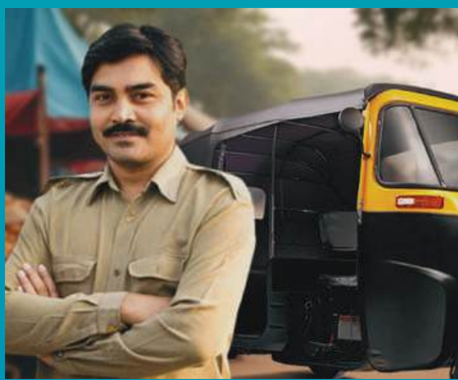
Fuelling Growth by Diversification,



Enhancing Inclusivity by Customisation

MANBA FINANCE

ANNUAL REPORT 2023-24

CONTENTS

2023-24 HIGHLIGHTS

Product diversification

We have ventured into new horizons by introducing a range of new loan products, including used car loans, small business loans, and personal loans, each designed to cater to the evolving financial needs of our diverse clientele.

Geographical expansion

With strategic foresight, we have identified the promising landscape of Madhya Pradesh as our next frontier for expansion, positioning ourselves to capture emerging opportunities in this dynamic region.

Strategic partnerships

We have forged a co-lending alliance with Muthoot Capital Services Limited, which we command an 80:20 fund-sharing arrangement, amplifying our capacity to deliver unparalleled financial solutions to our customers.

FUELLING GROWTH BY DIVERSIFICATION. ENHANCING INCLUSIVITY BY CUSTOMISATION.

We steadfastly commit to a strategy that masterfully intertwines dynamic growth with deep-rooted inclusivity, forging a path toward sustained and unparalleled progress. By diversifying our product portfolio to encompass small business loans and personal loans, and by ambitiously expanding into burgeoning markets like Madhya Pradesh, we are not just widening our footprint—we are unlocking a treasure trove of untapped growth opportunities. This strategic diversification positions us at the forefront of market evolution, enabling us to tap into underserved segments and nimbly adapt to the ever-shifting demands of our industry, ensuring that our enterprise remains resilient, visionary, and poised for the future.

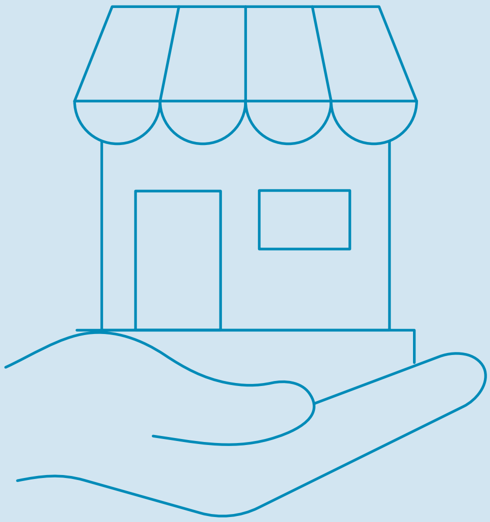
In tandem, we are amplifying inclusivity by meticulously tailoring our financial solutions to cater to the distinct needs of diverse customer groups. We understand that each customer is a unique entity, and we are firmly dedicated to crafting products and services exquisitely attuned to their specific requirements. This laser-focused, customer-centric approach allows us to cultivate stronger, more profound relationships, ensuring that our offerings are not only accessible but also profoundly relevant to all.

These twin pillars—growth through strategic diversification and inclusivity through bespoke customisation—form the bedrock of our mission to empower our customers and propel us toward enduring success. Our capacity to deliver swift, adaptable, and competitively superior loan solutions empowers stakeholders across the vast expanse of the Indian economy, enabling them to actively participate in and contribute to its ever-growing prosperity. As we continue to evolve, we remain steadfast in our focus on delivering exceptional value through relentless innovation, unwavering responsiveness, and an intimate understanding of our customers' deepest needs.

2023-24 PERFORMANCE HIGHLIGHTS

₹ 69.71 lakhs

AUM PER EMPLOYEE



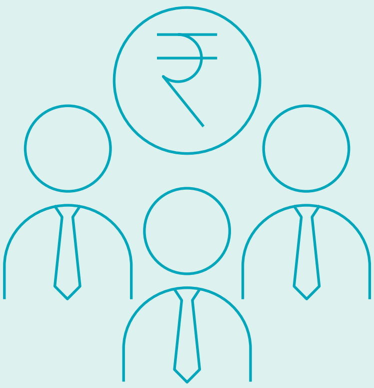
₹ 93,686 lakhs

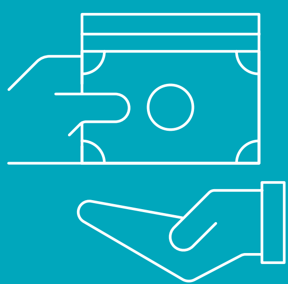
ASSET UNDER MANAGEMENT (AUM)

47.84% Y-O-Y GROWTH

600+

SALES PERSONNEL





₹ 67,785 lakhs

DISBURSEMENTS

58.86% Y-O-Y GROWTH

60+

EV DEALERS

11.16%

NET INTEREST MARGIN

₹ 8,762 lakhs

NET INTEREST INCOME

26% Y-O-Y GROWTH

1,38,351

CUSTOMERS

17.4%

RETURN ON EQUITY

3.37%

GROSS NPA

MANBA FINANCE AT A GLANCE

We are a leading Non-Banking Financial Company (NBFC-BL) specialising in an extensive range of financial solutions, encompassing new two-wheelers (2Ws), three-wheelers (3Ws), electric two-wheelers (EV2Ws), electric three-wheelers (EV3Ws), used cars, small business loans, and personal loans. As of March 31, 2024, we proudly manage an impressive Assets Under Management (AUM) exceeding ₹ 93,000 lakhs. A remarkable 99% of our loan portfolio is dedicated to new vehicle financing.

Headquartered in Mumbai, Maharashtra, our operations span across 65 locations, interconnected through 28 branches strategically positioned across five states in western, central, and northern India. We have established robust, enduring relationships with over 850 dealers, including more than 60 EV dealers, across Maharashtra, Gujarat, Rajasthan, Chhattisgarh, and Madhya Pradesh.

In recent developments, we have broadened our loan offerings to include used car loans, small business loans, and personal loans. Our strategic intent is to leverage our well-established network to drive further market penetration with these new products, reinforcing our commitment to delivering innovative and tailored financial solutions.

VISION

Our vision is anchored in a digitally advanced India, where financial solutions are effortless and swift for everyone. Our commitment to providing paperless, hassle-free and quick finance solutions is paralleled by our dedication to social responsibility, amplifying positive change within society.

MISSION

Manba Finance merges innovation with empathy, utilising technology to deliver rapid loan solutions, fostering an unbreakable bond throughout your financial expedition.

VALUES

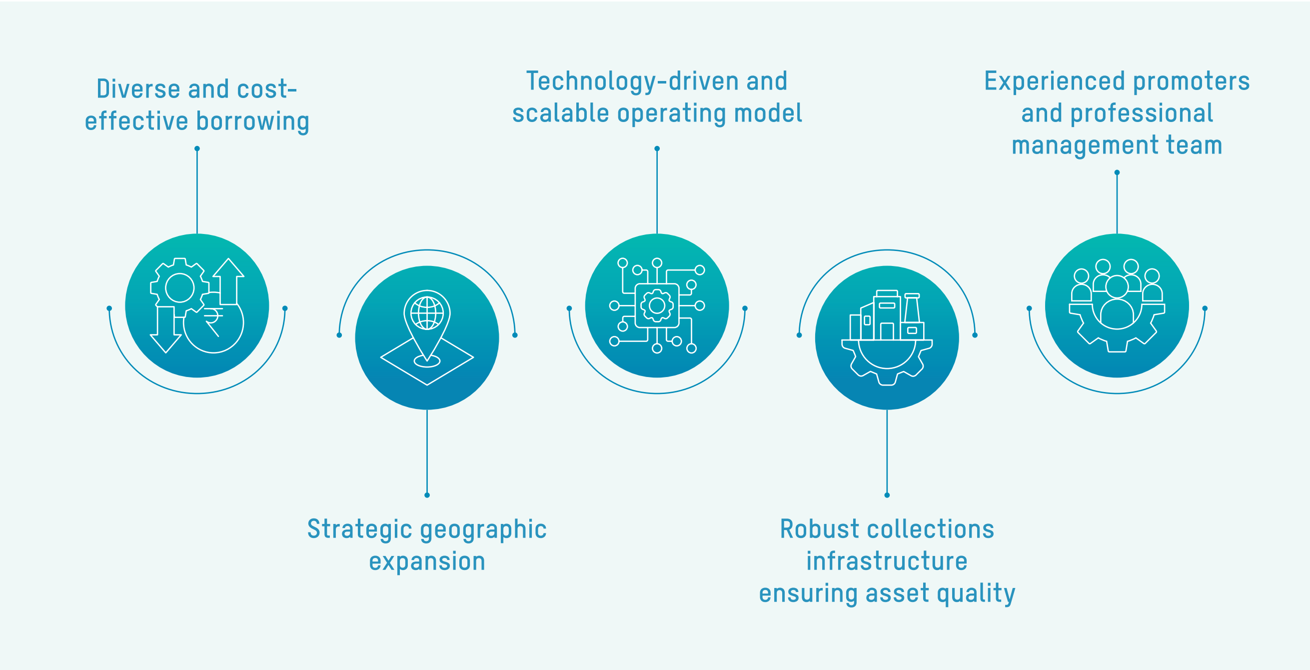
- Integrity
- Commitment
- Reliable and ethical
- Proactive innovation
- Customer service
- Professional and teamwork
- Transparency
- Respected in social responsibility

28+
YEARS OF EXPERIENCE

850+
DEALERS

1,100+
EMPLOYEES

7
PRODUCTS



KEY STRENGTHS

Diverse and cost-effective borrowing
We secure funding from a broad spectrum of sources, including public and private sector banks, small finance banks, and various financial institutions through term loans, cash credit facilities, and the issuance of Non-Convertible Debentures (NCDs) and Pass-Through Certificates (PTCs). Our enduring relationships with these entities enable us to obtain funds at competitive rates, which we then channel into lending for our customers. Additionally, our strategic co-lending arrangement with Muthoot Capital Services Limited ensures that 80% of the funds are provided by them, optimizing our funding structure.

Strategic geographic expansion
Since our inception in vehicle financing in 2009, we have successfully expanded to 65 locations across five states: Maharashtra, Gujarat, Rajasthan, Chhattisgarh, and Madhya Pradesh. Our expansion strategy is driven by meticulous market analysis, encompassing local demographics, financial literacy, competitive landscape, and product demand. We employ a hub-and-spoke model, establishing branches only in regions with substantial growth potential.

Technology-driven and scalable operating model
We leverage advanced technology to streamline our operations, from sales to risk management and collections, ensuring quick turnaround times for loan processing. With most of our systems either developed in-house or licensed from reputable providers, we maintain stringent quality control and efficient service delivery. Our platform operates on the cloud, enabling seamless and scalable business operations.

Robust collections infrastructure ensuring asset quality
Our rigorous underwriting model ensures swift onboarding of suitable customers, while our extensive on-ground collections infrastructure upholds high asset quality. Over 80% of our monthly collections are processed through NACH on the scheduled EMI date. We employ a three-tier collections system—tele-calling, field collection, and legal recovery-backed by a dedicated team of 420 personnel and external agencies when necessary. Our approach adapts to various stages of loan and customer delinquency, with a strong emphasis on early detection and intervention. For severe defaults, we escalate to legal action as required.

Experienced promoters and professional management team
Our Promoters bring extensive expertise in the NBFC sector, steering our growth and strategic initiatives. They are supported by a proficient Senior Management team, ensuring effective strategy execution and continued success in capitalising on market opportunities.

PRODUCT PORTFOLIO

At Manba Finance, we are dedicated to deeply understanding our customers and their unique needs. Through meticulous analysis of their preferences and requirements, we continuously refine our offerings to deliver precisely tailored financial solutions. Our mission extends beyond merely stimulating economic growth in the areas we serve; we aim to empower our customers with new opportunities for a brighter future.

Two-wheeler loan

With approximately 99% of our loan portfolio dedicated to New Vehicle Loans, we cater primarily to salaried individuals and small businesses seeking to purchase new two-wheelers (2Ws) and electric two-wheelers (EV2Ws).

Our average ticket size stands at ₹ 0.80 lakhs. We typically finance up to 85% of the vehicle's on-road price, ensuring that customers contribute the remaining balance. This approach encourages financial discipline and minimises default risks.

Our advanced systems swiftly assess key eligibility criteria-such as Loan-to-Value (LTV) ratio, CIBIL score, vehicle model, residence type, and customer category-enabling rapid approval and prompt fund disbursement to dealers. We offer a variety of schemes throughout the year, with special promotions during festive seasons. Two-wheeler loans come with flexible tenures ranging from 6 to 48 months.

Features

- **Paperless journey:** Enjoy a seamless, digital application process.
- **Speedy loan approval:** Quick and efficient approval process.
- **Simplified disbursement:** Streamlined fund transfer process.
- **Customised schemes:** Tailored loan schemes to meet diverse needs.

Used car loan

Our Used Car Loans cater primarily to existing clients who wish to upgrade from a two-wheeler or electric two-wheeler to a four-wheeler but may lack the means to purchase a new vehicle. We provide financing for cars up to 12 years old, with loan amounts ranging from ₹ 2.00 lakhs to ₹ 6.00 lakhs, covering approximately 75% of the vehicle's value. Loan tenures extend from 12 to 48 months, subject to our internal credit policy.

Small business loan (Manba vyapar loan)

Recognising that small businesses are the engine of the economy, we proudly offer the Manba Vyapar Loan-a specialised financing solution designed for small enterprises with grand aspirations. We extend loans ranging from ₹ 0.75 lakhs to ₹ 10.00 lakhs for tenures of 12 to 48 months. Our target clientele includes small businesses such as kirana stores, medical stores, carpenters, small manufacturers, tailors, and other similar enterprises within the MSME sector.

Benefits:

- No ITR & GST required: Streamlined process with minimal documentation.
- Customised solutions: Tailored credit solutions for micro-enterprises.
- Quick and easy: Collateral-free loans with doorstep service and disbursement within 4 days.
- Seamless digital experience: Apply online with an average turnaround time of just 3 days.

Personal loan

Launched in July 2023, our Personal Loan offerings provide rapid approval and disbursement of loans up to ₹ 1.00 lakh for salaried and self-employed individuals. Our process starts with our sales team reaching out to potential customers, followed by tele-verification and CIBIL score analysis. If criteria are met, sanctions are granted, and field inspectors conduct site visits for additional verification. Approved applicants receive funds via e-mandates or physical NACH forms.

Three-wheeler loan

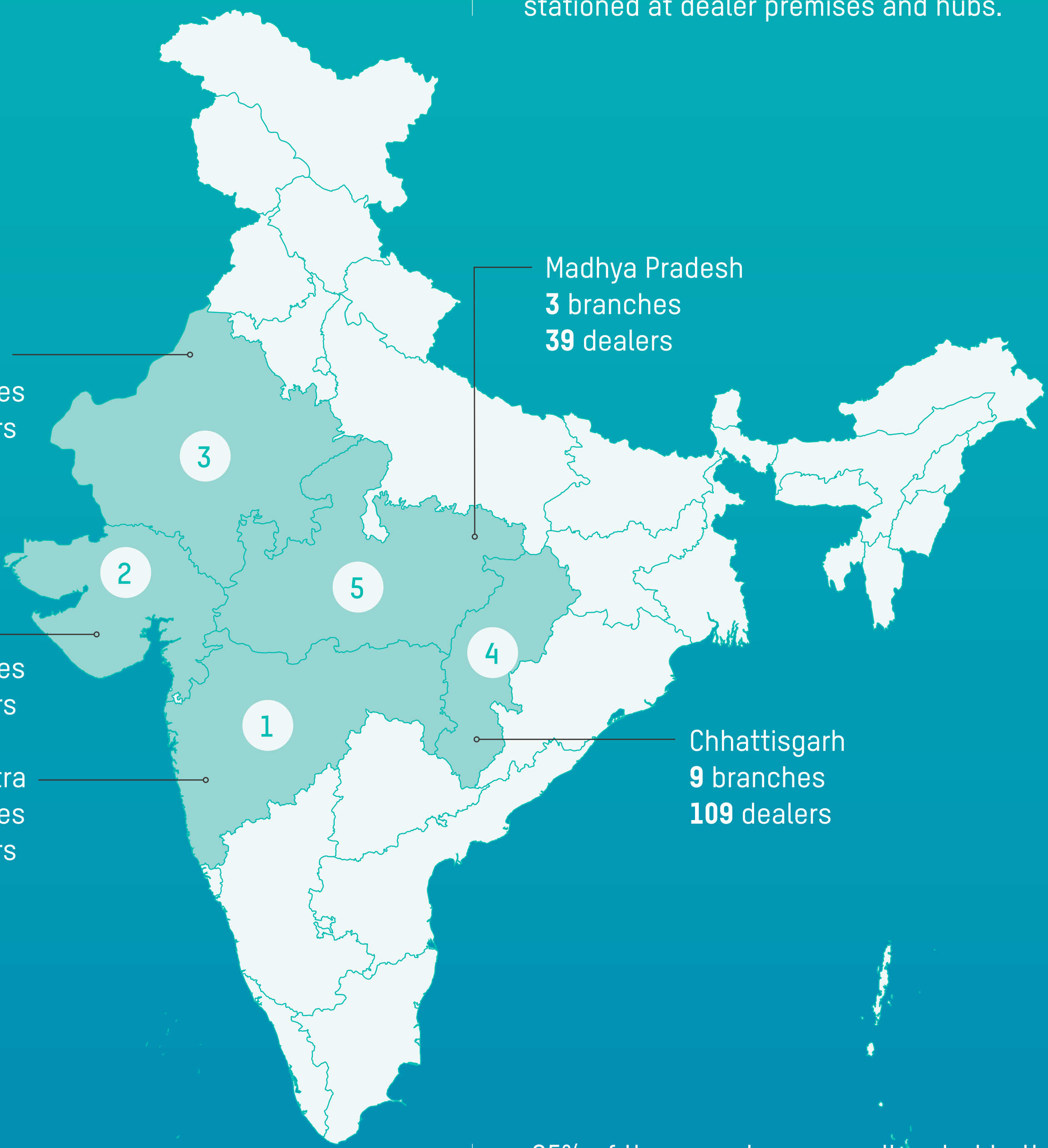
We offer three-wheeler loans designed to provide you with maximum flexibility and convenience. Our loan plans come with customisable payment options, allowing you to choose a repayment schedule that best fits your financial situation. We are focusing on expanding our services in regions like Rajasthan and Gujarat to make travel easier and more accessible. Our goal is to make financing your three-wheeler easy and accessible, so you can focus on your business or personal needs without worrying about rigid payment structures.

Electric vehicles

At Manba Finance, our commitment to a sustainable future drives our efforts to promote the adoption of electric vehicles (EVs). As the world increasingly recognises the importance of reducing carbon emissions, we are focused on making the transition to eco-friendly transportation easier and more accessible for everyone. We offer tailored solutions that fit your needs, ensuring a smooth and hassle-free experience. By entering the EV market, we are playing our part in driving the adoption of clean energy solutions, making it easier for you to choose a vehicle that is not only cost-effective but also better for the planet.

PRESENCE

Operating across five states with 65 strategically located branches and a robust network of over 850 dealers-including more than 60 dedicated EV dealers-Manba Finance is well-positioned to serve a diverse range of customers. Our extensive reach is further supported by cutting-edge digital channels and a dedicated team of over 600 sales personnel stationed at dealer premises and hubs.



Madhya Pradesh
3 branches
39 dealers

Rajasthan
12 branches
125 dealers

Gujarat
14 branches
189 dealers

Maharashtra
27 branches
473 dealers

Chhattisgarh
9 branches
109 dealers

95% of the gross loans are allocated to the states of Gujarat and Maharashtra

Madhya Pradesh emerges as a new market

100% of the loans given are under secured credit exposure

Note: Map not to scale

1 MAHARASHTRA

- Ahmednagar
- Akola
- Alibaug
- Aurangabad
- Baramati
- Bhusawal
- Buldana
- Dhule
- Ichalkaranji
- Jalgaon
- Karad
- Karjat
- Kolhapur
- Malegaon
- Manchar & Narayangaon
- Mumbai
- Nagpur
- Nashik
- Palghar
- Panvel
- Pune
- Sangamner
- Sangli
- Satara
- Shirur
- Solapur
- Yavatmal

2 GUJARAT

- Ahmedabad
- Anand
- Bharuch
- Bhavnagar
- Gandhinagar
- Mehsana
- Nadiad
- Palanpur
- Panchmahal
- Patan
- Rajkot
- Surat
- Vadodara
- Vapi

3 RAJASTHAN

- Ajmer
- Alwar
- Bhilwara
- Bikaner
- Chittorgarh
- Chomu
- Jaipur
- Jodhpur
- Rajsamand
- Sikar
- Pali

4 CHHATTISGARH

- Bemetara
- Bhilai
- Durg
- Jagdalpur
- Kondagaon
- Kanker
- Mahasamund
- Raipur
- Rajnandgaon

5 MADHYA PRADESH

- Indore
- Dhar
- Dewas

ESTABLISHED DEALER RELATIONSHIPS

We prioritise rapid KYC processing while showcasing our commitment to tech-driven customer service. Dealers, who frequently serve as the initial touchpoint for assessing customers' financing needs, guide them through our diverse funding options. To facilitate efficient loan processing from dealer leads, we provide our representatives with mobile devices connected to our corporate systems. To position ourselves as the preferred partner for dealers, we offer customised schemes, attractive incentives, trade advances, and comprehensive marketing support. Additionally, we organise events that reinforce and strengthen our partnerships with dealers.

State	2021-22	2022-23	2023-24
Maharashtra	390	432	473
Gujarat	122	169	169
Rajasthan	25	49	125
Chhattisgarh		53	109
Madhya Pradesh			39
Total	537	703	974

MILESTONES

Since our establishment in 1998, following our NBFC registration with the RBI, we have consistently broadened our operations and financial capabilities. From our early days, we have significantly scaled our vehicle financing operations, achieved substantial growth in assets under management (AUM), and expanded our presence across multiple states. Our ongoing expansion into new regions and the diversification of our product offerings underscore our dedication to addressing diverse customer needs and supporting underserved segments.

