



INDEPENDENT AUDITORS' REPORT

To the Members of Manba Finance Limited
(Erstwhile known as Manba Finance Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Manba Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended March 31, 2024, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information {hereinafter referred to as the 'financial statements'}

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 (ICA) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matter

1. We draw attention to Note 40 of the Financial Statements in which the Company describes the expected credit loss on loans, reconciliation of loss allowance provisions and reconciliation of gross carrying amount. Our opinion is not modified in respect of this matter.
2. We draw attention to Note 41 of the Financial Statements in which the Company describes the fair values of financial assets and financial liabilities. Our opinion is not modified in respect of this matter.
3. We draw attention to Note 44 of the Financial Statements in which the Company describes the maturity analysis of assets and liabilities. Our opinion is not modified in respect of this matter.



Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Allowances for expected credit losses (ECL) as on 31st March 2024:</p> <p>The carrying value of loan assets measured at amortised cost, aggregated INR 79,362.36 lakhs constituting approximately 81.55% of the company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgment. As part of our risk assessment, we determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p>	<p>We reviewed the company's policies for managing each portfolio and business model, along with the methodology for calculating Expected Credit Losses (ECL). We confirmed that adjustments to the ECL model output align with the documented rationale and have been approved by the Audit Committee. Our audit procedures included testing the design and effectiveness of various aspects such as the accuracy of data classification, the information used for estimating Probability of Default (PD) and Loss Given Default (LGD).</p> <p>Additionally, we checked the accuracy and completeness of input data, the mathematical correctness of ECL computations, and the appropriate application of ECL rates to the loan portfolio. We also evaluated the adequacy of adjustments made to the ECL model by stressing the inputs to ensure they matched the overlay amounts approved by the Audit Committee.</p> <p>Refer note no. 2.4 iii, 3.6 and 43 (B) (i)</p>
2.	<p>Information technology and general controls:</p> <p>The company is dependent on its information technology (IT) systems due to the significant number of transactions that are processed daily across multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, their testing of the general computer controls of the IT systems used in financial reporting was considered to be a key audit matter.</p>	<p>We have evaluated the Company's reliance on its IT systems, focusing on the numerous transactions processed daily. We assessed the IT application controls to ensure that any changes to applications and underlying data occur in a controlled and appropriate environment. This evaluation was crucial in mitigating the risks of potential fraud or errors. Given the pervasive use of IT systems, we have identified the testing of general computer controls related to financial reporting as a key audit matter and conducted thorough tests to ensure these controls were effective.</p>



Information other than the financial statements and auditor's report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations. We have nothing to report in this regard.

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

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of



these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the financial statements 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 in preparation of the financial statements 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

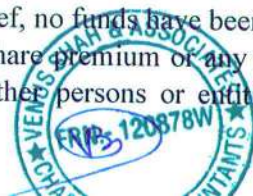
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation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



communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - (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'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended; in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
 - (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) The Company has no amounts which are required to be transferred to the Investor Education and Protection Fund.
 - iv)
 - a) We draw attention to Note 50.9 to the Financial Statements where the Management has represented that, to the best of its knowledge and belief, 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- b) We draw attention to Note 50.9 to the Financial Statements where the Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note no.
- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis- statement.
- v) The Board of directors have not proposed any interim or final dividend during the year.
- vi) The reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2023.

Based on our examination which included test checks, except for the instance mentioned below, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

The feature of recording audit trial (edit log) facility was not enabled at the database level to log any direct data changes for the software’s used for maintaining the records related to payroll.

Further for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with.

For Venus Shah & Associates

Chartered Accountants

Firm’s Registration No. 120878W



Venus B. Shah

Membership No. 109140

Place: Mumbai

Date: May 25, 2024

UDIN: 24109140BKFTKQ2608

Annexure 'B' to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2024, we report the following:

i. Property, Plant, Equipment and Intangible Assets:

- a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Property, Plant, Equipment and intangible Assets are physically verified by the management according to a phased programme, designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets.
- c. The title deeds of all immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company.
- d. The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year. Accordingly, the reporting clause 3(i)(d) of the Order is not applicable to the company.
- e. Based on the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

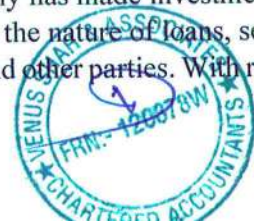
ii. Inventory:

- a. The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of loans (assets). We have been provided with differences in the quarterly returns or statements filed by the Company with such banks or financial institutions as compared to the books of account maintained by the Company which according to our opinion were not material in nature.

iii. Loans given by Company:

As explained in note 1 to the Standalone financial statements, the Company is a non-deposit taking non-banking financial company ("NBFC") registered with the Reserve Bank of India ("RBI") and as a part of its business activities is engaged in the business of lending across various types of loans.

