall performance during the Financial Year 2023-24 was robust resulting in improvement in all operational and financial parameters. The Company recorded a profit after tax of Rs. 4,870.89/- Lakhs in Financial Year 2023-24 as compared to Rs. 3,504.97/- Lakhs in Financial Year 2022-23 with tremendous growth of around 38.97%.

#### **C. Disbursement**

During the Financial Year 2023-24, your Company has disbursed Rs. 742.95/- Crores of loans as compared to 632.92/- Crores in the previous year depicting a remarkable growth of around 29.13%.

#### **D. Asset Under Management**

During the period under review, the AUM of the Company stood at Rs. 1,07,136.46/- Lakhs as on March 31, 2024 against Rs. 82,964.10/- Lakhs as on March 31, 2023.

#### **E. Capital Adequacy**

As on March 31, 2024 the Capital adequacy ratio stood at 23.60% comprising of Tier I Capital Ratio of 21.47% and Tier II Capital Ratio of 2.12% exceeding the minimum regulatory requirement of 15.00%.

Your Company has carried out an Internal Capital Adequacy and Assessment Process (ICAAP) and is adequately capitalized as per the assessment.

#### **F. Non-Performing Asset (NPA)**

Your Company is in strict adherence to the provisions of Guidelines issued by Reserve Bank of India ("RBI") with respect to computation of NPA. The Company's assets have been classified based on the expected performance. The Gross NPA and Net NPA as on March 31, 2024 were 2.55% and 1.98% respectively as against 2.74% and 2.26% respectively in the previous Financial Year.

#### **G. Debt-Equity Ratio**

The Debt Equity Ratio of the Company as at March 31, 2024 was 3.90 Times.



#### **H. Earnings Per Share (EPS)**

The Earning per Share was 27.33 for the financial year ended March 31, 2024 as against 21.02 in the previous financial year ended March 31, 2023.

#### **I. Net Owned Funds (Total Equity)**

The Net Owned Funds of the Company as at the financial year ended March 31, 2024 stood at Rs. 250.06/- Crores as against Rs. 189.86/- Crores in the previous financial year ended March 31, 2023

For and on behalf of the Board of Directors of  
**Shri Ram Finance Corporation Private Limited**

**Sd/-**

**Gaurav Bhattar**

Director

DIN: 01248032

Address :29/B7 Parishram tower, Anupam Nagar, Shankar Nagar, opposite, opposite Doordarshan T.V. Tower, Raipur Chhattisgarh, 492007

**Sd/-**

**Ganesh Kumar Bhattar**

Director

DIN: 01248202

Address: Fifth Floor, Parishram, Anupam Nagar, Shankar Nagar, opposite Doordarshan T.V. Tower, Raipur Chhattisgarh, 492007

**Date: 05.09.2024**

**Place: Raipur**