1998

Received certificate of registration from RBI for registration of our Company as a NBFC

2009

Scaled-up operations in **vehicle financing**

2013

AUM crossed **₹ 5,000 lakhs**

2014

AUM crossed **₹ 10,000 lakhs**

2018

- Expansion of operations to **Pune**
- AUM crossed **₹ 25,000 lakhs**
- Expansion of operations to **Nashik** and **Satara** in the state of **Maharashtra** and to **Ahmedabad** in the state of **Gujarat**

2020

AUM crossed **₹ 50,000 lakhs**

2021

- Listing of first tranche of **non-convertible debentures on the BSE**
- Opened branch in **Jaipur** in the state of **Rajasthan**

2022

Expansion of operations to **Nagpur, Vidarbha** region in the state of **Maharashtra** and to **Raipur** in the state of **Chhattisgarh**

2023

- Employee strength crossed **1,000 employees**.
- Launched Inhouse **CRM named as FORCE**
- AUM crossed **₹ 80,000 lakhs** as on December 31, 2023
- Expanded the network to more than **850 dealers**, including more than **60 EV dealers**
- **30,000 customers** onboarded during September, October and November with **₹ 25,000 lakhs** disbursement amount.
- Expanded operations to the state of **Madhya Pradesh** by opening a branch in **Indore**
- Launched new products such as **Small Business Loans, Used Car Loans and Personal Loans**

2024

- Filed DHRP for **IPO**
- Tie-up with **Muthoot Capital** Services for co-lending

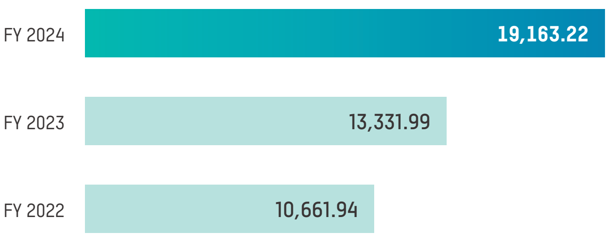
muthoot CAPITAL & MANBA FINANCE

KEY PERFORMANCE INDICATORS

With a proven track record, we are confident in our ability to achieve consistent profitable growth and remain on course to meet our strategic targets.

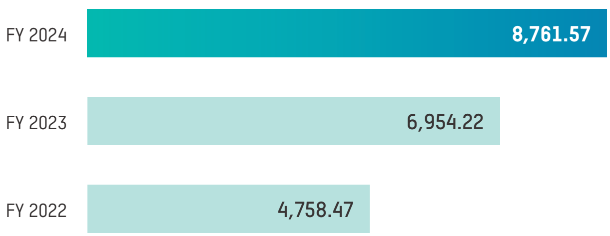
GROSS TOTAL INCOME

(₹ in lakhs)



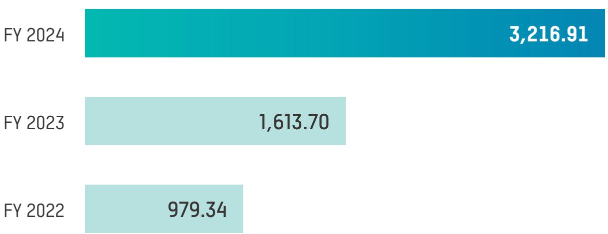
NET INTEREST INCOME

(₹ in lakhs)



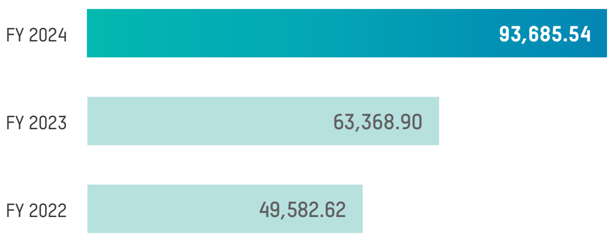
PROFIT AFTER TAX

(₹ in lakhs)



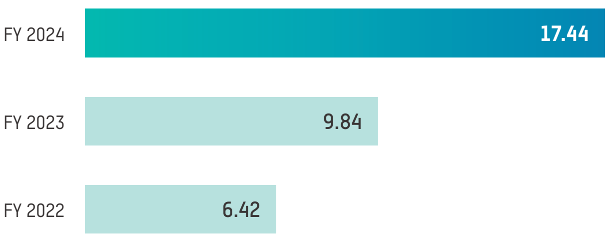
ASSET UNDER MANAGEMENT (AUM)

(₹ in lakhs)



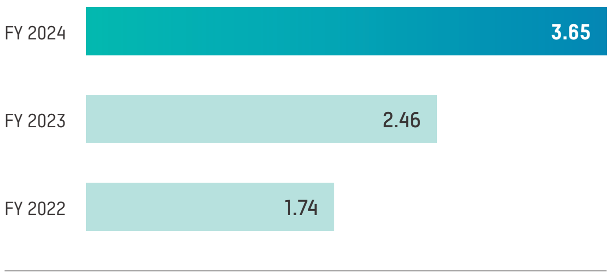
RETURN ON EQUITY (ROE)

(%)



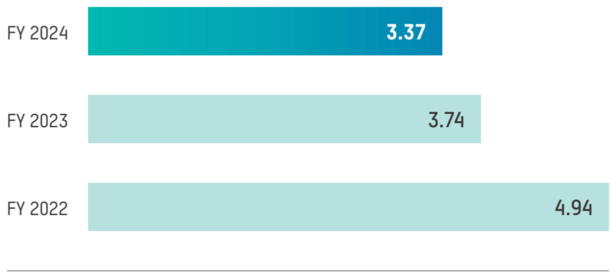
RETURN ON AVERAGE ASSET

(%)



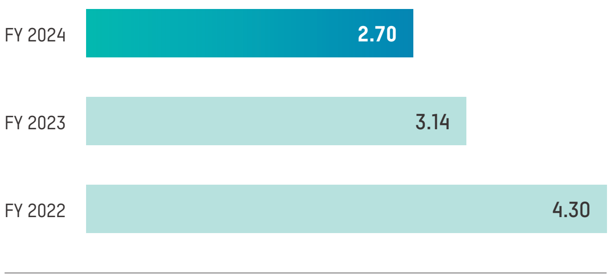
GROSS NPA

(%)



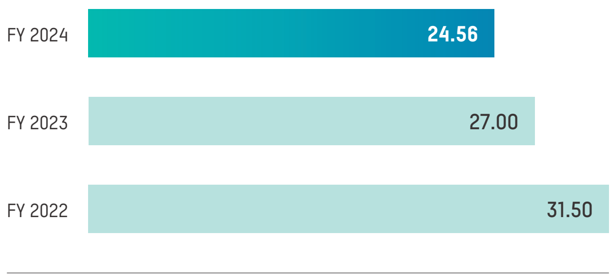
NET NPA

(%)



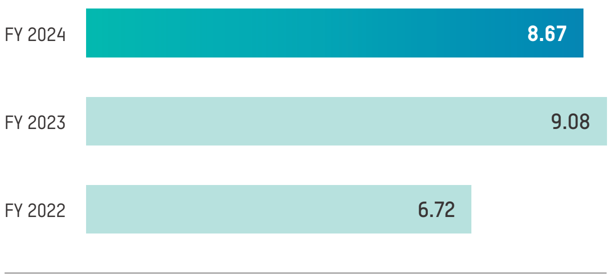
CAPITAL ADEQUACY RATIO

(%)



ADJUSTED SPREAD

(%)



MANAGING DIRECTOR'S MESSAGE

In FY24, the global landscape was marked by significant challenges, including geopolitical tensions, inflation, and supply chain disruptions, all of which exerted substantial pressure on the global economy. Despite these adversities, the Indian economy distinguished itself with remarkable resilience and continued to showcase robust potential. This enduring growth has been bolstered by effective policy measures at both macro and micro levels.

Manish Shah | Managing Director

Dear Stakeholders,

Amidst these challenges, the financial services sector is undergoing a transformative shift driven by technological advancements. Adapting to these changes is crucial as we strive to support our customers' growth. In this context, I am delighted to report a standout year, characterised by strong financial performance and consistent success in achieving our key objectives.

We are thrilled to announce that we will be going public, with SEBI approving our IPO. The proceeds from this IPO will bolster our capital base, enabling us to enhance our lending capabilities and address our general corporate needs.

We are expanding our product offerings to include electric two-wheelers (EV2Ws) and three-wheelers (EV3Ws), which are increasingly preferred due to high fuel costs. The EV3Ws segment, particularly popular among small businesses and private transporters, is also gaining traction as a cost-effective alternative for commercial operations.

Year in perspective

This year, we have focused intently on our business, achieving a total income of ₹ 19,163.22 lakhs for 2023-24, up from ₹ 13,384.89 lakhs in 2022-23. Our profit after tax has reached ₹ 3,117.81 lakhs, reflecting an impressive 99% growth. We have also secured a ₹ 150 crores co-lending agreement with Muthoot Capital Services, aimed at expanding our Two-Wheeler financing. This strategic alliance will enable us to offer customised financial solutions to a broader customer base across various regions.

We recently introduced MANBA Vyapar Loans for small businesses in Maharashtra, with loan amounts ranging from ₹ 0.75 lakhs to ₹ 10.00 lakhs, and personal loans up to ₹ 1.00 lakh. Initially available to our existing vehicle finance customers, these offerings leverage our deep understanding of their financial needs and borrowing capacity. To enhance our services further, we have onboarded experienced professionals in MSME lending and personal loans, ensuring we effectively meet our customers' specific financial requirements.

Digital and data analytics

Digital innovation and technology are central to our vision of creating sustainable value for all stakeholders. We utilise advanced tools and services, including TU CIBIL, Salesforce, and Power BI, to drive efficiency. Our integrated payment systems, featuring Razorpay, Virtual Bank Payment, and others, ensure smooth and reliable transactions. For communication, we rely on SMS solutions from Karix Mobile Private Limited, ensuring timely and effective customer engagement.

Investing in people

Our dedicated workforce is the cornerstone of our success, and we are committed to further investing in their development. We recognise the importance of continually enhancing their skills and knowledge to stay ahead of industry trends and practices. Through comprehensive training programmes, we foster a culture of customer-centricity, professionalism, and excellence. These programmes align with our core values and act as a catalyst for both individual and organisational growth.

Future priorities

Our strategic growth plan focuses on deepening market penetration and expanding into India's underserved financial sectors. From our base in Mumbai, we've grown across Maharashtra, Gujarat, Rajasthan, Chhattisgarh, and Madhya Pradesh, with plans to enter Uttar Pradesh next. We're strengthening our core vehicle finance offerings while diversifying into Used Car Loans, Small Business Loans, and Personal Loans. By leveraging our extensive branch network and investing in advanced digital platforms, we aim to deliver accessible financial solutions and enhance the customer experience. Our brand enhancement efforts will further solidify our market presence and attract new customers, reinforcing our position in the competitive NBFC landscape.

As the shift to electric vehicles (EVs) accelerates globally and in India, supported by government initiatives like the FAME-2 scheme and tax incentives, we are committed to focusing on this evolving market. We are expanding our product offerings to include electric two-wheelers (EV2Ws) and three-wheelers (EV3Ws), which are increasingly preferred due to high fuel costs. The EV3Ws segment, particularly popular among small businesses and private transporters, is also gaining traction as a cost-effective alternative for commercial operations.

We remain committed to maintaining strong asset quality, supported by robust collection performance. Our focus on fortifying our balance sheet and enhancing our risk management framework has strengthened our compliance culture, ensuring a solid operational foundation. Moving forward, we will harness digital technology and data intelligence to drive scalability, cost efficiency, and an enhanced customer experience across our business lines.

We extend our heartfelt thanks to our stakeholders for their unwavering support. We are deeply grateful to all our employees for their contributions in building the Company and its businesses. I am optimistic about the Company's future achievements and look forward to a successful year ahead.

Regards,

Manish Shah

Managing Director

TECHNOLOGY

We have strategically invested in advanced technologies and a customized end-to-end platform spanning across loan origination, loan management and maturity to loan accounting system.

The platform has built-in rules based engines and services for credit underwriting processes which automate many steps of a customer journey to avail a loan. In this journey of a customer the platform integrates with credit rating agencies, fintech APIs and banking systems-to enable our credit officers to assess creditworthiness effectively. The platform streamlines decision-making and maintains an audit trail for transparency. To back these ecosystems, we have invested on latest hardware, network and security systems including failover leased lines, firewall, cloud server services from private data center hosted in India.

KEY TECHNOLOGICAL IMPLEMENTATIONS

CRM and IT service management

Salesforce CRM: Used for loan origination and managing real-time market queries. It ensures prompt resolution of exceptions and maintains a comprehensive audit trail.

IT Service Management System: Resolves internal IT issues and monitors turnaround times, enhancing productivity and efficiency.

Manba Finance Quadrant (MFQ)

A comprehensive suite that manages the entire loan lifecycle, from customer onboarding to loan maturity. It includes modules for lead monitoring, automated approvals, disbursements, collections, and foreclosure. Integration with payment gateways, communication gateways, and secure devices optimises the collection process and maintains a single point of data entry.

Communication gateway

Integrated with LOS and LMS to trigger real-time notifications for business transactions, ensuring effective communication with customers, sales executives, and dealers.

Ticketing system

A web-based system allowing customers to raise and track complaints. Integrated with the LMS, it provides a clear audit trail from creation to closure and enables customers to reopen tickets if needed.

Power BI

Utilised for analytics and decision-making, Power BI leverages data from Salesforce and MFQ. It features intuitive dashboards for real-time and trend analysis, supporting data-driven insights across teams.

ZING HR

This platform enables us to streamline our people management spanning across recruitment, onboarding, performance management, and payroll processing, optimising our HR operations effectively.

Technology-driven and scalable operating model

We leverage advanced technology to streamline our operations, from sales to risk management and collections, ensuring quick turnaround times for loan processing. With most of our systems either developed in-house or licensed from reputable providers, we maintain stringent quality control and efficient service delivery. Our platform operates on the cloud, enabling seamless and scalable business operations.

PEOPLE

We are dedicated to fostering a workplace where individuals from all backgrounds feel valued and inspired to achieve their best. By focusing on strategic talent acquisition and skill development, we are building a future-ready workforce that thrives on inclusivity and innovation.

Talent management

Our growth is fuelled by our ability to attract and retain top talent who are passionately engaged in roles that align with their strengths. We implement fair and equitable policies that foster trust and confidence among our employees. This trust is the foundation of our commitment to investing in our workforce, providing them with abundant opportunities for professional growth and development. By nurturing this environment, we empower our team to meet our collective goals and drive our success.

Training and development

We prioritise continuous learning through regular training programmes that cover essential areas such as lending operations, underwriting, credit assessment, due diligence, KYC and anti-money laundering regulations, collection risk management, and information technology.

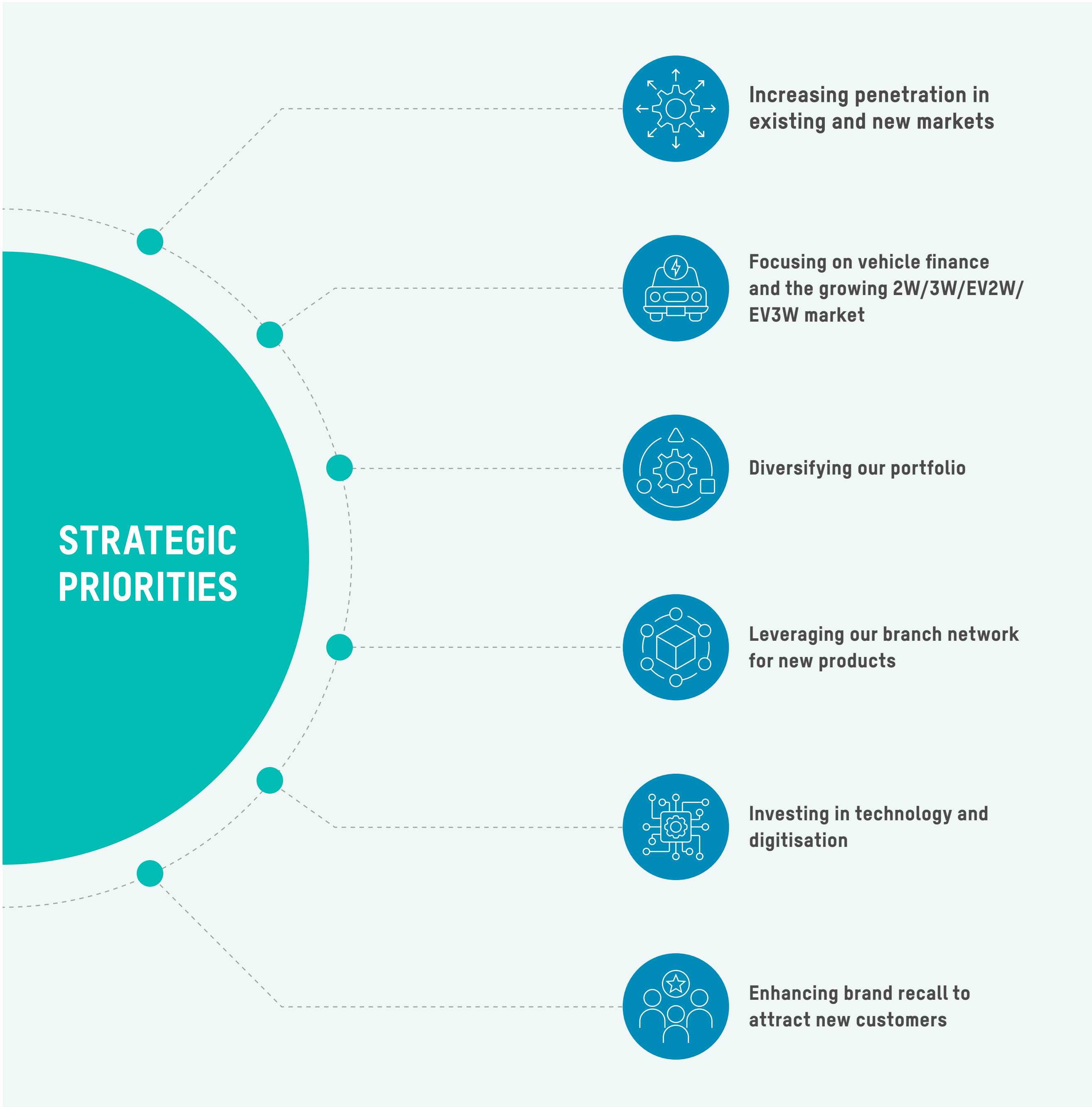
Our commitment extends beyond initial training to include ongoing engagement through periodic review meetings, conferences, and refresher courses. We also conduct targeted training and quality checks for our collection team to ensure rigorous compliance with RBI guidelines on overdue loan recovery. By investing in comprehensive training and development, we equip our employees with the skills and knowledge needed to excel in their roles and contribute to our organisation's success.

Employee engagement

We prioritise employee empowerment and well-being, believing that motivated employees are key to our success. Regular engagement programmes, including feedback, recognition, surveys, sports, cultural events, and wellness initiatives, help foster a strong bond between our employees and the Company.

STRATEGIC PRIORITIES

As we navigate the evolving financial landscape, our strategic priorities are focused on expanding our market presence, diversifying our product offerings, and enhancing our technological capabilities. By elevating our brand recall and investing in cutting-edge digital solutions, we aim to boost market penetration, enrich customer experiences, and position ourselves for sustained growth and leadership in the NBFC sector.



Increasing penetration in existing and new markets

India's low credit penetration compared to countries like China offers significant growth potential. While banks traditionally dominate the financial sector, NBFCs have been expanding, particularly in underbanked regions. From our origins as a small NBFC in Mumbai, we have expanded our operations across five states-Maharashtra, Gujarat, Rajasthan, Chhattisgarh, and Madhya Pradesh-offering a variety of loan products. We are now diversifying into Used Car Loans, Small Business Loans, and Personal Loans to further penetrate these markets. Following our successful expansions in Gujarat, Rajasthan, and Chhattisgarh, and our recent entry into Madhya Pradesh, we are set to replicate this success in Uttar Pradesh. We will start in Lucknow and progressively extend our reach throughout the state, applying our proven strategies to enhance market penetration.

Focusing on vehicle finance and the growing 2W/3W/EV2W/EV3W market

Our commitment to vehicle finance remains strong, particularly in the rapidly growing 2W, 3W, and EV segments. CRISIL MI&A projects domestic two-wheeler sales to grow at a 10-12% CAGR from FY 2023 to FY 2026, driven by rural income growth and supportive government policies. Electric two-wheelers are expected to account for 27-32% of sales by FY 2028, supported by government incentives. With 99% of our AUM in vehicle loans and a partnership with over 60 EV dealers, we are well-positioned to support the adoption of electric vehicles and continue our focus on this dynamic market.

Diversifying our portfolio

We are expanding our portfolio to include Used Car Loans, Small Business Loans, and Personal Loans. Small business loans are projected to grow at a 15% CAGR, with NBFCs increasing their market share to 38% by FY 2026. Personal loans are also experiencing rapid growth, with NBFCs outpacing banks. We plan to offer these new loan products to our existing customers, leveraging our established relationships and data insights. To support these new offerings, we have onboarded experienced professionals with deep expertise in MSME lending and personal loans.

Leveraging our branch network for new products

With 65 locations across Maharashtra, Gujarat, Rajasthan, Chhattisgarh, and Madhya Pradesh, we are expanding our product offerings to include Used Car Loans, Small Business Loans, and Personal Loans. These products, launched in key markets, are designed to drive rapid growth through our extensive branch network, targeting MSMEs and individuals with accessible financial solutions.

Investing in technology and digitisation

We remain committed to enhancing our operations and customer experience through technology and digitisation. Our upcoming initiatives include a web-based app for business correspondents and customers, streamlined loan applications and tracking, and integration with Salesforce for targeted customer engagement. Additionally, we are introducing a WhatsApp-based system for customer queries and services, synchronised with our loan management systems. Upgraded devices for field executives will further improve cash collection efficiency.