During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee / security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees / security and loans and advances:



- a. The provisions of paragraph 3 (iii) (a) of the Order are not applicable to the Company as its principal business is to give loans.
- b. In our opinion having regards to the mature of the Company's business, the investments made, guarantees provided security given and the terms and conditions of the grants of all loans and advance in the nature of loans and guarantees provided are not prejudicial to the company's interest;
- c. In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 2.5(ii) to the standalone financial statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at 31st March, 2024, aggregating INR 3,156.50/- lakhs were categorised as credit impaired ("Stage 3") and INR 3,341.68/- lakhs were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 40 to the standalone financial statements. Additionally, out of loans and advances in the nature of loans with balances as at 31st March, 2024 aggregating INR 72,863.38/- lakhs, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"). Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.
- d. The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at 31st March, 2024 is INR 3,156.50/- lakhs. Reasonable steps are being taken by the Company for recovery of the principal and interest.
- e. The principal business of the Company is to give loans and hence reporting under clause (iii)(e) of the Order is not applicable.
- f. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loans and advances that the Company has granted in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

iv. **Loans to directors & Investment by the Company:**

According to the information and explanations given to us and on the basis of our examination of records, the Company has not given any investments or provided any guarantee or security as specified under section 185 of the Companies Act, 2013 and the Company has not provided any guarantees. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, as applicable.

v. **Deposits:**

According to the information and explanations given to us, the Company being Nonbanking finance Company registered with RBI, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 & the Companies (Acceptance of deposits) Rules, 2014, as amended, are not applicable. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.



vi. **Cost Records:**

The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence reporting under clause 3 (vi) of the Order is not applicable.

vii. **Statutory Dues:**

- a. The Company has been regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues applicable to it, to the appropriate authorities. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

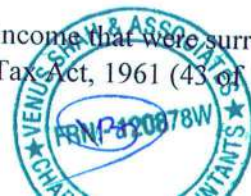
There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues in arrears as at 31st March, 2024, for a period of more than six months from the date they became payable.

- b. Details of dues of Income-tax, Value Added Tax and Service Tax Act which have not been deposited as on 31st March, 2024, on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount Involved (INR)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	51,76,745/-	FY 2016-17	Jurisdictional Assessing Officer	Appeal order giving effect not received
Income Tax Act, 1961	Income Tax	1,60,94,721/-	FY 2017-18	Jurisdictional Assessing Officer	Rectification request has been filed
Income Tax Act, 1961	Income Tax	11,46,470/-	FY 2018-19	Centralised Processing Centre	Appeal has been filed
Income Tax Act, 1961	Income Tax	37,03,208/-	FY 2019-20	Centralised Processing Centre	Rectification request has been filed
Income Tax Act, 1961	TDS	7,61,500/-	FY 2017-18	TRACES Centralised Processing Centre	
Income Tax Act, 1961	TDS	7,56,650/-	FY 2020-21	TRACES Centralised Processing Centre	
Income Tax Act, 1961	TDS	1,25,140/-	FY 2023-24	TRACES Centralised Processing Centre	

viii. **Unrecorded income:**

There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.



ix. Repayment of loans:

- a. According to the information and explanations given to us and on the basis of our audit procedures, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b. According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.
- d. On the basis of the maturity profile of financial assets and financial liabilities provided in the note no. 44 to the standalone financial statements, financial liabilities maturing within 12 months following the reporting date i.e., 31st March 2024 are less than expected recoveries from financial assets during that period. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the Company has not used funds raised on short-term basis for the long-term purposes.
- e. According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. Utilisation of IPO & FPO and Private Placement and Preferential Issues:

- a. In our opinion and according to the information and explanations given to us, the company has utilised the money raised by way of initial public offer / further public offer (including debt instruments) for the purposes for which they were raised.
- b. The Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under review and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. Reporting of Fraud:

- a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 has been



filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

- c. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.

xii. **Nidhi Company:**

As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii. **Related Party Transaction:**

In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. **Internal Audit:**

- a. As per the provisions of companies, there was an obligation on the company to conduct internal audit, the company had complied with the same.
- b. We have considered, the internal audit reports for the year under audit, and found that there were no such major discrepancies reported by internal auditor.

xv. **Non-cash Transaction**

The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under Clause 3(xv) of the Order is not applicable to the Company.

xvi. **Register under RBI Act, 1934:**

- a. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.
- b. The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. The Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- d. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.



xvii. Cash losses:

The Company has not incurred any cash losses in the financial year covered by our audit or in the immediately preceding financial year.

xviii. Auditor's resignation:

There has been no resignation of the statutory auditor during the year.

xix. Financial Position:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. Corporate Social Responsibility:

- a. There are no unspent amounts towards Corporate Social Responsibility (CSR) other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.
- b. The Company has not undertaken any ongoing projects during the year. Accordingly, reporting under paragraph 3(xx)(b) of the Order is not applicable for the year.

xxi. Subsidiary Audit Report Qualifications:

The company does not have any subsidiary company and hence, reporting under clause 3(xx) of the Order is not applicable.

For Venus Shah & Associates

Chartered Accountants

Firm's Registration No. 120878W



Venus B. Shah

Membership No. 109140

Place: Mumbai

Date: May 25, 2024

UDIN: 24109140BKFTKQ2608

Annexure 'B' to the Independent Auditors' Report

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We were engaged to audit the internal financial controls with reference to standalone financial statements of Manba Finance Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

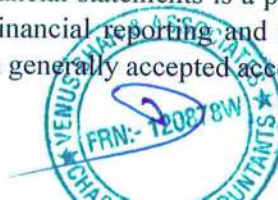
Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.



A company's internal financial control with reference to financial statements includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2024, based on the criteria for internal financial controls with reference to financial statements established by the respective Company considering the essential Components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issue by the Institute of Chartered Accountants of India.

For Venus Shah & Associates

Chartered Accountants

Firm's Registration No. 120878W




Venus B. Shah

Membership No. 109140

Place: Mumbai

Date: May 25, 2024

UDIN: 24109140BKFTKQ2608