ENHANCING BRAND RECALL TO ATTRACT NEW CUSTOMERS

To stand out in the competitive NBFC lending space, we are intensifying efforts to enhance our brand recall. Our strategy includes targeted marketing through hoardings, bus ads, dealer panels, and referral incentives. We will engage with customers through various programmes, sponsor local events, and utilise both physical and digital media for broader outreach. A strong brand presence not only attracts new customers but also aids in recruiting and retaining top talent, thereby boosting overall organisational morale.

CORPORATE SOCIAL RESPONSIBILITY

At Manba Finance, we firmly believe that responsible actions and contributing to societal well-being are essential to sound business practices and creating lasting value.

Enhancing women's education and well-being
Our efforts are directed towards improving the educational and health outcomes for women.

Distribution of medical kits
We provide medical kits to individuals in need as part of our responsibility.

Dedicated to responsible and impactful practices
Our business practices reflect our commitment to making a positive difference.

BOARD OF DIRECTORS

Manish Kiritkumar Shah

Manish Kiritkumar Shah, with over 25 years of experience in the NBFC sector, is a strategic leader. He focuses on identifying growth opportunities, fostering key stakeholder relationships, and implementing technology solutions to enhance operations. He holds a bachelor's degree in commerce from Mumbai University.

Nikita Manish Shah

Nikita Manish Shah directs marketing, strategy management, and corporate social responsibility activities. She has completed her higher secondary education in commerce.

Monil Manish Shah

Monil Manish Shah manages sales, strategy, marketing, and business expansion. He has been instrumental in shaping and implementing the Company's growth strategy. He holds a master's degree in marketing from Queen Mary University of London.

Jay Khushal Mota

With over 18 years of experience, Jay Khusal Mota oversees accounts and finance functions, including financial planning, analysis, treasury management, budgeting, financial projections, and audit & taxation. He holds a bachelor's degree in commerce from Mumbai University.

Anshu Shrivastava

Anshu Shrivastava brings over 20 years of experience, having previously worked with Piramal Group and Pioneer Investcorp Limited. He is a member of the Institute of Chartered Accountants of India and holds a bachelor's degree in commerce from Mumbai University.

Abhinav Sharma

Abhinav Sharma has over 16 years of experience in the financial sector. He is a Chartered Financial Analyst and holds an MBA from ICFAI University, Dehradun.

Neelam Tater

Neelam Tater has expertise in audit, risk management, and business advisory services, working with a range of corporate clients including banking and financial institutions. She is associated with Evolutionary Systems Private Limited and is a member of the Institute of Chartered Accountants of India.

Manish Kiritkumar Shah
Managing Director

Nikita Manish Shah
Whole Time Director and Head - Business Development

Monil Manish Shah
Whole Time Director and Chief Business Officer

Jay Khushal Mota
Whole Time Director and Chief Financial Officer

Anshu Shrivastava
Chairman and Independent Director

Abhinav Sharma
Independent Director

Neelam Tater
Independent Director

Corporate Information

Board of Directors

Manish Shah
Managing Director

Nikita Shah
Whole-Time Director

Monil Shah
Whole-Time Director

Jay Mota
Whole-Time Director & Chief Financial officer

Neelam Tater
Independent Director

Anshu Shrivastava
Independent Director & Chairman

Abhinav Sharma
Independent Director

Key Managerial Personnel

Jay Mota
Whole-Time Director & Chief Financial Officer

Bhavisha Jain
Company Secretary & Compliance Officer

CIN:

U65923MH1996PLC099938

Statutory Auditors

M/s Venus Shah & Associates
Chartered Accountants

Secretarial Auditor

M/s Ronak Jhuthawat and Co
Company Secretaries

Registrar & Transfer Agent

Link Intime India Pvt. Ltd
C-101,247 Park, L B S Marg, Vikhroli (W) Mumbai 400083
Tel No. 022 49186101
Website: www.linkintime.co.in

Debenture Trustee

Vardhman Trusteeship Private Limited
The Capital, A wing, 412A, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Tel no : 022- 42648335
Website : www. vardhmantrustee.com

Rating Agency

1. Care Ratings Limited
2. Acuite Ratings and Research Limited

Registered Office

324, Runwal Heights, L.B.S Marg, Opp. Nirmal Lifestyle,
Mulund (West), Mumbai – 400 080, Maharashtra, India
Website: www.manbafinance.Com
E Mail: info@manbafinance.Com
Phone : +91 022 662346666

Corporate Office

Manba House, Plot Number A-79, Road No. 16, MIDC,
Wagle Industrial Estate, Thane (West), Thane – 400604,
Maharashtra, India

Banks And Financial Institutions

A K Capital Finance Limited
Ambit Finvest Private Limited
AU Small Finance Bank Limited
Bajaj Finance Limited
Bank of Baroda Limited
Blacksoil Capital Private Limited
Capital Small Finance Bank Limited
Capsave Finance Private Limited
Cholamandalam Investment & Finance Company Limited
DCB Bank Limited
Edge Credit Opportunities Fund
Electronica Finance Limited
Fincare Small Finance Bank
Hinduja Leyland Finance Limited
ICICI Bank Limited
IDFC First Bank Limited
IKF Finance Limited
Incred Financial Services Limited
Indian Overseas Bank Limited
Indusind Bank Limited
Jana Small Finance Bank Limited
Kisetsu Saison Finance (India) Private Limited
Kogta Financial (India) Limited
Kotak Mahindra Bank Limited
Mahindra Finance Limited
Manappuram Finance Limited
MAS Financial Services Limited
Muthoot Capital Services Limited
Muthoot Finance Limited
Muthoot Money Limited
Muthoot Vehicle and Asset Finance Limited
Nabsamruddhi Finance Limited
Northern Arc Capital Limited
Northern Arc Money Market Alpha Trust
Piramal Enterprises Limited
Poonawalla Fincorp Limited
SBM Bank (India) Limited
State Bank of India
STCI Finance Limited
Sundaram Finance Limited
Utkarsh Small Finance Bank Limited

Director's Report

To,

The Members of Manba Finance Limited

Your Directors are pleased to present their 28th Annual Report the business, operations and state of affairs of the Company together with the audited accounts of your Company for the Financial Year ended 31st March, 2024.

The performance highlights and summarised financial results of the Company are given below:

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The financial performance of your Company for the year ended 31st March, 2024 is summarised below:

Amount in ₹ (lakhs)

Particulars	2023-24	2022-23
Total Income	19,163.22	13,384.89
Employee Benefit Expenses	3,842.41	2,799.86
Finance cost	8,186.89	5,661.89
Depreciation and amortization expense	449.05	444.64
Impairment on financial instruments	1,135.95	831.52
Other Expenses	1,683.76	1,545.14
Total Expenses	**15,298.06**	**11,283.05**
Profit Before Tax	**3,865.16**	**2,101.84**
Tax expense:	747.35	580.42
Profit After Tax	**3,117.81**	**1,521.42**
Statutory Reserve as per Sec 45IC of RBI Act, 1934	623.56	304.28

The financial statements for the financial year under review, forming part of this Annual Report, have been prepared in accordance with IND-AS notified under Section 133 of the Companies Act, 2013 ('the Act') and the Master Direction-Non-Banking Financial Company-Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 ('RBI Directions') as amended from time to time. During the financial year under review, our Company continued its focus on its lending activities and posted total income and net profit of ₹19,163.22 lakhs and ₹3,117.81 lakhs as against ₹13,384.89 lakhs and ₹1,521.42 lakhs, respectively, in the previous year.

THE PROPOSED AMOUNTS TO CARRY TO ANY RESERVES (section 134 (3j))

Pursuant to section 45-IC(1) of Reserve Bank of India ('RBI') Act, 1934, every non-banking financial company ('NBFC') is required to transfer a sum not less than 20% of its net profit every year to reserve fund. Accordingly, for the year under review, the Company has transferred an amount of ₹623.56 lakhs to its Reserve Fund. Pursuant to provisions of Companies Act, 2013 (the 'Act') read with relevant rules thereunder, the Company, being an NBFC, is exempt from transferring any amount to debenture redemption reserve in respect of privately placed debentures. However, the Company maintains sufficient liquidity margin to fulfil its obligations arising out of debentures. In case of secured debentures, an asset cover of over 100% is always maintained.

Capital Adequacy Ratio

The Capital to Risk Asset Ratio (CRAR) as on March 31, 2024 stood at 25.11%

OPERATIONAL REVIEW

During the financial year under review, your Company continued its focus on its business and posted total income and PBT of ₹ 19,163.22 lakhs and ₹ 3,865.16 lakhs against ₹ 13,384.89 lakhs and ₹ 2,101.84 lakhs respectively, in the previous year. Your Company transferred an amount of ₹ 623.56 lakhs to Reserve Fund pursuant to Section 45-IC of the RBI Act, 1934.

DIVIDEND

Your Directors have recommended reinvesting the profits into the business of the Company in order to build a strong reserve base for the long-term growth of the Company. Your Company has formulated a Dividend payout policy as per the applicable regulations for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. In line with the Company's dividend payout policy and applicable regulations, your Directors have not recommended any dividend for fiscal 2024 (fiscal 2024: Nil).

STATE OF COMPANY'S AFFAIRS

The operating and financial performance of the Company has been given in the Management Discussion and Analysis Report which forms part of this Annual Report. During the year under review, there has been no change in the nature of business of the Company.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no amount lying w.r.t unpaid/unclaimed Dividend, the provisions of Section 125 of the Companies Act, 2013 does not apply. Further, there was no amount due to be transferred to IEPF in respect to secured redeemable non-convertible debentures and interest thereon by the Company.

SHARE CAPITAL

Increase in the share capital during the year under review, the paid-up share capital of the Company increased from ₹12,55,64,700 divided into 1,25,56,470 equity shares of ₹10/- each to ₹37,66,94,100 divided into 3,76,69,410 equity shares of ₹10/- each consequent to issue of 2,51,12,940 bonus equity shares of ₹10/- each. The issued, subscribed and paid-up Equity Share Capital as on 31st March, 2024 was ₹37,66,94,100 comprising of 3,76,69,410 Equity Shares of the face value of ₹10/- each. The equity shares issued shall be rank pari-passu in all respect (including dividend) with the existing equity shares in the Company.

During the year under review, the Company has neither issued shares with differential rights as to dividend, voting or otherwise, nor has issued sweat equity, as on 31st March, 2024, none of the Directors of the Company holds instruments convertible into Equity Shares of the Company.

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital	₹55,00,00,000/-	₹15,00,00,000/-
Equity Shares	₹54,90,00,000/- (5,49,00,000 equity Shares of ₹10/- each)	₹14,90,00,000/- (1,49,00,000 equity Shares of ₹10/- each)
Preferential Shares	₹10,00,000/- (1,00,000 preference shares of ₹ 10/- each)	₹10,00,000/- (1,00,000 preference shares of ₹ 10/- each)
Total	**₹55,00,00,000/-**	**₹15,00,00,000/-**
Issued, subscribed and fully paid-up	₹ 37,66,94,100 /- (3,76,69,410 equity shares of ₹ 10/- each)	₹ 12,55,64,700/- (1,25,56,470 equity shares of ₹ 10/- each)
Total	**₹ 37,66,94,100 /-**	**₹ 12,55,64,700 /-**

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board is in compliance with the applicable provisions of the Companies Act, 2013, ("Act") and the rules framed thereunder, guideline(s) issued by the Reserve Bank of India and other applicable laws inter alia with respect to appointment of women director, non-executive director(s) and independent director(s).

As on March 31, 2024, the Board of Directors of the Company are as follows:

S No	Name of Director	Designation	DIN
1.	Anshu Shrivastava	Chairman & Independent Director	06594455
2.	Manish K. Shah	Managing Director	00979854
3.	Nikita M. Shah	Wholetime Director	00171306
4.	Monil M. Shah	Wholetime Director	07054772
5.	Jay Mota	Wholetime Director & Chief Financial Officer	03105256
6.	Neelam Tater	Independent Director	07653773
7.	Abhinav Sharma	Independent Director	07641980

The following changes in the Directors and Key managerial personnel took place during the year under review:

A. Change in Directors

- Appointment
  a. Mr. Jay Mota (DIN: 03105256) who was appointed as an Additional Director of the Company from 13-02-2023, have been appointed as Whole-Time Director after shareholders approval in the AGM held on 30-09-2023.

  b. Ms. Neelam Tater is appointed as an Independent Director In Extra Ordinary General Meeting held on 04-01-2024 pursuant to section 149 of Companies Act, 2013 for a term of five three consecutive years.

- Resignation
  a. Mr. Kirit Shah had resigned from the directorship on 17-01-2024.

- Redesignation
  a. Mr Anshu Shrivastava was appointed as Chairman on 17-01-2024.

  b. Mr. Monil Shah, Mr. Jay Mota and Ms. Nikita Shah were redesignated as Whole Time Director on 28-12-2023.

B. Director(s) Liable to Retire by Rotation.

In accordance with the provisions of the Companies Act, 2013 read along with the applicable Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Nikita M. Shah, retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers herself for re-appointment.

C. Key Managerial Personnel

Mr. Manish K. Shah, Managing Director, Mr. Jay K. Mota, Chief Financial Officer and Ms. Bhavisha A. Jain, Company Secretary are the Key Managerial Personnel of the Company pursuant to the provisions of Section 203 of the Companies Act, 2013.

During the year under review, the composition of Key Managerial Personnel remains unchanged.

POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

In terms of Section 178 of the Companies Act, 2013 read with rules framed thereunder and the RBI Master Directions, as amended, your Company has adopted, 'Policy on "Fit & Proper" Person Criteria' for appointment of Directors and Senior Management Personnel of the Company which forms part of Nomination & Remuneration Policy of the Company. The said Policy is available on the website of the Company viz. www.manbafinance.com

DIRECTOR(S) DISCLOSURE

Based on the declarations and confirmations received in terms of the applicable provisions of the Act, circulars, notifications and directions issued by the Reserve Bank of India and other applicable laws, none of the Directors of your Company are disqualified from being appointed as Directors of the Company. The Company has received necessary declarations from the Independent Directors, affirming compliance with the criteria of independence laid under the provisions of Section 149(6) and sub rule 3 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 of the Act.

Your Board of Directors is of the Opinion that Independent Directors appointed / re-appointed during the year under review have the required integrity, expertise and experience (including the proficiency) as required under the applicable laws.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees of the Board of Directors.

A structured questionnaire designed for the performance evaluation of the Board, its Committees, Chairman and individual directors and in accordance with the criteria set and covering various aspects of performance including structure of the board, meetings of the board, functions of the board, role and responsibilities of the board, governance and compliance, conflict of interest, relationship among directors, director competency, board procedures, processes, functioning and effectiveness was circulated to all the directors of the Company for the annual performance evaluation. Based on the assessment of the responses received to the questionnaire from the directors on the annual evaluation of the Board, its Committees, the Chairman and the individual Directors, a summary of the Board Evaluation was placed before the meeting of the Independent Directors for consideration.

Similarly, the Board at its meeting assessed the performance of the Independent Directors. The Directors were satisfied with the results of the performance evaluation of the Board & its Committees, Chairman and individual directors.

The Board has completed the annual evaluation of its own performance, the individual Directors (including the Chairman) as well as an evaluation of the working of all Board Committees. The Board of Directors was assisted by the Nomination and Remuneration Committee ("NRC"). The performance evaluation was carried out by seeking inputs from all the Directors/ Members of the Committees.

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors of your Company was held on 11-07-2023 without the presence of the Non-Executive Chairman, the Managing Director, the Whole-time Director and the management team of the Company. The meeting was attended by all the Independent Directors.

SUBSIDIARIES / JOINT VENTURE / ASSOCIATE COMPANIES

Your Company does not have any Subsidiary, Joint Venture or Associate Companies in accordance with the provisions of the Act, and hence, disclosure regarding the same is not applicable.

However the Company is associate Company of Manba Investments and Securities Private Limited.

HUMAN RESOURCE:

Intellectual Capital is the most valuable asset in modern business environment. Recognizing the fact, the Company gives much importance to Human Resources Development and Management in the organization. Being a service industry, the key resource is manpower. Your Company emphasizes on imparting effective and continual training to its employees in a planned and systematic manner, to acquire and sharpen capabilities required to perform various functions associated with their present/ expected future roles in the business of the Company. Human Resource Management plays a very important role in realizing the Company's objective. The Company is managed by the active involvement of the promoters along with strategic inputs from a well-diversified and competent board. As on March 31, 2024 the company had 1338 employees on its rolls at various organizational levels. MFL believes it's employees are important pillars of success. It offers them a nurturing environment and a merit-based, rewarding work culture.

Company is professionally managed with senior management personnel having rich experience and long tenure with the Company. Your Company has laid down a Training policy, which:

i. Enables the Company to train new employees that is necessary to ensure steady expansion of business by way of opening of large number of branches and operating units, viz. regional offices, zonal offices etc.

ii. Helps employees to adapt to changing business environment, demand and expectation of customers, competition, advances in technology.

iii. Helps the Company in improving the quality of service with professional approach which ensures customer satisfaction management.

iv. Helps the Company in evolving a culture of business and participative management.

v. As per the Training Policy all categories of staff members should receive training in matters, including:

Induction training at the time of entry into service and refresher program within 6 months of joining service.

Your Company is committed to maintain the highest standards of health, safety and security for its employees and business associates and to operate in a healthy and safe environment.

Your Directors place on record the appreciation of effort and dedication of the employees in achieving good results during the year under review.

Director's Report

COMPLIANCE MONITORING & REPORTING TOOL

In terms of provisions of Section 134(5)(f) of the Act, the Company has put in place a Compliance Management System for effectively tracking and managing critical action items related to regulatory and internal compliance requirements.

FINANCE & CREDIT RATINGS

Finance:

During the year under review, Your Company raised funds from various public/private sector banks, and financial institutions. The Company continued to borrow funds inter alia by issue of and Non-Convertible Debentures, term loan(s) from banks/ financial institutions etc. Details in this regard are stated and more particularly mentioned in the Audited Financial Statements.

DEBT SECURITIES:

The Company has issued listed and unlisted new Non- Convertible Debentures.

Sr.No	Particulars	No. of Debentures	Face Value of Debenture	Aggregating Value
1	Vardhaman Trusteeship Limited acting in its capacity as the trustee of Northern Arc Capital Limited	2500	100000	25,00,00,000 (₹ Tweenty Five Crores)
2	Vardhaman Trusteeship Limited acting in its capacity as the trustee of IKF Finance Limited	2500	100000	25,00,00,000 (₹ Tweenty Five Crores)
3	Vardhaman Trusteeship Limited acting in its capacity as the trustee of Northern Arc Capital Limited	5000	100000	50,00,00,000 (₹ Fifty Crore)
4	Vardhaman Trusteeship Limited acting in its capacity as the trustee of Northern Arc Capital Limited	2500	100000	25,00,00,000 (₹ Tweenty Five Crores)
5	Vardhaman Trusteeship Limited acting in its capacity as the trustee of Blacksoil Capital Private Limited	2000	100000	20,00,00,000 (₹ Tweenty Crores)
6	Vardhaman Trusteeship Limited acting in its capacity as the trustee of Northern Arc Capital Limited	3500	100000	35,00,00,000 (₹ Thirty Five Crores)

CREDIT RATING

The Company has been assigned A- by Acuite Ratings and Resarch Limited.

DEPOSITS

The Company being a "Non-Deposit Accepting Non-Banking Financial Company", provisions of Section 73 and Section 74 of the Act read with Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, are not applicable to the Company.

During the year under review, the Company had neither accepted nor held any deposits from the public and shall not accept any deposits from the public without obtaining prior approval from the Reserve Bank of India.

ANNUAL RETURN

Pursuant to the provisions of section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the company as on 31st March, 2024 once prepared shall be disclosed on the Company's website at www.manbafinance.com, Annual return as on 31st March, 2024 in form MGT-7 shall be available on the website of the Company viz. www.manbafinance.com.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES AND POLICY ON RELATED PARTY TRANSACTIONS

The Company has not entered into any contracts or arrangements or transaction with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are not at arm's length basis during the year under review. Policy on Related Party Transactions is placed on the website of the Company at www.manbafinance.com under policy section.

The details of material contracts or arrangement or transactions, report on arm's length transactions entered into by the Company during the period attached to and forming part of this report and annexed to this report is given as Annexure II to this Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not made any investment through not more than two layers of investment companies during the year under review. Further your Company has not directly or indirectly

a) given any loan to any person or other body corporate other than usual advances envisaged in a contract of services or as a part ofordinary course of business, if any;

b) given any guarantee or provide security in connection with a loan to any other body corporate or person and

c) acquired by way of subscription purchase or otherwise, the securities of any other body corporate exceeding sixty percent of its paid-up share capital, free reserve and securities premium account or one hundred percent of its free reserves and securities premium account whichever is more.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. The Internal Audit Team monitors the efficiency and efficacy of the internal control systems in the Company, compliance with operating systems/accounting procedures and policies of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The Internal Audit Team directly reports to the Audit Committee of the Company. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to strengthening of the Company's risk management policies and systems. The Audit Committee oversees the functioning of the audit team and reviews the effectiveness of internal control at all levels apart from laying down constructive suggestions for improving the audit function in the Company. The present reporting structure ensures independence of the internal audit function and embodies best corporate governance practices.

The Company had formed various Committees such as Risk Management Committee, Asset Liability Management Committee and Audit Committee and for the proper administration of the day-to-day functioning. Stakeholders relationship Committee, Nomination and Remuneration Committee Corporate Social Responsibility Committee, IT strategy Committee, and Administation Committee have also been formed

COMMITTEE OF THE BOARD

During the year under review, such controls were tested by the Internal Audit Department of the Company and no material weaknesses in the design or operations were observed. The Statutory Auditors have reviewed the said test results and found them to be effective.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

a) **Conservation of energy**

The Company is engaged in the financial services sector and therefore conservation of energy, technology absorption etc. have a limited application. However, the Company follows a practice of purchase and use of energy efficient electrical and electronic equipment and gadgets in its operations.

b) **Technology absorption**

During the period under review there was no major technology absorption undertaken by the Company.

c) **Foreign Exchange Earnings and Outgo**

The particulars regarding foreign exchange earnings and outgo appear as separate item in the notes to the Financial Statements. Since the Company does not carry any manufacturing activities, particulars to be disclosed with respect to conservation of energy and technology absorption under section 134(3) (m) of the Companies Act, 2013 read with Companies Accounts Rules, 2014 are not applicable.

RISK MANAGEMENT

The Company prioritises risk management to protect the interest of customers, colleagues, shareholders, and the Company while ensuring sustainable growth. Our risk management framework aligns with industry standards, and a strong control framework forms the foundation for effective risk management. The Risk Management Committee identifies major risk classes, including Credit, Market, legal and regulatory, operational, liquidity, interest rate, cyber security, information technology, strategic, and economic risks. In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes.

Risk is everyone's responsibility and every team member is required to comply with applicable laws, regulations, and Company policies. The Board holds management accountable for establishing and maintaining the right risk culture and effectively managing risk.

THE REMUNERATION POLICY, DISCLOSURE OF REMUNERATION & PARTICULARS OF EMPLOYEES

In terms of Section 178 of the Companies Act, 2013, your Board have adopted a 'Nomination and Remuneration Policy' inter-alia setting out the criteria for deciding remuneration of Executive Directors, Non-Executive Directors, Senior Management Personnel and other Employees of the Company. The said Policy is available on the website of the Company at www.manbafinance.com

In terms of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures with respect to the remuneration of Directors, Key Managerial Personnel and Employees of the Company have been provided at Annexure to this Report.

In terms of Section 197 of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement relating to particulars of employees of the Company is available for inspection by the Members at the Registered Office of the Company during business hours on working days. A copy of this statement may be obtained by the Members by writing to the Company Secretary of the Company. The Board hereby confirm that the remuneration paid to the Directors is as per the Remuneration Policy of the Company.

Director's Report

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Company's Corporate Social Responsibility (CSR) activities are guided and monitored by its CSR Committee. The CSR Policy of the Company provides a broad set of guidelines including intervention areas. In the areas of preventive health care and promoting educations etc., Company has spent ₹ 32,50,000 /- (Rupees Thirty Two Lakhs and Fifty Thousand) for CSR activities. A report Pursuant to Section 135 of the Act & Rules made thereunder is annexed to this report. The details of the same is enclosed as Annexure V to this Report as mandated under the said Rules. The Policy adopted by the Company on Corporate Social Responsibility (CSR) is placed on the website of the Company at www.manbafinance.com

WHISTLE BLOWER / VIGIL MECHANISM

During the reporting financial year, the Company reviewed Whistle Blower Policy and established the necessary vigil mechanism for Directors and Employees to report concerns about unethical behaviour. The mechanism provides for adequate safeguards against victimisation. The Whistle Blower Policy has been placed on the website of the Company at www.manbafinance.com.

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate provisions protecting Whistle blowers from unfair termination and other unfair prejudicial and employment practices.

During the year under review, the Company has not received any whistle blower complaint.

MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management Discussion and Analysis is annexed herewith as Annexure I to this Report

CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders. The Company believes that all its operations and actions must serve the underlying goal of enhancing long-term shareholder value. In the commitment to practice sound governance principles, Company is guided by its core principles viz. Transparency, Disclosures, Empowerment and Accountability, Compliances and Ethical Conduct.

BOARD OF DIRECTORS

In terms of the Corporate Governance philosophy all statutory and other significant material information is placed before the Board of Directors to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders. The Board currently consists of seven Directors. There are, four Executive Director's including Women Director and 3 Independent and Non-Executive Director's apart from the Managing Director. All the Directors bring a wide range of skills and experience to the board. The Independent Directors have confirmed that they satisfy the criteria prescribed for an Independent Director as stipulated under the provisions of Section 149(6) of the Companies Act, 2013.

List of Director

S No	Name of Director	Designation	DIN
1.	Anshu Shrivastava	Chairman & Independent Director	06594455
2.	Manish K. Shah	Managing Director	00979854
3.	Nikita M. Shah	Whole-Time Director	00171306
4.	Monil M. Shah	Whole-Time Director	07054772
5.	Jay Mota	Whole-Time Director & Chief Financial Officer	03105256
6.	Neelam Tater	Independent Director	07653773
7.	Abhinav Sharma	Independent Director	07641980

Details of Board meetings

The Board met 40 times in the financial year 2023-2024 viz., on 11th April 2023, 12th May 2023, 20th May 2023, 19th June 2023, 20th June 2023, 13th July 2023, 27th July 2023, 03rd August 2023, 04th August 2023, 11th August 2023, 28th August 2023, 02nd September 2023, 22nd September 2023, 26th September 2023, 26th September 2023, 06th October 2023, 10th October 2023, 21st October 2023, 25th October 2023, 25th October 2023, 30th October 2023, 08th November 2023, 23rd November 2023, 07th December 2023, 27th December 2023, 28th December 2023, 29th December 2023, 17th January 2024, 12th February 2024, 13th February 2024, 14th February 2024, 23rd February 2024, 27th February 2024, 05th March 2024, 06th March 2024, 14th March 2024, 15th March 2024, 16th March 2024, 23rd March 2024, 28th March 2024.

The gap between two Meetings did not exceed one hundred and twenty days.

Committees of Board

In accordance with the applicable provisions of the Act, the circular(s),notification(s) and directions issued by the Reserve Bank of India and the Company's internal corporate governance requirements, the Board has constituted various Committees with specific terms of reference to focus on specific issues and ensure expedient resolution on diverse matters.

The matters pertaining to financial results and auditor's report are taken care of by the Audit Committee and those pertaining to nomination /remuneration of Key Executives and Directors are within the realms of Nomination & Remuneration Committee. The Corporate Social Responsibility (CSR) Committee focuses on compliance of CSR policy and framework by the Company and monitors the expenditure to be incurred by the Company.

The Company Secretary acts as the Secretary for all the aforementioned Committees. The minutes of the meetings of all Committees along with summary of key decision/discussion taken at each Committee, is placed before the Board for discussion / noting /approval.

As at March 31, 2024, the Company has seven Committees of the Board, constituted in accordance with the provisions of the Act viz.,

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Risk Management Committee
5. Internal Compliant Committee
6. Grievance Redressal Committee.
7. Asset Liability Management Committee

The Board at the time of constitution of each committee fixes the terms of reference and also delegates powers from time to time. Various recommendations of the committees are submitted to the Board for approval.

I. Audit Committee

The Members of Committee possess strong accounting and financial management knowledge. The Committee meets the composition requirement pursuant to the provisions of Section 177 of the Companies Act, 2013.

The details of composition and attendance at the Audit Committee meeting -

Name of Members	Designation
Mr. Anshu Shrivastava	Chairman
Mr. Abhinav Sharma	Member
Mr. Manish Shah	Member

The Audit Committee met 8 (Eight) times during the year on 19th June 2023, 11th August 2023, 08th November 2023, 27th December 2023, 12th February 2024, 13th February 2024, 14th February 2024, 06th March 2024.

II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is formed in compliance with the provisions of Section 178 of the Companies Act, 2013.

The details of composition and attendance at the Nomination and Remuneration Committee meeting -

Name of Members	Designation
Ms. Neelam Tater	Chairman
Mr. Abhinav Sharma	Member
Mr. Anshu Shrivastava	Member

The Nomination and Remuneration Committee met 3 (Three) times during the year on 11th August 2023, 25th October 2023 and 17th January 2024.

III. Corporate Social Responsibility Committee

As per section 135 of the Companies Act, 2013 the Company had duly constituted a Corporate Social Responsibility (CSR) Committee. The functions of the Committee include review of corporate social responsibility (CSR) initiatives undertaken by the Company, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities, reviewing and recommending the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, monitoring the CSR activities, implementation and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other statutory Authority.

The details of composition and attendance at the Corporate Social Responsibility Committee meeting-

Name of Members	Designation
Mr. Anshu Shrivastava	Chairman
Mr. Abhinav Sharma	Member
Mr. Manish Shah	Member
Ms. Nikita Shah	Member

The Corporate Social Responsibility Committee met 2 (Two) times during the year on 11th August 2023 and 06th March 2024.

IV. Risk Management Committee

The Risk Management Committee of the Company is formed in Compliance with the Guidelines of Reserve Bank of India on Corporate Governance.

The details of composition and attendance at the Risk Management Committee meeting-

Name of Members	Designation
Mr. Anshu Shrivastava	Chairman
Mr. Abhinav Sharma	Member
Mr. Monil Shah	Member

The Risk Management Committee met 3 (Three) times during the year on 07th June 2023, 11th August 2023 and 06th March 2024.

V. Internal Complaints Committee

In terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, ("Sexual Harassment Act") the Board had formulated and adopted a policy on prevention of sexual harassment at work place and takes all necessary measures to ensure a harassment- free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. The Company believes that all employees, including other individuals who are dealing with the Company have the right to be treated with dignity. During the year under review, there is no complaint of any sexual harassment.

Director's Report

VI. Grievance Redressal Committee

The Grievance Redressal Committee specifically look into the mechanism of redressal of grievances of shareholders, debentures holders and other security holders.

The details of composition and attendance at the Grievance Redressal Committee meeting -

Name of Members	Designation
Mr. Manish Shah	Chairman
Mr. Jay Mota	Member
Mr. Monil Shah	Member

The Grievance Redressal Committee met 2 (Two) times during the year on 11th August 2023 and 01st March 2024.

VII. Asset Liability Management Committee

The Company had duly constituted an Asset Liability Management Committee inter-alia, to review the ALM profile, set and monitor the market risk limits including limits on liquidity, interest rate and exchange rate positions for the structural balance sheet and the trading book, decide the business strategy on asset and liability side, oversee the implementation of the Asset Liability Management (ALM) system and review its functioning periodically, consider and approve any other matter related to liquidity and market risk management.

The details of composition and attendance at the Asset Liability Management Committee meeting-

Name of Members	Designation
Mr. Manish Shah	Chairman
Mr. Jay Mota	Member
Mr. Monil Shah	Member

The Asset Liability Management Committee met 2 (Two) times during the year on 7th June 2023 and 02nd March 2024.

Annual General Meeting

The Annual General Meeting of the Company for FY 2023-2024 was held on September 30, 2023. It was attended by the Chairperson of Audit Committee, and by the Chairperson of the Board as required under Companies Act, 2013.

An Extra Ordinary general meeting of the company was held on 04-01-2024 and 09-02-2024 and It was attended by the Chairperson of Audit Committee, and by the Chairperson of the Board as required under Companies Act, 2013.

Attendance of the Members in The Board and Committee Meetings:

Type Of Meeting	No of Meetings	Kirit Ratanshi Shah	Manish Shah	Nikita Shah	Monil Shah	Anshu Shrivastava	Abhinav Sharma	Jay Mota	Neelam Tater
Board of Directors meeting	40	28	40	40	40	12	6	40	3
Audit Committee	8	0	8	0	0	8	7	0	0
Nomination and Remuneration Committee	3	1	0	0	0	3	3	0	1
Corporate Social Responsibility Committee	2	0	2	2	0	2	2	0	0
Risk Management Committee	3	0	0	0	3	3	3	0	0
Grievance Redressal Committee	2	0	2	0	2	0	0	2	0
Asset Liability Management Committee	2	0	2	0	0	2	0	2	0

ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY

The Financial Statements of the Company has been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards viz. SS-1 and SS-2 during the year issued by the Institute of Company Secretaries of India.

AUDITORS

I) Statutory Auditors

In accordance with the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder (the Act), Venus Shah and Associates has been appointed as the statutory Auditors of the Company for year ended 31st March, 2024 and are regularized to hold office till the conclusion of the 29th Annual General Meeting to be held in the calendar year 2025.

During the year under review, the statutory auditors have not reported any incident of fraud to the Audit Committee. Further the statutory auditors have not made any reservation or qualification in their Audit Report. The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

II) **Internal Auditors**

In terms of provisions of Section 138 of the Act and other applicable laws, Company has a structured Internal Audit Department that monitors and evaluates the efficacy and adequacy of internal control system in the Company ensures compliance with operating procedures, accounting procedures and policies at all locations of the Company.

III) **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Ronak Jhuthawat & Co, Practicing Company Secretaries, Udaipur to conduct the secretarial audit for the financial year ended March 31, 2024.

The Report of the Secretarial Auditor is provided as MR-3 is Annexure IV to this Report.

There are no qualifications or adverse remarks in the Secretarial Audit Report.

REGULATORY & STATUTORY COMPLIANCES

The Company has put in place adequate systems and processes in place to ensure compliance with the applicable guidelines issued by all regulators

COMPLIANCES OF RBI GUIDELINES

The company continues to comply with the applicable regulations and guidelines of the Reserve Bank of India as applicable to a Non- Banking Non Deposit Taking Systemically Important Company ('NBFC-ND - SI'). The company has submitted returns with RBI on timely basis.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company.

MATERIAL CHANGES, IF ANY, POST FINANCIAL YEAR ENDED MARCH 31, 2024

The spread of COVID-19 has severely impacted many economies around the globe. Businesses are being forced to cease or limit operations for long or indefinite period of time, resulting in an economic slowdown and economic uncertainties. Measures have also been taken by the Government and the Reserve Bank to ease the burden on the businesses from hardship.

The impact of the COVID-19 pandemic on the financial position of the company will depend on future developments, including among other things, extent and severity of the pandemic, mitigating actions by governments and regulators, time taken for economy to recover, etc.

MATERIAL ADVERSE ORDERS, IF ANY

There are no significant and material orders passed by the Reserve Bank of India or the Ministry of Corporate Affairs or Courts or Tribunals or other Regulatory/ Statutory authorities which will have an impact on the going concern status of the Company and Company's operations in future.

MAINTENANCE OF COST RECORD

The Company is not required to maintain cost records in terms of Section 148(1) of the Companies Act, 2013.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, ('the Act') your Directors confirm that:

i. In the preparation of the annual accounts for financial year ended 31st March, 2024, the applicable accounting standards have been followed and there are no material departures in adoption of these standards.

Director's Report

ii. 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 the state of affairs of the Company at 31st March, 2024 and of the profit of the Company for the year ended on that date.

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. The Directors have prepared the annual accounts for financial year ended 31st March, 2024 on a 'going concern' basis.

v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently.

vi. The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effective.

ACKNOWLEDGEMENT

The Board wishes to place on record their appreciation for the dedication and hard work put in by the employees of the Company at all levels and the support extended by various stakeholders of the Company. The relationships with regulatory authorities and clients remained good during the year under review. The Board is also thankful to the Reserve Bank of India and other regulatory authorities for their cooperation, guidance and support extended by them to the Company in its endeavours.

For and on behalf of the Board

Sd/-	**Sd/-**
Manish K. Shah	**Monil M. Shah**
Managing Director	**Whole-Time Director**
DIN: 00979854	**DIN: 07054772**

Date : 14-08-2024
Place : Mumbai

Annexure I - Management Discussion and Analysis Report

1. Economic review

Global economy

The Fiscal Year 2023-24 began under challenging conditions, influenced by the ongoing Russia-Ukraine conflict, high inflation, and elevated interest rates amid a global economic slowdown. However, by year-end, signs of resilience and recovery emerged in various regions. The easing of supply chain pressures led to a faster-than-expected decline in inflation, suggesting a potential soft landing.

Overall, the Fiscal Year 2023-24 demonstrated global resilience despite numerous challenges, with robust growth and falling inflation. While concerns such as stagnation in the Euro area and issues in China's real estate sector persisted, proactive policies and progress in emerging markets offer a cautiously optimistic outlook amidst geopolitical risks. Global growth, estimated at 3.2% in 2023, is expected to continue at this rate through 2024 and 2025. Future downside risks could stem from escalating geopolitical tensions, potentially divergent central bank policies, and the delayed effects of higher interest rates still to impact the global economy.

Outlook

Although many of these factors remain pertinent, inflation is moving towards target levels across regions, leading to expectations of potential declines in policy rates. Major central banks globally are now focused on achieving a 'soft landing,' avoiding both premature rate cuts and excessive delays in easing. However, new spikes in commodity prices due to geopolitical tensions and ongoing challenges in China's property sector could extend tight monetary conditions and introduce downside risks to growth forecasts.

Indian economy

India continued to exhibit robust economic performance. Factors such as strong domestic demand, rural demand pickup, robust investment, and sustained manufacturing momentum have contributed to India's resilience. The Indian economy continued outperforming its global peers, with Real GDP expanding 8.2% YoY in 2023-24. The robust growth propelled the Indian economy to $3.5 trillion.

In 2023-24, India's buoyant domestic economic sentiment was reflected in strong GST collections, substantial growth in the manufacturing and services sectors, and record stock market performance, which underpinned India's ability to navigate global challenges successfully.

India's GDP Growth Trend (%)

FY22	FY23	FY24
9.1	7.2	8.2

Source: Ministry of Statistics and Program Implementation (MoSPI)

Outlook

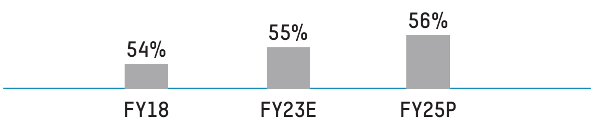
The outlook for 2024-25 remains positive. The Reserve Bank of India (RBI) anticipates that manufacturing will continue its upward momentum, while services are expected to grow beyond pre-pandemic levels. Agricultural activities should benefit from an anticipated normal south-west monsoon. Private consumption is projected to increase with a boost in rural activity, and urban households are expected to raise discretionary spending, driven by improving income levels, as indicated by the RBI's consumer survey. However, key risks to growth and inflation include spillovers from geopolitical tensions, volatile global financial markets, and climate-related shocks.

2. Industry Review

NBFC Sector

NBFCs are essential financiers for SMEs and underserved communities, efficiently meeting diverse borrower needs across extensive areas with fast processing times. They are crucial to financial inclusion, fostering MSME growth and generating employment. The sector has grown, with numerous players and business models emerging. Recent changes in the Indian financial services landscape include the advent of neo-banking, digital authentication, UPI, and mobile internet, which have led to more modular financial services, particularly in credit. Housing and infrastructure loans continue to be significant parts of the NBFC portfolio.

SHARE OF RETAIL CREDIT IN TOTAL NBFC CREDIT TO CONTINUE TO GROW



Source: Press releases, RBI

Growth drivers

Deep market insight: NBFCs have carved out a niche in the unorganised and underdeveloped sectors by deeply understanding customer needs and ensuring last-mile delivery of goods and services.

Tailored offerings: They customise their products to match the specific needs of different customer segments, analysing these groups closely and adapting pricing models accordingly.

Broad reach: NBFCs have extended their services to Tier 2, Tier 3, and Tier 4 markets, leveraging multiple customer touchpoints. They also offer a connected, omnichannel experience for seamless sales and service available 24/7.

Co-lending: In November 2020, the RBI introduced co-lending norms allowing banks and NBFCs to collaborate on priority sector lending.

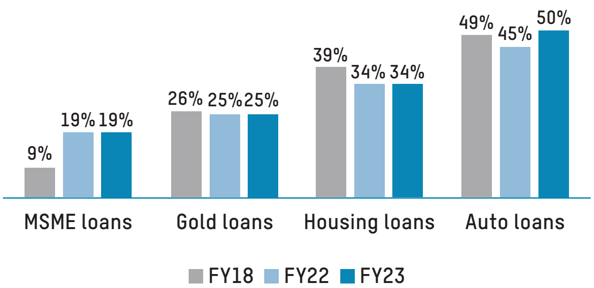
Technological advancements

Technology and the growing fintech ecosystem enhance efficiency and improve the credit assessment process for NBFCs.

Government and central bank initiatives

The Government of India has launched several initiatives to address challenges in small business lending, including licenses for account aggregators, the Pradhan Mantri Mudra Yojana (PMMY), UPI platforms, TReDS, GeM, and the Open Network for Digital Commerce (ONDC), along with GST implementation.

MARKET SHARE OF NBFCS IN OVERALL CREDIT ACROSS SELECT ASSETS CLASSES



Source: Press releases, RBI

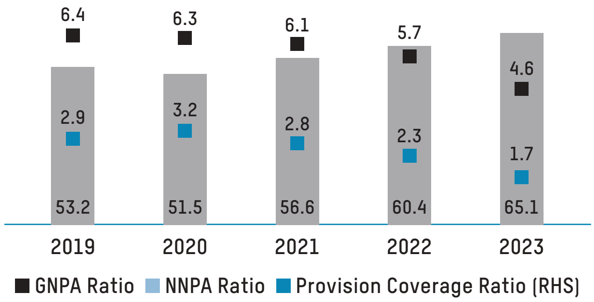
The NBFC sector experienced significant credit growth from September 2022 to September 2023, with gross advances rising by 20.8%, up from 10.8% the previous year. This growth was driven mainly by a surge in personal loans (32.5%) and lending to the agriculture sector (43.7%). Over the past four years, personal loans have grown at a compound annual growth rate (CAGR) of 33%, substantially surpassing the overall credit growth of nearly 15% CAGR.

Performance in FY2024

Credit growth for NBFCs has surpassed that of banks. In the first half of FY2024, disbursements by NBFCs (excluding Infra-NBFCs) remained above pre-pandemic levels, driven by strong consumer demand. Collection efficiency was also strong and is expected to remain robust due to improved economic conditions and a positive outlook for most sectors. The sector's growth is further supported by the rise of digital lenders offering alternative financing options.

Asset quality is improving, with the GNPA (Gross Non-Performing Assets) ratio declining from 5.7% in FY2022 to 4.6% in FY2023.

GROSS AND NET NPA RATIOS



Note: Data are provisional.
Source: Supervisory Returns, RBI.

The GNPA (Gross Non-Performing Assets) ratio for NBFCs improved by 110 basis points, reaching 4.6% in FY2024 from 5.7% in FY2023, due to increased credit demand and better collection efficiencies. Despite overall capital levels falling slightly, NBFCs maintained a strong capital position, with the Capital to Risk (Weighted) Assets Ratio (CRAR) rising to 27.6% by September 2023, up 20 basis points from the previous year and well above the 15% regulatory requirement. Additionally, Net Interest Margins (NIMs) grew to 4.3% in FY2024, up from 4.1% in FY2023.

Automobile financing

The Indian automobile industry is set for continued expansion, driven by increasing purchasing power, urbanisation, and supportive government policies. India, now the world's fourth-largest car producer, holds a strong position globally as the top tractor producer, second-largest bus manufacturer, and third-largest heavy truck producer.

The two-wheeler segment leads in volume due to a growing middle class and a young population. Additionally, the sector is benefiting from increased interest in rural markets and rising demand for commercial vehicles driven by logistics and passenger transportation needs. Future growth is expected to be propelled by trends such as vehicle electrification, especially for three-wheelers and small passenger cars.

As per data from Society of Indian Automobile Manufacturers (SIAM), the total auto production (including PVs, CVs, 3W, 2W and quadricycles) was 2.8 million units in FY2024, registering 9.7% growth over the previous year. However, auto production was yet to fully catch-up to pre-pandemic levels, being 8% down from 2019 production levels.

Total domestic auto sales rose by 12.5% y-o-y in FY2024 at 24 million units, led by strong growth in PV sales, 2W and 3Ws. PV domestic sales at 4.2 million units (0.7 million units exports) in FY2024 was 25% higher than pre-pandemic 2019 levels. CV, 2W and 3W sales volumes were yet to catch up to pre-pandemic levels. 2W sales posted 13% y-o-y growth in FY2024 to 18 million units, but lower than the 21 million peak in FY2019.

Domestic sales (in million units)

Category	2020-21	2021-22	2022-23	2023-24	1-year CAGR	3-year CAGR
Passenger vehicles	2.71	3.07	3.89	4.22	8.48%	15.91%
Commercial vehicles	0.57	0.72	0.96	0.97	1.04%	19.39%
Three wheelers	0.22	0.26	0.49	0.69	40.82%	46.38%
Two wheelers	15.12	13.57	15.86	17.97	13.30%	5.93%
Grand total	**18.62**	**17.62**	**21.20**	**23.85**	**12.50%**	**8.60%**

Source: Society of Indian Automobiles Manufacturers

The government's strategy aims to boost the adoption of electric vehicles in response to rising demand for cleaner transportation. By 2030, India could become a leader in shared mobility, creating opportunities for electric and autonomous vehicles. Initiatives like the Automotive Mission Plan 2026, the scrappage policy, and the Production-Linked Incentive (PLI) scheme are set to position India as a global leader in both the two-wheeler and four-wheeler markets.

Outlook

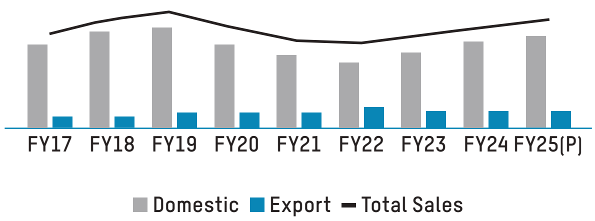
According to CRISIL, the AUM (Assets Under Management) for NBFC vehicle finance is projected to grow by 17%, reaching ₹8.1 lakh crore by March 2025, up from ₹5.9 lakh crore as of March 2023. This growth will be fuelled by increasing demand for commercial vehicles, cars, utility vehicles, and two- and three-wheelers. NBFCs are likely to capitalise on their last-mile connectivity and strong presence in micro markets to focus on used-vehicle financing. Overall, the vehicle financing sector in India is highly dynamic, with digitisation and strategic partnerships providing industry players with a competitive edge.

Two-wheeler

With India's growing population and increasing traffic congestion, motorised vehicles, especially two-wheelers, have become a popular choice for commuters due to their fuel efficiency and practicality in urban areas. However, the total cost of ownership for new two-wheelers—covering insurance, maintenance, fuel, and loan repayments—has risen significantly in recent years. This has led to a steady increase in demand for used two-wheelers, with the exception of the COVID-19 pandemic year.

In 2023-24, the two-wheeler industry maintained its growth trajectory, achieving a 9.8% increase with total sales of 21.43 million units. Despite this progress, sales volumes remained below the peak of 24.46 million units recorded in FY19.

2W VOLUME GROWTH



Source: CMIE, CareEdge Ratings

In March 2024, e2W (electric two-wheeler) volumes increased to approximately 137,041 units, driven by pre-buying before the subsidy reduction in April 2024. Volumes then moderated to around 64,375 units in April and remained stable at approximately 63,859 units in May 2024. ICRA forecasts a 7-10% YoY growth in 2W domestic volumes for FY2025 from a contracted base. The long-term outlook for the e-2W segment is positive, supported by improved cost of ownership compared to ICE vehicles and growing customer confidence in aspects like range anxiety, financing options, and vehicle safety. Additionally, government initiatives, including the Production-Linked Incentive (PLI) scheme, are expected to further drive the adoption of electric vehicles in the medium term.

Three-wheeler

The domestic three-wheeler (3W) market in India is set to experience substantial growth in the upcoming fiscal year, with projections indicating a 15-17% increase following a strong 40-42% growth this fiscal. This growth is expected to elevate the market to a new record high of 7.8 lakh units, surpassing the previous peak of approximately 7 lakh units in 2019. According to a CRISIL Ratings analysis, which encompasses over 90% of the market through four major 3W manufacturers, this expansion is driven by rising demand for both electric and internal combustion engine (ICE) vehicles. The growing need for passenger transportation and last-mile delivery services in sectors such as pharmaceuticals, textiles, and consumer goods is fuelling this demand.

MSME financing

India's micro, small, and medium enterprises (MSME) sector contributes nearly 33% of the country's GDP and provides 45% of total employment, generating around 120 million jobs across various industries. This sector is a crucial driver of credit demand, with small companies accounting for 40% of the nation's industrial production and 42% of all exports. Non-Banking Financial Companies (NBFCs) play a pivotal role in supporting this sector by offering a range of loan products tailored to the specific needs of MSMEs, including term loans, working capital loans, cash credit, and equipment financing.

Credit supply to MSMEs grew by 20% YoY volume growth in Jul-Sep 2023 over previous year, indicating improved lender confidence. Availability of enriched and timely credit data and rapid implementation of digital lending infrastructure has contributed towards enhancing lender confidence. GNPA ratios of MSMEs fell to 4.7% in September 2023 from 6.8% in March 2023.

The government's focus on self-sufficiency through the 'Atmanirbhar Bharat' initiative, along with the positive impact of the PLI scheme, is expected to boost credit demand within the MSME sector. As economic activity resumes and fintech and other digital lending solutions gain traction, MSMEs are likely to see increased credit needs, driven by the growing ease of conducting business digitally.

3. Company overview

We are a distinguished provider of customised financial solutions tailored to a diverse range of needs. Our offerings include financing for New 2Ws, 3Ws, EV2Ws, EV3Ws, Used Cars, Small Business Loans, and Personal Loans, with an AUM size exceeding XX. Our broad product range is designed to meet various stages of your lifestyle, reflecting our commitment to supporting your aspirations. Recognising that each individual's journey is unique, we strive to be a steadfast ally. Our comprehensive solutions, combined with our unwavering dedication to excellence, ensure that we support you every step of the way toward a more prosperous future.

Key strengths

- Access to diversified and cost-effective long-term borrowing
- Established relationship with dealers
- Technology driven and scalable operating model
- Extensive collections infrastructure and processes
- Experienced promoters and professional management team

Opportunities

- Growing resilient middle-income segment with diverse and growing financial needs
- Resurgent economic activity, increasing formalisation and digital economy
- Rise of ecosystem partnerships and platforms
- Robust working capital demand continue to remain poised

Threats

- Uncertain global political environment
- Unanticipated changes in regulatory norms may cause certain impact in company's operations

4. Financial review

Profit and loss account

Amount in ₹ (lakhs)

Particulars	2023-24	2022-23
Total Income	19,163.22	13,384.89
Employee Benefit Expenses	3,842.41	2,799.86
Finance cost	8,186.89	5,661.89
Depreciation and amortization expense	449.05	444.64
Impairment on financial instruments	1,135.95	831.52
Other Expenses	1,683.76	1,545.14
Total Expenses	**15,298.06**	**11,283.05**
Profit Before Tax	3,865.16-	2,101.84
Tax expense:	747.35	580.42
Profit After Tax	**3,117.81**	**1,521.42**
Statutory Reserve as per Sec 45IC of RBI Act, 1934	623.56	304.28

Key ratios

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Disbursement (₹ in crores)	566.74	455.45
No. of clients	139,101	115,147
AUM (₹ in crores)	798.77	633.68
Income (₹ in crores)	191.63	133.84
PAT (₹ in crores)	31.18	15.21
GNPA (in %)	3.95	3.74
NNPA (in %)	3.16	3.14
Debt/Equity (in %)	3.75	3.57
CRAR (in %)	24.69	33.73
Tier I Capital (in %)	24.69	33.73
Tier II Capital	-	-

5. Risk management

Given the growing volatility in the operating environment impacting global businesses on an unprecedented scale, the Company is adopting a more proactive risk management and mitigation framework. The Risk Management Committee assists the Board in overseeing various risks, including reviewing and analysing risk exposures related to the Company. The Risk Management Committee regularly reviews risk management measures and after that the Board. Periodic diligence is performed and recommendations for corrective actions and process changes are thereafter implemented.

Credit risk	Risk of financial loss to Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations.	We have segregated responsibilities across sourcing/business, credit underwriting/approval, operations, and collections. Business functions focus on sourcing, sales, and revenue. Our Risk Management Committee has established a credit policy detailing appraisal procedure, exposure limits, and RBI guidelines to assess the creditworthiness of new and existing customers before sanctioning loans.
Liquidity risk	Risk that our Company may encounter in meeting its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.	Our Board-approved asset-liability management approach includes an Asset Liability Committee to oversee liquidity risk. We ensure sufficient liquidity to meet obligations under both normal and stressed conditions, avoiding losses and reputational damage. We regularly estimate future inflows and outflows to plan funding needs and maintain a balanced asset-liability maturity pattern with a diversified resource mix.
Market risk	Risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices	The dedicated team evaluates the trends in the economy and various other sectors. Driven by a nimble-footed sales force, a wide range of products, continuous efforts to improve turnaround time and customer-friendly culture, the Company is efficiently staying ahead of the curve.
Interest Rate Risk	Risk of change in market interest rates which might adversely affect our profitability	We regularly review the sensitivity analysis, which projects the Company's vulnerability to changes in the interest rates. Prudential limits on borrowing and investments ensure the company does not take any undue risks. All these policies and review mechanisms assist in making necessary realignments to lending and borrowing decisions to mitigate any interest rate risks.
Operational risk	Risks of loss resulting from inadequate or failed internal processes, people and systems, or from external events	We manage risks through a robust control framework, monitoring and responding to potential issues. This includes segregating duties, implementing access controls, authorisation procedures, and reconciliation processes, along with staff education and internal audits. Internal audit reports and actions taken are reviewed at Audit Committee meetings.

6. Human resources

At Manba Finance, our employees form the bedrock of all initiatives. With this deeply rooted philosophy, the HR policies are evolved, making for an employee-centric approach. We believe in providing a positive work environment that fosters growth and learning. As part of our unwavering commitment to fostering an inclusive workplace, we have taken significant strides to implement best-in-class practices that promote diversity, equity, and inclusion throughout our organisation. We strive to create an environment that respects and appreciates the unique contributions of each employee. We prioritise building diverse teams and ensure that every voice is heard, valued, and taken into consideration when making decisions that shape our company's future.

Read more on page 17

7. Information technology

Customer engagement with businesses is rapidly evolving, compelling digital leaders to act decisively and develop effective solutions for both current and future needs. The new reality is that digital is transitioning from being just one channel to becoming the core of business operations, with the speed of this change varying across industries.

Our organisation has implemented comprehensive systems and processes covering sales, risk management, and collections. Many of these systems are developed in-house or licensed from reputable service providers, allowing us to enhance monitoring, ensure quality control, and reduce turnaround times for loan approvals, sanctions, and disbursements.

We utilise a cloud-based Customer Relationship Management (CRM) platform to streamline our business operations. Additionally, we partner with TU CIBIL to access their database for credit rating information, and for KYC and bank account verification. Our marketing efforts are supported by Salesforce's automation tools, which facilitate lead-based marketing of our products. Furthermore, we have integrated our payment systems with top payment gateways from Razorpay Software Private Limited and other virtual banking facilities to ensure efficient and secure transactions.

8. Internal control

We have established an adequate internal control mechanism to safeguard all our assets and ensure operational excellence. The mechanism also meticulously records all transaction details and ensures regulatory compliance. We have multiple policy frameworks to ensure adequate controls on business processes. Further, Risk and Control dashboards have been defined and are periodically updated for all important operational processes. At periodic intervals, the management team and statutory auditors ensure that the defined controls are operative. Reputed audit firms also ensure that all transactions are correctly authorised and reported in accordance with the relevant regulatory framework. The reports are reviewed by the Audit Committee of the Board. Wherever necessary, internal control systems are strengthened, and corrective actions are initiated.

9. Cautionary statement

Certain statements in the Management Discussion and Analysis describing the Company's objectives, and predictions may be ‘forward-looking statements’ within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and Government policies that may impact the Company’s business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

ANNEXURE II

(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. 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

Details of contract or arrangements or transaction not at arm's length basis :

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

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

i	Name (s) of the related party and nature of relationship	1.Theme Infotech Private Limited
		2.Aaramabh Properties LLP
		3. Nirvan Vastu Developers LLP
		4. Celebrity Buildcon LLP
		5. Manba Fincorp Private Limited
		6. Manba Investments and Securities Private Limited
		7. Ride Choice Limited
		8. Riders Auto services Private Limited
		9. Celebrity Projects Private Limited
ii	Nature of contracts / arrangements / transactions	Loans & advances
iii	Duration of the contracts / arrangements / transactions	Usually annual, however depends on the nature of transaction
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	Transaction at arm's length and in ordinary course of business
v	Date (s) of approval by the Board, if an	NA
vi	Amount paid as advances, if any	NIL

FOR MANBA FINANCE LIMITED

Sd/-
Manish K. Shah
Managing Director
DIN: 00979854

ANNEXURE III

Disclosures in terms of Sub-Section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended March 31, 2024.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for fiscal -

Sr.No	Name of Director	Ratio
1.	Mr. Manish K. Shah	108.41
2.	Mrs. Nikita M. Shah	48.79
3.	Mr. Monil M. Shah	52.04
4	Mr. Jay K. Mota	23.96

(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the fiscal -

Sr.No	Name of Director/KMP	% increase / (decrease) in Remuneration
1.	Chief Financial Officer	7.96%
2.	Company Secretary and Compliance Officer	3.43 %

(iii) The percentage increase in the median remuneration of employees in the fiscal - 4.5%

(iv) The number of permanent employees on the rolls of Company - 1,338

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last fiscal and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration - Average remuneration increase for Non-Managerial Personnel of the company during the Financial Year was 31.69 % and the average remuneration increase for the said Managerial Personnel of the company was 9.14 %

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company - The remuneration is as per the Remuneration Policy of the Company.

For Manba Finance Limited

Sd/-
Manish K. Shah
Managing Director
DIN: 00979854

ANNEXURE IV

Form No. MR-3

Secretarial Audit Report
(For the Financial Year ended 31st March, 2024)
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Manba Finance Limited
324, Runwal Heights Commercial Complex,
L.B.S Marg, Opp. Nirmal Lifestyle,
Mulund (West) Mumbai, City MH 400080

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to the good corporate practices by **M/s Manba Finance Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period form **1st April, 2023 to 31st March, 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Manba Finance Limited for the period ended on 31.03.2024 according to the provisions of:

1. The Companies Act, 2013 **(the Act)** and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 **(SCRA)** and the Rules made thereunder;

   Not Applicable to the Company during the Audit Period;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;

   Not Applicable to the Company during the Audit Period;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 **('SEBI Act')** to the extent applicable to the Company-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable to the Company during the Audit Period;**

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   Not Applicable to the Company during the Audit Period;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018–**Not Applicable to the Company during the Audit Period;**

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not **Applicable to the Company during the Audit Period;**

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Applicable to the Company during the Audit Period;**

   f) 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- **Not Applicable to the Company during the Audit Period;**

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not Applicable to the Company during the Audit Period;**

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable to the Company during the Audit Period; and**

   i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Company.
6. Rules, regulations, directions and guidelines issued by the Reserve Bank of India as are applicable to theCompany;

   I have also examined the compliances with respect to the applicable clauses/Regulations of the following:

   (i) Secretarial Standards pursuant to Section 118 (10) of the Companies Act, 2013 with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

   (ii) Listing Agreement entered into by the Company with BSE Limited (for Debentures) as per the SEBI (Listing Obligations and Disclosers Requirements) Regulations, 2015.

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

   I further report that

   A. The Board of Directors of the Company is duly constituted with proper balance of

Executive Directors, Non-Executive Director and Independent Directors. The changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

B. Adequate notice was given to all the Directors to schedule the Board Meetings, agenda were sent in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting;

C. All the decision at Board Meetings and Committee Meetings are carried by the majority as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes commensurate with its size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines except penalties levied under regulation 60 (2) due to delay in filing intimations.

I further report that during the Audit Review Period, the Company has not taken any major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Ronak Jhuthawat & Co.
(Company Secretaries)

Sd/-
Dr. Ronak Jhuthawat
Proprietor
FCS: 9738, COP: 12094
Peer Review No.: 1270/2021
UDIN: F009738F000735980

Place: Udaipur
Date: 13.07.2024

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-1" and forms an integral part if this report.

"ANNEXURE-1"

To,
The Members of
Manba Finance Limited
324, Runwal Heights Commercial
Complex, L.B.S Marg, Opp. Nirmal
Lifestyle, Mulund (West) Mumbai
City MH 400080

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

A. Maintenance of Secretarial records is the responsibility of the management of the Company.

   My responsibility is to express an opinion on these Secretarial Records based on my audit.

B. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

C. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

D. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

E. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.

F. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ronak Jhuthawat & Co.
(Company Secretaries)

Sd/-
Dr. Ronak Jhuthawat
Proprietor
FCS: 9738, COP: 12094
Peer Review No.: 1270/2021
UDIN: F009738F000735980

Place: Udaipur
Date: 13.07.2024

ANNEXURE V

Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs :

CSR Policy

At Manba Finance Limited (MFL or 'the Company') we sincerely believe that the actions of the organization and its community are highly inter-dependent. Both on its own and as part of the MFL Group, through constant and collaborative interactions with our external stakeholders, MFL strives to become an asset in the communities where it operates. As part of our Corporate Social Responsibility (CSR), we actively implement projects and initiatives for the betterment of society, communities and the environment.

The Company has already constituted a Corporate Social Responsibility Committee on 29th January, 2016 and Re-constituted on 29th December 2023 and has aligned its CSR Policy in accordance with the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 to make it compliant with the provisions of the Act and the Rules and to undertake the admissible CSR activities notified by the Ministry of Corporate Affairs in Schedule VII to the Act.

The CSR Policy and details of the projects undertaken by the Company are available at the link www.manba finance.com

2. The Composition of the CSR Committee:

Sr. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Anshu Shrivastava	Chairperson	2	2
2	Manish K. Shah	Member	2	2
3	Nikita M. Shah	Member	2	2
3	Abhinav Sharma	Member	2	2

3. Weblink for the CSR committee, CSR policy and CSR Projects : www.manba.finance.com

4. Impact assessment of CSR Projects : Not Applicable

5. Details of the amount available for set off and amount required for set off for the financial year, if any:

Sr. No	Financial Year	Amount available for set off from proceeding financial years (in ₹)	Amount required to be set off from proceeding financial years (in ₹)
		NIL	

6. Average net profit of the Company for last three financial years: ₹ 1604.53 lakhs

7. a. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 32.09 lakhs
   b. Surplus arising out of the CSR projects or program or activities of the previous financial year: Nil
   c. Amount required to be set off from proceeding financial year, if any: Nil
   d. Total CSR obligation for the financial year (7a+7b+7c): ₹ 32.09 lakhs

8. Details of CSR spent during the financial year.

a. Total amount spent for the financial year: ₹ 32.50 Lakhs

b. Amount unspent, if any: NIL

c. Manner in which the amount spent during the financial year is detailed below:

Total amount spent for the financial year(in ₹)	Amount unspent				
	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
₹ 32,50,000/-	**NIL**			**NIL**	

S. No.	CSR Project or Activity identified	Item from the list of activities in schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Amount spent for the projects (in ₹)	Mode of implementation - Direct (Yes/no)	Mode of implementation - (Through implementing agency)	
				State	District			Name	CSR Registration No.
1	Education	Item no (ii): i) Promoting education, ii) special education iii) employment enhancing vocational skills iv) livelihood enhancement projects	Yes	Rajasthan	Sagwada	32,50,000/-	Yes	NA	

d. Amount spent in Administrative Overheads: Nil

e. Amount spent on Impact Assessment, if applicable: Nil

f. Total amount spent for the fiscal 2024: ₹ 32.50 lakhs

g. Excess amount for set off, if any: Nil

Sr.No	Particulars	Amount (in ₹ lakhs)
i.	Two percent of average net profit of the company as per section 135(5)	32.09
ii.	Total amount spent for the Financial Year	32.50
iii	Excess amount spent for the financial year [(ii)-(i)]	0.41
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financialyears, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. a. Details of Unspent CSR amount for the preceding three financial years: Nil

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding fiscal(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

a. Date of creation or acquisition of the capital asset(s): NA

b. Amount of CSR spent for creation or acquisition of capital asset: NA

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

For Manba Finance Limited

Sd/-
Anshu Shrivastava
Chairman CSR Committee
DIN:06594455

Sd/-
Nikita M. Shah
Director
DIN : 00171306

Independent Auditors' Report

To the Members of Manba Finance 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.	Allowances for expected credit losses (ECL) as on 31st March 2024:	
	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.	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). 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. Refer note no. 2.4 iii, 3.6 and 43 (B) (i)

2.	**Information technology and general controls:**	
	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.	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.

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)

Independent Auditors' Report

(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

Sd/-
Venus B. Shah
Membership No. 109140
Place: Mumbai
Date: May 25, 2024
UDIN: 24109140BKFTKQ2608

Annexure 'A' 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 ₹ 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 Statue	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.

Annexure 'A' to the Independent Auditors' Report

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(xxi) of the Order is not applicable.

For Venus Shah & Associates
Chartered Accountants
Firm's Registration No. 120878W

Sd/-
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

Sd/-
Venus B. Shah
Membership No. 109140
Place: Mumbai
Date: May 25, 2024
UDIN : 24109140BKFTKQ2608

Balance Sheet

As at 31st March,2024

(₹ in Lakhs)

Particulars	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
Financial Assets			
Cash and cash equivalents	6	3,734.39	6,237.99
Bank balance other than cash and cash equivalents	7	8,758.16	4,624.53
Loans	8	78,305.23	62,331.61
Investments	9	2,666.64	1,835.99
Other financial assets	10	1,219.44	933.03
		94,683.86	**75,963.15**
Non- financial Assets			
Current tax assets (net)	11	114.61	165.72
Deferred tax assets (net)	12	70.09	147.21
Property, plant and equipment	13	947.64	970.13
Other intangible assets	14	82.60	79.84
Right of use of assets	15	945.25	1,117.85
Other non-financial assets	16	531.35	465.02
		2,691.53	**2,945.77**
TOTAL ASSETS		**97,375.39**	**78,908.92**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables			
- total outstanding dues of micro enterprises and small enterprises		10.84	14.58
- total outstanding dues of creditors other than micro enterprises and small enterprises	17	106.34	207.47
Debt securities	18	16,255.93	2,656.86
Borrowings (other than debt securities)	19	58,971.31	56,936.15
Lease liabilities	20	1,051.36	1,166.71
Other financial liabilities	21	705.09	1,021.03
		77,100.87	**62,002.80**
Non-financial liabilities			
Current tax liabilities (net)			
Provisions	22	126.17	111.08
Other non-financial liabilities	23	87.59	115.93
		213.76	**227.01**
EQUITY			
Equity share capital	24	3,766.94	1,255.65
Other Equity	25	16,293.82	15,423.46
		20,060.76	**16,679.11**
TOTAL LIABILITIES AND EQUITY		**97,375.39**	**78,908.92**
Corporate Information and Significant Accounting Policies	1-5		

The accompanying notes form an integral part of the financial statements

As per our report of even date
For Venus Shah & Associates
Chartered Accountants
Firm registration number - 120878W

For and on bahalf of the Board of Director of
Manba Finance Limited
CIN : U65923MH1996PLC099938

Sd/-
Venus B. Shah
Partner
Membership No. - 109140
UDIN : 24109140BKFTKQ2608

Sd/-
Manish K. Shah
Managing Director
DIN -00979854

Sd/-
Monil M. Shah
Director
DIN -07054772

Sd/-
Jay K. Mota
Director & CFO
DIN -03105256

Sd/-
Bhavisha A. Jain
Company Secretary

Place - Mumbai
Date - 25.05.2024

Statement of Profit and Loss

For the year ended 31st March,2024

(₹ in Lakhs)

Particulars	Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Revenue from operations			
Interest income	26	16,835.76	12,496.17
Other operating income	27	2,322.85	835.47
Total revenue from operations		**19,158.61**	**13,331.64**
Other income	28	4.61	53.25
Total income		**19,163.22**	**13,384.89**
Expenses			
Finance costs	29	8,186.89	5,661.89
Impairment on financial instruments	30	1,135.95	831.52
Employee benefit expense	31	3,842.41	2,799.86
Depreciation, amortisation and impairment	32	449.05	444.64
Other expenses	33	1,683.76	1,545.14
Total expenses		**15,298.06**	**11,283.05**
Profit before taxes		3,865.16	2,101.84
Tax expenses			
- Current tax	12	674.96	528.99
- Deferred tax	12	72.39	51.42
		747.35	**580.42**
Profit for the year		**3,117.81**	**1,521.42**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains / (losses) on defind benefit plans		18.81	14.39
(ii) Income tax impact		(4.74)	(3.62)
(iii) Gain on fair value of equity instruments		-	-
(iv) Income tax impact		-	-
Other comprehensive income for the year		**14.07**	**10.77**
Total comprehensive income for the year (comprising profit and other comprehensive income for the year)		**3,131.88**	**1,532.19**
Earnings per equity shares (face value - ₹ 10 per equity share)			
Basic	34	8.28	**4.04**
Diluted	34	8.28	**4.04**
Corporate Information and Significant Accounting Policies	1-5		

The accompanying notes form an integral part of the financial statements

As per our report of even date
For Venus Shah & Associates
Chartered Accountants
Firm registration number - 120878W

For and on bahalf of the Board of Director of
Manba Finance Limited
CIN : U65923MH1996PLC099938

Sd/-
Venus B. Shah
Partner
Membership No. - 109140
UDIN : 24109140BKFTKQ2608

Sd/-
Manish K. Shah
Managing Director
DIN -00979854

Sd/-
Monil M. Shah
Director
DIN -07054772

Sd/-
Jay K. Mota
Director & CFO
DIN -03105256

Sd/-
Bhavisha A. Jain
Company Secretary

Place - Mumbai
Date - 25.05.2024

Statement of Cashflow Statement

For the year ended 31st March,2024

(₹ in Lakhs)

Particulars		31 March, 2024 (Audited)	31 March, 2023 (Audited)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax & Extraordinary items	3,865.16	2,101.84
	Adjustments for:		
	(+)Depreciation	189.23	199.95
	(+) Provision	33.90	36.91
	(-)Profit on sale of fixed assets	(3.23)	-
	(+) Write off of Fixed Asset	18.79	-
	(-)Other IT Provision	(212.04)	(96.03)
	(-) Profit on valuation of investment	(1,125.38)	-
	(+) Amortisation of Dealer Incentive	400.25	-
	(+) Ind As 116 lease	61.56	-
	Subtotal	**3,228.23**	**2,242.67**
	(-)Income Tax Paid	674.96	528.99
	Operating Profit before Working Capital Changes	**2,553.27**	**1,713.68**
	(Increase)/Decrease in Current Assets	(129.03)	(916.89)
	Increase/(Decrease) in Current Liabilities & Trade Payables	(564.50)	864.87
	(Inrease)/Decrease in Loans given	(15,973.62)	(14,064.26)
	Net Cash Flow from Operating activities	**(14,113.88)**	**(12,402.60)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Asset	(215.05)	(68.19)
	Sale of fixed assets	30.00	4.03
	Purchase of Investments	-	(1,827.95)
	Sale of Investments	294.73	-
	Net Cash used in investing activities	**109.68**	**(1,892.11)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of shares	-	-
	Proceeds from/(repayment of) Borrowings	15,634.23	20,153.28
	Loans and Advances Given	-	-
	Net Cash from Financing Activities	**15,634.23**	**20,153.28**
	Net increase/ (Decrease) in cash and cash equivalents (A+B+C)	**1,630.04**	**5,858.57**
	Cash and cash equivalents at the beginning of the year	10,862.52	5,003.93
	Cash and cash equivalents at the close of the year	12,492.55	10,862.52

Components of cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	51.80	48.10
Balances with banks		
- Current accounts	3,682.59	6,189.89
- Fixed Deposit	8,758.16	4,624.53
	12,492.55	**10,862.52**

As per our report of even date
For Venus Shah & Associates
Chartered Accountants
Firm registration number - 120878W

For and on bahalf of the Board of Director of
Manba Finance Limited
CIN : U65923MH1996PLC099938

Sd/-
Venus B. Shah
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Sd/-
Jay K. Mota
Director & CFO
DIN -03105256

Sd/-
Bhavisha A. Jain
Company Secretary

Place - Mumbai
Date - 25.05.2024

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

1 Corporate Information

The Company is a registered non-banking finance company engaged in the business of providing finance. The Company is registered with the Reserve Bank of India as a Non-Banking Finance Company (NBFC) with effect from 07-04-1998, with Registration No. 13.00610. The Company primarily deals in the financing of New 2Ws, 3Ws, EV2Ws, EV3Ws, Personal loan, Used Car Loan and Business Loan. The Company is having its head office at Mumbai and currently having 65 locations as on 31st March 2024. Financial Statements were subject to review and recommendation of the Audit Committee and approval of the Board of Directors. On 25 May 2024, the Board of Directors of the Company approved and recommended the financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

2 Basis of Preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period. Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Change in Accounting Policy for Amortization of Dealer Commissions and Associated Costs

"In the course of our financial review and in compliance with Ind AS 115 on Revenue Recognition, we have retrospectively adjusted our accounting policy for the recognition of dealer commissions, dealer incentives, and processing fees to dealers. This change is in accordance with IndAS 8, which requires changes in accounting policies and corrections of prior period errors to be carried out retrospectively. Pursuant to paragraph 19 of IndAS 8, the entity has accounted for this change in accounting policy retrospectively, as there are no specific transitional provisions applying to this change within IndAS 115. Consequently, the opening balances of affected components of equity for the earliest prior period presented and other comparative amounts have been adjusted as if the new accounting policy had always been applied, in accordance with paragraph 22 of IndAS 8. The table below presents the opening financial impact of Equity and Disbursement payable under other financial liabilities, in a manner that reflects the systematic allocation of these costs over the average tenure of the loans, determined to be 27 months: "

(₹ In Lakh)

Opening Balance of Other Equity as on April 1, 2023 (without considering the effect of change in accounting policy)	15423.46
Increase/(decrease) due to change in accounting policy	400.25
Opening Balance of Other Equity as on April 1, 2023 (after considering the effect of change in accounting policy)	15823.71
Opening Balance of Disbursement Payable under Other Financial Liabilities as on April 1, 2023 (without considering the effect of change in accounting policy)	926.23
Increase/(decrease) due to change in accounting policy	400.25
Opening Balance of Disbursement Payable under Other Financial Liabilities as on April 1, 2023 (after considering the effect of change in accounting policy)	525.98

The adoption of this change in accounting policy, ensures the financial statements more accurately reflect the economic reality of the Company's financial transactions over the loan period. It provides users of the financial statements with reliable and relevant information about the effects of transactions, other events, or conditions on the Company's financial position, financial performance, and cash flows. The effect of this change on future periods is expected to continue to reflect the amortization of these costs over the tenure of the loans. This note is intended to provide full disclosure in accordance with IndAS 8 and should be read in conjunction with the rest of the financial statements.

2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹) which is the currency of the primary economic environment in which the Company operates (the 'functional currency).

2.4 Use of estimates, judgements and assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are the areas that involved a higher degree of estimates and judgement or complexity in determining the carrying amount of some assets and liabilities.

i) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

ii) Effective interest rate ('EIR') method

The Company's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iii) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's expected credit loss (ECL) calculations are output of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.

b) Development of ECL models, including the various formulas and the choice of inputs.

c) Determination of associations between macroeconomic scenarios and economic inputs as gross domestic products, and the effect on probability of default (PD), exposure at default ("EAD) and loss given default ('LGD')."

d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models

iv) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

2.5 Presentation of the financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

3.1 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

A. Interest and dividend income

Interest income for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) are recognised in 'Interest income' in the profit or loss account using the effective interest method (EIR).

Effective Interest Rate (EIR) wherever applicable in case of a financial asset is computed as the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. It is computed by considering all contractual terms of the financial instrument in estimating the cash flows. The cash flows are estimated Including all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL. Interest Income on credit impaired assets are treated to accrue only upon realisation, due to uncertainty involved in its realisation and are accounted accordingly.

Income on NPA where interest/ principal has become overdue for more than 3 months is recognized as and when received and appropriated. Any such income recognized before the assets become non performing and remaining unrealized is reversed

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists

B. Fee and commission income

Fee and commission income and expense include fees other than those that are an integral part of EIR. Processing fees not considered in EIR, NACH charges, Processing Fees, Documentation fees, service income, bounce charges, penal charges and foreclosure charges, etc. are recognised on point in time basis.

Further, Disbursement income deferred over loan period

C. Net gain or fair value change

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

D. Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.2 Financial instrument - initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss

3.3 Financial assets and liabilities

A) Financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking worst case' or stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Solely payments of principal and interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de-minimise exposure to risks or volatility in the contractual cash flows that are unrelated to a basic tending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows

i) **Financial assets carried at amortised cost ('AC`)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) **Financial assets measured at FVOCI**

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) **Financial assets measured at FVTPL**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B) Financial liabilities

i) Initial recognition and measurement Financial liabilities are classified and measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition.

ii) **Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. The EIR amortization is included as finance costs in the statement of profit and loss.

3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in the year ended 31 March 2023 and 31 March 2022.

3.5 Derecognition of financial assets and liabilities

i) Financial assets

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes

B. Derecognition of financial assets other than due to substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at FVTPL. Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial Instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses ('LTECL') (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis

Based on the above, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

PD: Probability of Default ('PD') is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. For investments and balances with banks, the Company uses external ratings for determining the PD of respective instruments.

EAD: Exposure at Default ('EAD') is an estimate of the amount outstanding when the borrower defaults. It is the total amount of an asset the entity is exposed to at the time of default. It is defined based on characteristics of the asset.

LGD: Loss Given Default ('LGD') is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the tender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed. The mechanics of the ECL method are summarised below:

Stage 1: The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

3.7 Write-offs

Financial assets are written off when there are no prospects of recovery which are subject to management decision. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any recoveries made from written off assets are netted off against the

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

amount of financial assets written off during the year under Bad debts and write offs forming part of Impairment on financial instruments in Statement of profit and loss.

3.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

3.9 I) Recognition of other expense

A. Borrowing costs

Borrowing costs are the interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

3.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (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.

3.11 Property, plant and equipment

Property, plant and equipment ('PPE') are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably.

Depreciation is calculated using the straight line method to write down the cost of property and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act. Land is not depreciated.

The estimated useful lives are, as follows:

i) Building - 60 years

ii) Office equipment - 5 years

iii) Computers - 3 years

iv) Furniture and electrical fittings - 10 years

v) Vehicles - 8 years

vi) Printers - 5 years

vii) Server - 6 years

viii) Generator-10 years

ix) Plant and Machinery -15 Years

Depreciation is provided on a pro-rata basis from the date on which such asset is ready for its intended use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

3.12 Intangible assets

The Company's intangible assets include the value of software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to, will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

3.13 Impairment of non financial assets - property, plant and equipments and intangible assets

The carrying values of assets / cash generating units at the each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the statement of profit and loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.

3.14 Leases

The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, Less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses.

The right-of-use assets are depreciated from the date of commencement of the lease on a straightline basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

Low value leases; and

Leases which are short-term.

3.15 Defined benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / retirement. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.16 Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

B. Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised not disclosed in the financial statements.

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

3.17 Taxes

A. Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

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

B. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax taws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

A deferred tax asset is recognised for the carry forward of unused tax losses and accumulated depreciation to the extent that it is probable that future taxable profit will be available against which the unused tax losses and accumulated depreciation can be utilised.

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

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

C. Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

3.18 Earnings per share

Basic earnings per share (EPS) is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

3.19 Dividends on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when the it is approved by the Board of Directors of the Company. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

3.2 Cash flows are reported using the indirect method as prescribed under Ind AS 7, whereby profit before 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,

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

investing and financing activities of the Company are segregated based on the available information.

3.20 Recognisation of Expenditure

i) **Finance Cost :** Borrowing Cost on financial liabilities are recognised using the EIR.

ii) **Impairment of financial instrument :** Impairment of Financials instrument are recognised based on ECL model (refer note3.6 and 3.7)

iii) **Employee benefit expenses:** Expenses are recognised on accrual basis.

iv) **Depreciation and amortisation expenses:** Expenses are booked as per Companies Act 2013

v) **Other Expenses:** Expenses are recognised on accrual basis net of goods and service tax, except where the credit of the input tax is not statutorily permitted

4. Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") has not notified any new or amendments in existing Ind AS which would be applicable with effect from April 1, 2023, other relavent notification, disclosure issued where applicable disclosed correctly

5. The Company have prepared the Financial Statement as per Ind AS.

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note 6 - Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	51.80	48.10
Balances with banks		
- current accounts	3,682.59	6,189.89
	3,734.39	**6,237.99**

Note 7 - Bank balances other than cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed deposit (Excluding accrued interest)(Refer Note 7.1)	8,526.62	4,542.22
FD accrued Interest	231.54	82.31
	8,758.16	**4,624.53**

Note 7.1 - Details of fixed deposits under lien

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed Deposit		
Encumbered	3,832.71	3,323.86
Unecumbered	4,925.45	1,300.67
	8,758.16	**4,624.53**

Note 8 - Loans

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Loan measures of amortised cost		
Gross term loans	79,877.22	63,368.90
Less - Unamortised Income-INDAS	(515.66)	(390.58)
Less - Impairment loss allowance	(1,056.33)	(646.71)
Net term loans	**78,305.23**	**62,331.61**

Note 8.1 - Loans provided by our company in india only.

Note 9 - Investments

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investments in equity instruments (measured at cost) (unquoted)		
Progressive bank (50,000 equity shares of ₹ 10 each)	8.04	8.04
At fair value through profit or loss		
Investment in ARC Trust	2,658.60	1,827.95
	2,666.64	**1,835.99**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note 10 - Other financial assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	133.61	172.01
Advances to employees	17.33	8.75
Receivable from Dealer & others	283.56	752.27
Income Receivable (DA)	446.94	-
Muthoot & Manba ESCROW A/C	280.32	-
Muthoot Co Lending Payable (MM)	57.68	-
	1,219.44	**933.03**

Note 11 - Current tax assets/liabilities (net)

a. Current tax assets (Net)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance income tax (net of provision for tax)	114.61	165.72
	114.61	**165.72**

b. Current tax liabilities (net)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision of Tax (Net of Advance Tax)	-	-
	-	**-**

Note 12 - Deferred tax assets (net)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(A) Deferred tax Assets to the following -		
Deferred tax assets		
- On expected credit loss provision on loans	265.86	162.76
- On Unamortised income	129.78	95.01
- On gratuity	31.75	27.96
- On Account of Lease Ind As 116	26.71	16.92
Total deferred tax assets (A)	**454.10**	**302.66**

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liabilities		
- On difference between written down value of property, plant and equipment as per book of accounts and as per income tax	34.38	47.23
- On Impact on recognition of borrowings at amortised cost using EIR	78.88	44.46
- On Interest income on non performing assets	-	63.76
- On Income Receivable on Direct Assignment	112.49	-
- On Unamortised Expense	153.13	-
Total deferred tax liabilities (B)	**378.88**	**155.45**
Deferred tax assets / (liabliity), (net) (A-B)	**75.22**	**147.21**

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(B) Reconcilition of deferred tax assets / (liabilites) (net)		
Opening balance	147.21	202.25
Deferred tax assets / (liabilities) recognised in statement of profit and loss	(72.39)	(51.42)
Deferred tax assets / (liabilities) recognised in OCI	(4.74)	(3.62)
Closing balance	**70.09**	**147.21**

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(C) Income tax expenses recognised in profit and loss		
- Current tax	674.96	528.99
- Prior period income tax		
- Deferred tax charge / (income)	72.39	51.42
	747.35	**580.41**

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(D) Income tax expenses recognised in other comprehensive income		
Net loss / (gain) on remeasurements of defind benefit plans	4.74	3.62
	4.74	**3.62**

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(E) Major components of tax expenses / (income)		
Statement of profit and loss		
(a) Profit & loss section		
(i) Current tax	674.96	528.99
Current tax expenses for the year		
Tax expenses for the earlier years		
	674.96	**528.99**
(ii) Deferred tax		
Tax expense on origination and reversal of temporary differences	-72.39	-51.42
	72.39	**51.42**
Income tax expenses reported in the statement of profit and loss	747.35	580.42
Other comprehensive income section -		
Items that will not be reclassified to profit or loss in subsequent years		
Deferred tax expenses / (income)	4.74	3.62
Income tax expenses reported in the other comprehensive income	**4.74**	**3.62**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(F) Reconciliation of tax charge		
Profit before tax	3865.16	2101.84
	674.96	528.99
Income tax expenses	**674.96**	**528.99**
Tax effects of -		
- Disallowed expenses		-
- Excess provision made		-
- Others		-
Tax at different rate		
Deduction under chapter VIA		
Adjustments related to tax of prior years		
Impact of deferred tax adjustments in statement of profit and loss	(72.39)	(51.42)
Impact of deferred tax adjustments in OCI	(4.74)	(3.62)
Effect on deferred tax due to change in tax rates		
Tax expenses recognised in statement of profit and loss	**670.23**	**525.37**

Particulars	As at 31 March 2024	As at 31 March 2023
(G) Computing corporate tax rate applicable to the Company		
Basic tax rate	22%	22%
Add - surcharge	10%	10%
Add - cess	4%	4%
Corporate Tax rate Applicable	**25.17%**	**25.17%**

Note 13 - Property, plant and equipment

(₹ in lakhs)

	Gross block				Accumulated depreciation and impairment				Net block	
Particulars	As at 31 March 2023	Additions / Adjustments	Deductions / adjustments	As at 31 March 2024	As at 31 March 2023	For the year	Deductions / adjustments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Buildings	178.71	-	-	178.71	14.46	2.82	-	17.28	161.43	164.25
Office equiptments	53.52	1.92	36.99	18.45	42.98	3.64	(35.14)	11.48	6.97	10.54
Computers	440.28	25.24	296.10	169.42	371.10	34.39	(281.70)	123.79	45.63	69.19
Furniture and fixtures	906.25	2.00	-	908.25	478.91	80.14		559.06	349.20	427.34
Vehicles	350.67	170.90	136.77	384.79	201.27	39.60	(110.01)	130.86	253.93	149.40
Air Conditioner	105.99	-	-	105.99	51.39	5.99	-	57.38	48.61	54.60
Plant & Machinery	162.34	0.41	50.77	111.98	88.05	7.24	(48.23)	47.06	64.92	74.29
Electrical Fittings	41.59	-	-	41.59	21.05527	3.58	-	24.64	16.95	20.53
Total	**2239.36**	**200.47**	**520.64**	**1919.19**	**1269.22**	**177.41**	**(475.08)**	**971.55**	**947.64**	**970.13**

Note 14- Intangible Assets

(₹ in lakhs)

	Gross block				Accumulated depreciation and impairment				Net block	
Particulars	As at 31 March 2023	Additions / Adjustments	Deductions / adjustments	As at 31 March 2024	As at 31 March 2023	For the year	Deductions / adjustments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Computer Software	136.79	14.57	-	151.36	56.95	11.81	-	68.76	82.60	79.84
Total	**136.79**	**14.57**	**-**	**151.36**	**56.95**	**11.81**	**-**	**68.76**	**82.60**	**79.84**

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

Note 15 - Right of use of assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Right of use of assets	945.24	1,117.85

Note 15 - Detailed Note on Leases

The weighted average incremental borrowing rate applied to lease liabilities is 10% Information about leases for which the Company is a leasee are presented below -

(i) Right-of-use assets (ROU)

	(₹ in lakhs Total)
Balance as at 31 March 2022	**527.98**
Additions	1276.36
Disposals	-1.11
Balance as at 31 March 2023	**1803.23**
Additions	102.24
Disposals	15.03
Balance as at 31 March 2024	**1920.49**
Accumulated depreciation	
Balance as at 31 March 2022	**435.18**
Charge for the year	255.72
Disposal / adjustment	-5.52
Balance as at 31 March 2023	**685.38**
Charge for the year	259.81
Disposal / adjustment	30.05
Balance as at 31 March 2024	**975.24**
Net carrying value	
Balance as at 31 March 2023	**1117.85**
Balance as at 31 March 2024	**945.25**

(ii) Amount recognised in the statement of profit and loss

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest cost on lease liabilities	112.7	119.94
Depreciation on right of use assets	259.81	244.69
Rental expense recorded for short-term lease payments and payments for lease of low-value assets not included in the measurement of the lease liability (refer note (i) below)	29.34	22.7

Note - (i) Breakdown of rent

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Short-term lease expense	24.61	35.07
Low value lease expense	-	-
Total lease expense	**24.61**	**35.07**

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

(iii) Cash outflow from leases

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash payments for the principal and interest portion of the lease liability within financing activities	287.87	250.77
Short-term lease payments, payments for lease of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities	24.61	35.07

(iv) Lease liabilities

(₹ in lakhs)

Balance as at 31 March 2022	**104.42**
Less: Movement during the year	1193.12
Add: Interest cost accrued during the year	119.94
Less: Payment of lease liabilities	-250.77
Balance as at 31 March 2023	**1,166.71**
Less: Movement during the year	81.02
Add: Interest cost accrued during the year	116.11
Less: Payment of lease liabilities	-312.48
Balance as at 31 March 2024	**1,051.36**

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current	1041.77	1,134.78
Current	9.59	31.93

(v) Maturity analysis of lease liabilities

Maturity analysis – contractual discounted cash flows	(₹ in lakhs)
As at 31 March 2024	
Less than 1 year	9.09
Between1 and 2 years	27.19
Between2 and 5 years	1015.07
Over 5 years	0
As at 31 March 2023	
Less than 1 year	31.93
Between1 and 2 years	42.53
Between2 and 5 years	1092.25
Over 5 years	0

Note 16 - Other non financial assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	289.34	285.66
Balance with government authorities	134.67	171.74
Others	13.58	7.62
Deferred Expenses-IPO	93.76	-
	531.35	**465.02**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note 17 - Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
- total outstanding dues of micro enterprises and small enterprises	10.84	14.58
- total outstanding dues of creditors other than micro enterprises and small enterprises	106.34	207.47
	117.18	**222.05**

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	10.84	-	-	-	10.84
ii)	Others	106.34	-	-	-	106.34
iii)	Disputed dues MSME	-	-	-	-	-
iii)	Disputed dues others	-	-	-	-	-
Total		**117.18**	**-**	**-**	**-**	**117.18**

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	14.58	-	-	-	14.58
ii)	Others	207.47	-	-	-	207.47
iii)	Disputed dues MSME	-	-	-	-	-
iii)	Disputed dues others	-	-	-	-	-
Total		**222.05**	**-**	**-**	**-**	**222.05**

Note 18 - Debt securities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
At amortised cost		
Secured		
Non convertible debenture	16,391.67	2,666.67
Less: Unamortised Cost	(135.74)	(9.81)
	16,255.93	**2,656.86**

Note 18.1 - Debt Securities

Contractual Terms of repayment of Debt Securities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Issued on Private Placement Basis		
I. Secured		
Repayable on Maturity		
Maturing within 1 year (10.60 % To 13.25%)	-	1,166.67
Maturing Between 1 year to 3 Years (10.60 % To 13.25%)	16,391.67	1,500.00
Total Payable on Maturity	**16,391.67**	**2,666.67**
Less :- Unamortised Cost	-135.74	-9.81
Total Carrying amount	**16,255.93**	**2,656.86**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note 18.2 - All Debt Securities are in India only.

Note 18.3 - Issue of secured redeemable non convertible debentures as on 31 March 2024 and 31 March 2023

(₹ in lakhs)

Particulars	Face value per debenture	Date of allotment	Interest rate % p.a.	Date of redemption	As at 31 March 2024	As at 31 March 2023
Bank of Baroda	10	Aug-20	10.60%	Aug-23	-	166.67
Northern ARC Money Market Alpha Trust -NCD 2	10	Nov-22	12.80%	Apr-23	-	1,000.00
EDGE CREDIT OPPORTUNITIES FUND - NCD	1	Jan-23	13.10%	Jul-25	975.00	1,500.00
Northern Arc Capital Ltd - NCD 3 (INE939X07077)	1	Aug-23	12.60%	Aug-25	1,770.83	-
IKF Finance Ltd - NCD (INE939X07085)	1	Sep-23	12.60%	Mar-26	2,000.00	-
Northern Arc Capital NCD 4 (INE939X07093)	1	Oct-23	12.60%	Oct-25	3,958.33	-
Northern Arc Capital NCD 5 (INE939X07101)	1	Dec-23	12.60%	Dec-25	2,187.50	-
Northern Arc Capital NCD 6 (INE939X07127)	1	Mar-24	12.60%	Mar-26	3,500.00	-
Blacksoil NCD (INE939X07119)	1	Feb-24	13.25%	Feb-26	2,000.00	-

Particulars	Repayment terms	Interest Commencement month	Principal repayment Commencement month	Nature of Security
Bank of Baroda - NCD	Quarterly	Nov-20	Nov-20	Exclusive charge over book debts equivalent to 125% of loan and interest amount.
Northen Arc Money Market Alpha	Monthly	Nov-22	Feb-23	Exclusive charge over book debts equivalent to 110% of loan and interest amount.
Edge Credit Opportunities - NCD (INE939X07069)	Interest Montly Principal in two instalment	Jan-23	Mar-24	Exclusive charge over book debts equivalent to 110% of loan and interest amount.
Northern Arc Capital Ltd - NCD 3 (INE939X07077)	Monthly	Sep-23	Sep-23	Exclusive charge over book debts equivalent to 115% of loan and interest amount.
IKF Finance Ltd - NCD (INE939X07085)	Monthly	Oct-23	Oct-23	Exclusive charge over book debts equivalent to 115% of loan and interest amount.
Blacksoil NCD (INE939X07119)	Monthly	Mar-24	Sep-24	Exclusive charge over book debts equivalent to 110% of loan and interest amount.
Northern Arc Capital NCD 4 (INE939X07093)	Monthly	Nov-23	Nov-23	Exclusive charge over book debts equivalent to 115% of loan and interest amount.
Northern Arc Capital NCD 5 (INE939X07101)	Monthly	Jan-24	Jan-24	Exclusive charge over book debts equivalent to 115% of loan and interest amount.
Northern Arc Capital NCD 6 (INE939X07127)	Interest Monthly Principal Quarterly	Apr-24	Jun-24	Exclusive charge over book debts equivalent to 115% of loan and interest amount.

Note 19 - Borrowings (other than debt securities)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
At amortised cost		
(a) Term laons		
(i) Secured		
Loan from banks (Refer Note 19.3)	32,478.92	28,766.21
Loan from financial institutions (Refer Note 19.3)	26,463.62	28,132.61
Car loan from bank	28.78	37.33
	58,971.31	**56,936.15**

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

19.1 These are secured by way of hypothecation of standard loan receivables of the Company.

19.2 The Company has transferred a pool of loans arising from financing activities through a securitisation transaction. In this transaction, the Company has provided credit enhancements to the transferee. Because of the existence of credit enhancements in this transaction, the Company continues to have the obligation to pay to the transferee, limited to the extent of credit enhancement, even if it does not collect the equivalent amounts from the original asset and continues to retain substantially all risks and rewards associated with the receivables, and hence, such transfer does not meet the derecognition criteria resulting into the transfer not being recorded as sale.

Note 19.3 Loans from PTC Transaction

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Term laons		
(i) Secured		
Loan from banks - PTC Transaction	11,770.61	9,176.07
Loan from financial institutions- PTC Transaction	1,328.50	3,702.76
	13,099.11	**12,878.83**

Term loans from bank - Secured

(₹ in lakhs)

Repayment term	Tenure	Interest range	As at 31 March 2024	As at 31 March 2023
Monthly	Upto 5 years	8%-10%	-	5,156.83
Monthly	Upto 5 years	10%-11%	2,907.76	603.65
Monthly	Upto 5 years	11%-12%	16,299.14	9,792.73
Monthly	Upto 5 years	12%-13%	8,513.59	8,533.14
Monthly	Upto 5 years	above 13%	240.00	-
Monthly	above 5years -upto 7years	8.80%	28.78	37.33
Monthly	Upto 5 years	8.85%	140.00	-
Quarterly	Upto 5 years	12%-13%	-	-
			28,129.26	**24,123.69**

Loan repayable on demand from bank - secured

(₹ in lakhs)

Repayment term	Tenure	Interest range	As at 31 March 2024	As at 31 March 2023
On demand	Upto 5 years	10%-11%	2,406.76	2,498.26
On demand	Upto 5 years	11%-12%	1,900.34	1,851.45
On demand	Upto 5 years	12%-13%	-	330.15
On demand	Upto 5 years	Above 13%	71.34	-
			4,378.43	**4,679.85**

Term loans from financial institutions - Secured

(₹ in lakhs)

Repayment term	Tenure	Interest range	As at 31 March 2024	As at 31 March 2023
Monthly	Upto 5 years	9%-10%	-	163.06
Monthly	Upto 5 years	10%-11%	-	1,103.30
Monthly	Upto 5 years	11%-12%	2,490.84	3,126.63
Monthly	Upto 5 years	12%-13%	13,709.42	14,637.87
Monthly	Upto 5 years	above 13%	9,263.35	9,101.75
Quarterly	Upto 5 years	12.25%	1,000.00	-
			26,463.62	**28,132.61**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Maturity of Loan - Need to Specify with Loan Maturity Data Given

	As at 31 March 2024			As at 31 March 2023		
Rate of interest (in%)	Upto 1 year	1-7years	Total	Upto 1 year	1-7years	Total
8.80	9.35	19.43	28.78	8.56	28.78	37.33
8.85	27.65	112.35	140.00	-	-	-
9.15	-	-	-	1,155.65	2,907.76	4,063.41
9.55	-	-	-	163.06	-	163.06
9.95	-	-	-	868.80	-	868.80
10.00	-	-	-	220.11	4.51	224.62
10.55	1,264.31	1,643.44	2,907.76	-	-	-
10.90	-	-	-	2,498.26	-	2,498.26
10.95	2,406.76	-	2,406.76	-	-	-
11.00	-	-	-	1,673.07	33.88	1,706.96
11.10	211.61	-	211.61	554.18	324.15	878.33
11.20	67.16	-	67.16	590.76	73.75	664.50
11.25	-	-	-	239.10	-	239.10
11.30	243.36	-	243.36	1,606.91	252.38	1,859.28
11.40	6,847.69	1,213.09	8,060.79	1,375.97	661.32	2,037.29
11.45	1,351.61	1,265.12	2,616.73	-	-	-
11.50	415.94	-	415.94	687.90	430.96	1,118.85
11.55	-	-	-	1,851.45	-	1,851.45
11.60	1,383.14	-	1,383.14	2,098.30	1,421.90	3,520.19
11.65	2,885.22	747.00	3,632.22	-	-	-
11.80	-	-	-	288.07	-	288.07
12.00	2,537.44	1,521.93	4,059.37	1,087.66	1,226.07	2,313.73
12.25	1,788.81	499.42	2,288.24	2,242.54	1,528.24	3,770.78
12.45	1,187.92	1,395.32	2,583.24	-	-	-
12.50	3,266.24	1,580.08	4,846.32	3,207.92	2,182.69	5,390.60
12.55	328.55	662.95	991.50	-	-	-
12.60	706.45	944.58	1,651.03	354.67	162.30	516.98
12.70	666.67	111.11	777.78	-	-	-
12.75	3,128.61	782.22	3,910.83	5,589.75	2,587.31	8,177.06
12.80	354.50	404.69	759.19	213.20	777.18	990.38
12.85	100.38	-	100.38			
13.00	3,215.07	2,099.44	5,314.51	2,314.25	2,341.11	4,655.37
13.10	356.17	752.94	1,109.11			
13.20	497.59	-	497.59	495.47	498.58	994.05
13.25	1,980.40	1,494.12	3,474.51	1,992.20	1,663.47	3,655.67
13.50	949.60	524.27	1,473.88	527.53	-	527.53
13.75	1,429.50	466.43	1,895.92	1,215.16	231.65	1,446.81
13.80	-	-	-	357.83	110.81	468.64
14.00	558.49	325.19	883.68	-	-	-
14.96	240.00	-	240.00	-	-	-
15.30	-	-	-	1,211.40	797.64	2,009.04
	40,406.17	**18,565.14**	**58,971.31**	**36,689.72**	**20,246.43**	**56,936.15**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

	Residual maturity of loan									
	Due within 1 year		Due in 1 to 2 Years		Due in 2 to 3 Years		Due in more than 3 Years		Total	
Original maturity of loan	**Total no. of instalments**	**₹ in Lakh**	**Total no. of instalments**	**₹ in Lakh**	**Total no. of instalments**	**₹ in Lakh**	**Total no. of instalments**	**₹ in Lakh**	**Total no. of instalments**	**₹ in Lakh**
Monthly										
Up to 3 years	626.00	38,126.16	317.00	15,634.27	59.00	1,974.36	-	-	**1,002.00**	**55,734.79**
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Over 4 years	11.00	27.65	12.00	33.05	12.00	36.10	13.00	43.20	**48.00**	**140.00**
Quarterly										
Up to 3 years	8.00	1,280.00	6.00	880.00	1.00	120.00	-	-	**15.00**	**2,280.00**
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Over 4 years	-	-	-	-	-	-	-	-	-	-
On maturity (Bullet)										
Up to 3 years	1.00	1,000.00	-	-	-	-	-	-	**1**	**1,000.00**
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Interest accrued		-		-		-		-	-	-
Impact of EIR		-		-		-		-		**(183.48)**
										58,971.31

Note 20 - Lease liabilities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Lease	1,051.36	1,166.71

Note 21 - Other financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Disbursement payable	607.75	926.23
Other expenses payable	97.34	94.80
	705.09	**1,021.03**

Note 22 - Provision

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
- provision for gratuity	126.17	111.08
- provision for compensated absences		
	126.17	**111.08**

Note 23 - Other non-financial liabilites

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory dues payable	87.59	115.93
	87.59	**115.93**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Statement of changes in equity

Note 24 - Equity share capital

Share capital

Particulars	No of shares	Amount (₹ in lakhs)
As at 31 March 2023	1,25,56,470	1,255.65
Add : - Bonus issued (Two for One share) during the year	2,51,12,940	2,511.29
As at 31 March 2024	**3,76,69,410**	**3,766.94**

Note 25 - Other equity

Particulars	Reserve and surplus			Other comprehensive income	Total
	Securities premium	Retained earnings	Statutory reserve		
Balance as at 31-03-2023	**5,879.19**	**7,567.24**	**1,943.19**	**33.85**	**15,423.46**
Profit after Tax	-	2,494.25	623.56		3,117.82
Bonus Issue	(2,511.29)	-	-		(2,511.29)
Provision for taxes of past years		(212.04)			(212.04)
Unamortisation of Dealer Incentive		400.25			400.25
Other comprehensive income	-	-	-	14.07	14.07
IndAs 116 lease		61.56	-	-	61.56
Balance as at 31 March 2024	**3,367.89**	**10,311.25**	**2,566.75**	**47.92**	**16,293.82**

Note 24 - (Detailed note on Equity)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
5,49,00,000 Equity share of ₹ 10 each	5,490.00	-
1,49,00,000 Equity share of ₹ 10 each	-	1,490.00
1,00,000 Preference shares of ₹ 10 each	10.00	10.00
	5,500.00	**1,500.00**
Issued, subscribed and paid up		
31 March 2022-1,25,56,470 (31 March 2021 - 1,25,56,470, 1 April 2019 - 1,25,56,470) equity shares of face value ₹ 10 each fully paid up	1,255.65	1,255.65
17 January 2024-2,51,12,940 Equity share issued of face value ₹ 10 each fully paid up (Bonus share issued on 2:1 Ratio)	2,511.29	-
	3,766.94	**1,255.65**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year of 31st March 2024

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year	1,25,56,470.00	1,255.65	1,25,56,470.00	1,255.65
Add :- Bonus Shares issued during the year	2,51,12,940.00	2,511.29	-	0
Shares outstanding at the end of the year	**3,76,69,410.00**	**3,766.94**	**1,25,56,470.00**	**1,255.65**

(b) Right, preference and restriction on shares

The Company has one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

(c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2024		As at 31 March 2023	
Name of Promotors	Number of shares	% of total shares	Number of shares	% of total shares
Manish K Shah	65,59,848.00	17.41	21,86,616.00	17.41
Nikita M Shah	50,04,270.00	13.28	16,68,090.00	13.28
Monil M Shah	17,94,549.00	4.76	5,98,183.00	4.76
Manish Kirit Shah (HUF)	22,14,846.00	5.88	7,38,282.00	5.88
Manba Investments and Securities Private Limited	1,39,06,038.00	36.92	46,35,346.00	36.92
Manba Fincorp Pvt Ltd	20,87,706.00	5.54	6,95,902.00	5.54
Manba Infotech LLP	36,01,053.00	9.56	12,00,351.00	9.56
Total	**3,51,68,310.00**		**1,17,22,770.00**	

(e) The Company had issued Bonus share and alloted those Bonus Share on 17th January 2024 in the proportion of 2:1.

Note 25 - (Detailed note on Other equity)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Security premium	3367.89	5879.19
Profit and loss account	10311.25	7567.24
Statutory reserve	2566.75	1943.19
Other Comprehensive Income	47.92	33.85
	16293.82	**15423.46**

(i) Security premium

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	5,879.19	5,879.19
Less - Issued Bonus Share	2,511.29	-
Balance at the end of the year	**3,367.89**	**5,879.19**

Amount received (on issued of shares) in excess of the face value has been classified as securities premium. The reserve will be utilised in accordance with the provision of the Act.

(ii) Profit and loss account

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	7,567.24	6,446.14
Add - Profit for the year	2,494.25	1,217.14
Add: Unamortise Dealer Incentive	400.25	-
Add - Ind AS 116 Lease	61.56	-
Less - Income Tax Provision Past years	212.04	96.03
Balance at the end of the year	**10311.25**	**7567.24**

Retained earnings represents the accumulated profits / losses made by the Company over the years.

(iii) Statutory reserve

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	1,943.18	1,638.90
Less - Transfer to general reserve	623.56	304.28
Balance at the end of the year	**2,566.75**	**1,943.18**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation. The Company has transferred 25% of the profit after tax (as against 20%) required to the statutory reserves in accordance to the provision of Section 45-IC of Reserve Bank of India Act,1934.

(iv) Other Comprehensive Income

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	33.85	23.08
Add - Other comprehensive income for the year	14.07	10.77
Balance at the end of the year	**47.92**	**33.85**

Note 26 - Interest income

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on financial assets measured at amortised cost		
- Interest on loans	16,835.76	12,496.17
	16,835.76	**12,496.17**

Note 27 - Other operating income

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Other financials charges	689.99	442.32
Commission income	240.66	264.58
Interest on SD	6.37	6.04
Interest on Fixed deposits	260.45	122.53
Gain on ARC at FVTPL	1,125.38	-
	2,322.85	**835.47**

Note 28 - Other income

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit on sale of property, plant and equipment	3.23	-
Income on Mutual Fund	1.38	
Miscellaneous income	-	53.25
	4.61	**53.25**

Note 29 - Finance costs

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
On financial liabilities measured at amortised cost		
Interest on borrowings	7,115.92	5,253.04
Interest on debt securitties	528.34	39.71
Interest on lease liabilities	112.70	119.94
Other finance charges	429.93	249.20
	8,186.89	**5,661.89**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note 30 - Impairment of financial instruments

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Financial assets measured at amortised cost		
Impairment on Financials Instrument	1,135.95	831.52
	1,135.95	**831.52**

Note 31 - Employee Benefit Expenses

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	3,585.99	2620.17
Contribution to provident and other funds	168.16	78.45
Gratuity expenses	38.18	40.73
Staff welfare expenses	50.08	60.51
	3,842.41	**2,799.86**

Note 32 - Depreciation and amortisatoin expense

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipments	177.42	188.14
Depreciation on right to use assets	259.82	244.69
Amortisation on intangible assets	11.81	11.81
	449.05	**444.64**

Note 33 - Other expenses

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Advertisement Expenses	0.62	1.75
Audit Fees	0.28	1.89
Statutory auditors remuneration	7.56	4.00
Business Promotion expenses	33.40	66.45
CIBIL Charges	99.75	73.45
Computer & Software Charges	100.86	44.85
Commission expenses	72.26	105.37
Conveyance Expenses	82.63	89.30
CSR expenses	32.50	27.50
Document & Stamping Charges	127.63	91.74
Donations	1.02	2.40
Goods and services tax	248.12	135.88
House keeping expenses	19.72	19.85
Insurance expenses	4.19	7.33
Legal Expenses	1.92	0.10
Petrol Charges	3.92	5.49
Security Charges	12.78	51.20
Society Maintenance	6.20	7.97
Water Charges	2.44	2.49
Electricity Charges	60.53	56.70
Field Inspection Charges	47.18	31.63

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Internet Expenses	9.97	9.47
Office Expenses	54.24	39.54
Postage & Telegram	33.63	26.74
Printing & Stationery	54.77	39.25
Professional & Consultancy Fees	106.47	59.32
Incentive to Dealer	326.62	402.53
Rent, Rates & Taxes	29.34	22.70
Repairs & Maintenance	29.14	32.33
Telephone Expenses	18.43	16.85
Other Miscellaneous Expenses	18.04	18.21
Loss on sale to ARC	-	50.86
ROC Charges	37.60	-
	1,683.76	**1,545.14**

Note I - Payments to auditors

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Statutory audit fees	3.00	3.00
Taxation matters and Other attest services	4.56	1.00
	7.56	**4.00**

Note II - Corporate social responsibility

As per section 135 of the Companies Act, and rules therein, the Company is required to spend at least 2% of its average net profits for three immediately preceeding financial years towards CSR activities. The Company has CSR committee as per the Act. The funds are utilised on the activities which are specified in schedule VII of the Act. Details of CSR expenditure are as follows -

(₹ in lakhs)

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
(i)	Amount required to be spent by the company during the year	32.09	26.00
(ii)	Amount of expenditure incurred on:		
	(a) Construction/acquisition of any asset	-	-
	(b) On purposes other than (a) above	32.50	27.50
(iii)	Shortfall at the end of the year	-	-
(iv)	Total of previous years shortfall	-	-
(v)	Reason for shortfall	-	-
(vi)	Nature of CSR activities	Medical and Education	Medical and Education
(vii)	Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	NA	NA

The amount spent towards CSR does note involve any long term project and accordingly, disclosure requirements relating to ongoing projects is not applicable as at reporting dates.

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note 34 - Earnings per share

The earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by weighted average number of equity shares outstanding at the year end.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net profit after tax for the year	31,17,81,241.64	15,21,41,890.88
Profit attributable to equity share holders	31,17,81,241.64	15,21,41,890.88
Weighted average number of equity shares outstanding during the year (numbers)	3,76,69,410.00	1,25,56,470.00
Basic (in ₹)	8.28	12.12
Diluted (in ₹)	8.28	12.12
Face value per share (in ₹)	10	10

Note 35 - Contingent liabilites

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Disputed Income Taxes	225.85	223.75

1. The Assessing Officer have disagreed with the treatment in connection with the return of income filed by the company for AY 2018-19 and accordingly raised a demand. This has been challenged before Commissioner of Income Tax (Appeal)
2. For AY 2019-20 the company had filed ithe revised return and paid the required amount and the demand was closed, the case was again reopened, the company had made the requested submission
3. For AY 2020-21 Scrutiny notice received by the company which created a demand to be payable by the company, the company had filed rectification letter twice the demand got reduced to the maximum extent but still some amount is pending, the company is in the process of solving the same.
4. Some short deduction of TDS appearing in the portal, the company is in the process of identify the issue, the same will be rectified or paid once identified.

Note 36 - Capital commitments

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	NIL	NIL

Note 37 - Operating segment

There is no separate reportable segment as per Ind AS 108 on Operating Segments' in respect of the Company. The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure. No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in the year ended March 2024.

Note 38 - Employee benefits

(A) Defind contribution plans

During the year, the Company has recognised the following amounts in the statement of profit and loss -

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contribution to provident, ESIC and labour welfare fund (refer note 31)	213.57	109.98
	213.57	**109.98**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

(B) Defind benefit plans

(i) Gratuity

The Company's liabilities under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each reporting period using the projected unit credit method. The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date. The defined benefit plans expose the Company to risks such as actuarial risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

Basis of assumptions

Calculating Defined benefit obligation, by using Projected Unit Credit Method, requires an actuary to make a lot of assumptions, based on current market scenarios. The basis of different assumptions used while calculating the defined benefit obligation is as follows :

Discount rate

Discount rate has been determined by reference to market yields on Government bonds of term consistent with estimated term of obligations.

Mortality / disability

If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Employee turnover / withdrawal rate

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Salary escalation rate

More or less than expected increase in the future salary levels may result in increase / decrease in the liability."

(a) Principal assumptions used for the purposes of the actuarial valautions

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Economic assumptions		
Discount rate (per annum)	7.09%	7.33%
Salary escalation rate	10%	11%
Demographic assumptions		
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee turnover / withdrawal rate	8.50%	8.50%
Retirement age	58 Years	58 Years

(ii) Amount recognised in the balance sheet

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of unfunded obligation as at the end of the year	126.17	111.08
Net liability recognised in the balance sheet	126.17	111.08
Current obligations	4.44	3.91
Non-current obligations	**121.72**	**107.17**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

(iii) Changes in the present value of defind benefit obligation

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of obligation at the beginning of the year	111.08	88.56
Interest cost	7.14	7.65
Current service cost	31.04	33.08
Past service cost		
benefits paid	(4.28)	(3.81)
Actuarial (gain) / loss on obligations - due to change in financial assumptions	(18.81)	(14.39)
Actuarial (gain) / loss on obligations - due to experience adjustments		
Present value of obligation at the end of the year	**126.17**	**111.08**

(iv) Expenses recognised in the statement of profit and loss

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	31.04	33.08
Net interest cost	7.14	7.65
Past service cost	-	-
Total expenses recognised in the statement of profit and loss	**38.18**	**40.73**

(v) Expenses recognised in other comprehensive income

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Remeasurement due to		
- effect of change in financial assumptions	(14.88)	11.06
- effect of change in demographic assumptions	1.78	(4.72)
- effect of experience adjustments	(5.71)	(20.74)
Net actuarial (gains)/ losses recognised in OCI	**(18.81)**	**(14.39)**

(vi) Sensitivety analysis for significant assumption

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate		
1% increase	(12.84)	(11.30)
1% decrease	15.21	13.36
Salary escalation rate		
1% increase	12.69	9.87
1% decrease	**(11.94)**	**(9.67)**

(vii) Maturity profit of defined benefits obligation

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Withing next 12 months	4.60	4.05
Between 2 and 5 years	39.32	24.74
Between 6 and 10 years	42.76	129.60
Beyond 10 years	248.14	221.97
Total expected payments	**334.81**	**380.35**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note 39 - Related party Disclosure

Names and Relationships of the related parties

i) Concerns under same Management:

1. Theme Infotech Private Limited
2. Aarambh Properties LLP
3. Nirvan Vastu Developers LLP
4. Celebrity Buildcon LLP
5. Manba Fincorp Private Limited
6. Manba Investment and Securities Private Limited
7. Ride Choice Ltd
8. Riders Autoservices Private limited
9. Celebrity Projects Private Limited

ii) Key Management Personnel;

1. Manish K Shah.
2. Nikita M Shah.
3. Monil M Shah
4. Jay Mota.
5. Bhavisha Jain.

Related party transactions

Key Management Personnel and Relatives

(₹ in lakhs)

Remuneration to KMPs	Relation	31-03-2024	31-03-2023
MANISH SHAH	Director	200.00	200.00
NIKITA SHAH	Director	90.00	75.00
MONIL SHAH	Director	96.00	78.00
JAY MOTA	Director	44.51	40.94
BHAVISHA JAIN	Company secretary	4.87	4.31
Total		**435.38**	**398.25**

Loan Taken or Repayment received	Relation	31-03-2024	31-03-2023
Manish Shah	Director	3.35	18.93
Manish Shah HUF	Director is karta in HUF	3.87	-
Monil Shah	Director	4.67	0.91
Nikita Shah	Director	-	0.82
Total		**11.89**	**20.66**

Loan Given or Loan Repaid	Relation	31-03-2024	31-03-2023
Manish Shah	Director	3.35	8.46
Manish Shah HUF	Director is karta in HUF	-	-
Monil Shah	Director	3.87	0.91
Nikita Shah	Director	0.31	0.82
Total		**7.53**	**10.19**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Company under same management

(₹ in lakhs)

Interest Income	Relation	31-03-2024	31-03-2023
Ride Choice	Common director		
Theme Infotech Private Limited	Common director	6.24	62.14
Aarambh Properties LLP	Director is partner in LLP	0.41	3.02
Celebrity Buildcon LLP	Director is partner in LLP	0.39	-
Rider Auto services Pvt Ltd.	Common director	3.25	7.08
Total		**10.29**	**72.24**

Loan Taken or Repayment received	Relation	31-03-2024	31-03-2023
Ride Choice	Common director	0.52	-
Theme Infotech Private Limited	Common director	262.32	456.50
Manba Investment & Securities Private Limited	Common director	6.35	26.09
Aarambh Properties LLP	Director is partner in LLP	15.43	248.58
Nirvan Vastu Developers LLP	Director is partner in LLP	32.09	0.26
Celebrity Buildcon LLP	Director is partner in LLP	14.33	2.36
Manba Fincorp Private Limited	Common director	0.94	3.50
Celebrity Project Private Limited	Common director	-	6.03
Riders Autoservices Private limited	Common director	50.89	-
Total		**382.87**	**743.32**

Loan Given or Loan Repaid	Relation	31-03-2024	31-03-2023
Ride Choice	Common director	0.29	0.23
Theme Infotech Private Limited	Common director	6.40	53.45
Manba Investment & Securities Private Limited	Common director	6.35	26.09
Aarambh Properties LLP	Director is partner in LLP	15.06	9.35
Nirvan Vastu Developers LLP	Director is partner in LLP	32.09	0.26
Celebrity Buildcon LLP	Director is partner in LLP	13.98	2.36
Manba Fincorp Private Limited	Common director	0.94	3.50
Celebrity Project Private Limited	Common director	-	6.03
Rider Auto services Pvt Ltd.	Common director	46.06	92.75
Total		**121.17**	**194.02**

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note 40 - Operating segment

(a) Excepted Credit loss - Loans :

Particulars		AS at 31 March 2024			AS at 31 March 2023		
		Gross carrying amount	Expected credit loss	Carrying amount net of impairement provision	Gross carrying amount	Expected credit loss	Carrying amount net of impairement provision
Loss allowance measured at 12 months expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	72,863.38	344.00	72,519.38	57,696.51	201.49	57,495.03
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-Impaired	3,341.68	81.03	3,260.65	2,913.12	66.23	2,846.88
	Financial assets for which credit risk has increased significantly and credit-impaired	3,156.50	631.30	2,525.20	2,368.68	378.99	1,989.69
Total		**79,361.56**	**1,056.33**	**78,305.23**	**62,978.31**	**646.71**	**62,331.60**

(b) Reconciliation of loss allowance provision - Loans

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on 1 April 2021	**349.30**	**85.26**	**221.60**	**656.16**
New assets originated or purchased	48.34	21.32	70.31	139.97
Amount written off	(171.67)	(38.64)	(87.09)	(297.41)
Transfers to Stage 1	(2.50)	1.70	0.80	-
Transfers to Stage 2	3.45	(5.79)	2.34	-
Transfers to Stage 3	222.72	49.18	(271.90)	-
Increase/ (Decrease) provision on existing financial assets including recovery	(205.89)	(34.30)	382.45	142.26
ECL as on 31 March 2022	**243.75**	**78.72**	**318.51**	**640.98**
New assets originated or purchased	88.83	39.01	58.48	186.33
Amount written off	(145.14)	(34.78)	(65.66)	(245.58)
Transfers to Stage 1	(0.71)	0.62	0.09	-
Transfers to Stage 2	21.08	(21.50)	0.42	(0.00)
Transfers to Stage 3	126.16	66.29	(192.45)	-
Increase/ (Decrease) provision on existing financial assets including recovery	(132.48)	(62.12)	259.59	64.99
ECL as on 31 March 2023	**201.49**	**66.23**	**378.99**	**646.71**
New assets originated or purchased	67.19	6.76	0.66	74.61
Amount written off	(53.51)	(21.97)	(43.40)	-118.89
Transfers to Stage 1	(208.82)	31.77	177.05	-
Transfers to Stage 2	0.41	(149.49)	149.08	-
Transfers to Stage 3	0.03	0.44	(0.47)	-
Increase/ (Decrease) provision on existing financial assets including recovery	337.22	147.29	(30.61)	453.90
ECL as on 31 March 2024	**344.00**	**81.03**	**631.30**	**1,056.33**

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

(c) Reconciliatoin of gross carrying amount - Loans

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on 1 April 2021	**43,120.69**	**4,013.50**	**1,301.57**	**48,435.75**
New assets originated or purchased	20,326.26	943.89	3,540.85	24,811.00
Amount written off	(171.67)	(38.64)	(87.09)	(297.41)
Transfers from Stage 1	(747.42)	722.17	25.25	-
Transfers from Stage 2	1,700.56	(1,738.91)	38.35	0.00
Transfers from Stage 3	711.33	378.32	(1,089.65)	-
Net recovery	(21,644.91)	(1,116.87)	(1,279.24)	(24,041.02)
Gross carrying amount as on 31 March 2022	**43,294.84**	**3,163.45**	**2,450.04**	**48,908.33**
New assets originated or purchased	33,357.32	1,529.22	1,472.08	36,358.63
Amount written off	(145.14)	(34.78)	(65.66)	(245.58)
Transfers from Stage 1	(384.24)	333.08	51.16	-
Transfers from Stage 2	999.03	(1,026.51)	27.48	-
Transfers from Stage 3	970.44	509.92	(1,480.35)	-
Net recovery	(20,395.73)	(1,561.25)	(86.08)	(22,043.06)
Gross carrying amount as on 31 March 2023	**57,696.51**	**2,913.12**	**2,368.68**	**62,978.31**
New assets originated or purchased	42,443.05	1,590.52	370.89	44,404.46
Amount written off	(108.46)	(54.16)	(563.70)	-726.32
Transfers from Stage 1	(2,397.15)	1,396.22	1,000.93	-
Transfers from Stage 2	202.36	(1,063.37)	861.01	-
Transfers from Stage 3	22.91	37.15	(60.06)	-
Net recovery	(24,995.84)	(1,477.80)	(821.25)	-27,294.89
Gross carrying amount as on 31 March 2024	**72,863.38**	**3,341.68**	**3,156.50**	**79,361.56**

Ratios	Stage 1
GNPA	3.95%
NNPA	3.16%

Note 41 - Fair values of financial assets and financial liabilities

(₹ in lakhs)

Particulars	FVOCI	FVTPL	Amortised cost
As at 31 March 2024			
Financial Assets			
Cash and cash equivalents	-	-	3,734.39
Bank balance other than cash and cash equivalents	-	-	8,758.16
Loans	-	-	78,305.23
Investments	-	2,666.64	-
Other financial assets	-	-	1,219.44
Financial liabilities			
Trade payables	-	-	117.18
Debt securities	-	-	16,255.93
Borrowings (other than debt securities)	-	-	58,971.31
Deposits	-	-	-
Other financial liabilities	-	-	705.09
As at 31 March 2023			
Financial Assets			
Cash and cash equivalents	-	-	6,237.99
Bank balance other than cash and cash equivalents	-	-	4,624.53
Loans	-	-	62,331.61
Investments	-	-	1,835.99

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

(₹ in lakhs)

Particulars	FVOCI	FVTPL	Amortised cost
Other financial assets	-	-	933.03
Financial liabilities			-
Trade payables	-	-	222.05
Debt securities	-	-	2,656.86
Borrowings (other than debt securities)	-	-	56,936.15
Deposits	-	-	-
Other financial liabilities	-	-	1,021.03

Note 42 - Fair values hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). The following table presents fair value hierarchy of financial instruments measured at fair value on a recurring basis:

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March 2024.				
Financial assets				
Financial assets measured at fair value through profit or loss	-	-		
Investment in equity instruments			2,666.64	2666.64
Total financial assets				
As at 31 March 2023.				
Financial assets				
Financial assets measured at fair value through profit or loss				
Investment in equity instruments	-	-	1,835.99	1835.99
Total financial assets				

Valuation technique used to determine fair value

The above table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (adjusted/unadjusted) for identical assets. This category consists of quoted equity shares, mutual fund units.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets, measured using inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e.; as prices) or indirectly (i.e.; derived from prices). Thiscategory includes venture fund units and security receipts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets measured using inputs that are not based on observable market data. Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This category includes unlisted equity shares, preference shares and debentures.

There has been no transfer between level 1, level 2 and level 3 for the period/year ended 31 March 2024, 31 March 2023

The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair value of Loan approximates the carrying amount.

For financial assets and liabilities measured at fair value, the carrying amounts approximates the fair values.

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note 43 - Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's overall risk management program focuses on robust liquidity management as well as monitoring of various relevant market variables, thereby consistently seeking to minimize potential adverse effects on the Company's financial performance. Management has not formed formal risk management policies, however, the risks are monitored by management by analyzing exposures by degree and magnitude of risk on a continued basis. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

(i) Interest rate risk

The Company have majority of the borrowings under fixed Rate of Interest,So The Interest Rate Risk is at very lower side.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company's mainly transacting in INR and hence the company is not exposed to any foreign currency risk.

(B) Credit risk

Credit impaired (stage 3)

The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- Contractual payments of principal and/or interest are past due for more than 90 days;
- The loan is otherwise considered to be in default. Loan accounts where principal and/or interest are past due for more than 90 days along with all other loans of such customer, continue to be classified as stage 3, till overdue across all loan accounts are cleared.

Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, any overdue of more than 30 day past due and up to 90 days past due as on the reporting date is considered as an indication of financial assets to have suffered a significant increase in credit risk.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by tenors, underlying collateral, source of income etc. The default risk is assessed using PD (probability of default) derived from past behavioural trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioural trends, credit transition probabilities.

Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial assets in stage 1. The Company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using behavioural analysis and other performance indicators, determined statistically.

(i) Loans and advances (including loan commitments and gaurantees)

The estimation of credit exposure for risk management purposes is complex, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Company measures credit risk for each class of loan assets using inputs such as Probability of Default ("PD") and Loss Given Default ("LGD").

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Computation of allowance for impairment losses:

The Company prepares its financial statements in accordance with the IND AS framework.

As per the RBI notification on acceptance of IND AS for regulatory reporting, the Company computes provision as per IND AS 109 as well as per extent prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where impairment allowance in aggregate for the Company under Ind AS 109 is lower than the provisioning required under IRACP (Including standard asset provisioning) for the Company, the difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. Any withdrawals from this reserve shall be done only with prior permission from the RBI.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "Base case" (the "Central" scenario) and two "Worst case" scenarios (the "Downside" scenario) and three "Best case' (the "Upside" scenario). Probability weights are assigned to each scenario. The Central scenario is based on the Company outlook of GDP growth, inflation, unemployment and interest rates for India and most relevant for the Company's loan portfolio. The Upside and Downside scenarios generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly.

In case where the estimate based on ECL model does not appropriately capture the stress in the portfolio given the lag effect between the actual stress and its impact on ECL computation, the management estimates an additional provision over and above the estimate based on the model and computation methodology stated above. This additional provision is referred to as management overlay."

In accordance with the Board approved moratorium policy read with the RBI guidelines dated March 27, 2020, April 17,2020 and May 23,2020 related to "Covid-19 Regulatory Package", the Company has granted moratorium up to five months for payment of installment falling due between April 1,2020 and August 31,2020 to selected borrowers in accordance with the Company's policy approved by the Board. As per assessment of the Company, extension of such moratorium benefit to the borrowers as per the Covid-19 regulatory package of the RBI, is not considered to result in significant increase in credit risk as defined in Ind AS 109. The Company continued to recognize interest income during the moratorium period and in absence of other credit indicators, granting of moratorium period does not result in accounts becoming past due thereby automatically triggering stage 2 or stage 3 classification criteria as per IND AS 109. For all such accounts where moratorium is granted pursuant to the above RBI guidelines, the asset classification shall remain stand still during the moratorium period (i.e. number of days past-due shall exclude the moratorium period for the purpose of asset classification under Income Recognition, Asset Classification and provisioning norms).

(ii) Other remaining financial assets (Other financial assets and loans)

Other financial assets mainly includes deposit and advances given, and receivables from recovery agents. Loans, being a primary part of our operations, represent vehicle loans given to various parties for purchasing motor vehicles. Based on assessment carried by the Company, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

The table below summarizes the maturity profile of the Company's financial liabilities:

(₹ in lakhs)

Particulars	Within 12 months	Beyond 12 months	Total
As at 31 March 2024			
Trade payables	117.18		117.18
Debt securities	-	16,391.67	16,391.67
Less: Unamortised Interest	(111.77)	(23.97)	(135.74)
Borrowings (other than debt securities)	40,406.17	18,565.14	58,971.31
Other financial liabilities	705.09		705.09
	41,116.67	**34,932.84**	**76,049.51**
As at 31 March 2023			
Trade payables	222.05	-	222.05
Debt securities	1,166.67	1,500.00	2,666.67
Less: Unamortised Interest	(4.25)	(5.56)	(9.81)
Borrowings (other than debt securities)	36,689.72	20,246.43	56,936.15
Other financial liabilities	1,021.03	-	1,021.03
	39,095.22	**21,740.87**	**60,836.09**

Note 44 - Maturity analysis of assets and liabilities

The below table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Maturity analysts of assets and liabilities as at 31 March 2024

As at 31 March 2024 (₹ in lakhs)

Particulars	Within 12 monhts	After 12 monhts	Total
Assets			
Cash and cash equivalents	3,734.39	-	3,734.39
Bank balance other than cash and cash equivalents	8,758.16	-	8,758.16
Loans	49,845.83	28,459.40	78,305.23
Investments	-	2,666.64	2,666.64
Other financial assets	1,219.44	-	1,219.44
Current tax assets (net)	114.61	-	114.61
Deferred tax assets (net)	70.09	-	70.09
Property, plant and equipment	-	947.64	947.64
Capital work in progess	-	-	-
Other intangible assets	-	82.60	82.60
Right of use of assets	9.97	935.28	945.25
Other non-financial assets	531.35	-	531.35
Total assets	**64,283.84**	**33,091.55**	**97,375.39**
Liabilities			
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	10.84	-	10.84
- total outstanding dues of creditors other than micro enterprises and small enterprises	106.34	-	106.34
Debt securities	-	16,391.67	16,391.67
Less: Unamortised Cost	(111.77)	(23.97)	(135.74)
Borrowings (other than debt securities)	40,406.17	18,565.14	58,971.31
Other financial liabilities	705.09	-	705.09
Current tax liabilities (net)	-	-	-
Lease liabilities	9.09	1,042.27	1,051.36
Provisions	-	126.17	126.17
Other non-financial liabilities	87.59	-	87.59
Total liabilities	**41,213.35**	**36,101.28**	**77,314.63**

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

As at 31 March 2023

(₹ in lakhs)

Particulars	Within 12 monhts	After 12 monhts	Total
Assets			
Cash and cash equivalents	6,237.99	-	6,237.99
Bank balance other than cash and cash equivalents	4,624.53	-	4,624.53
Loans	39,380.00	22,951.61	62,331.61
Investments	-	1,835.99	1,835.99
Other financial assets	933.03	-	933.03
Current tax assets (net)	165.72	-	165.72
Deferred tax assets (net)	-	147.21	147.21
Property, plant and equipment	-	970.13	970.13
Capital work in progess	-	-	-
Other intangiable assets	-	79.84	79.84
Right of use of assets	-	1,117.85	1,117.85
Other non-financial assets	465.02	-	465.02
Total assets	**51,806.29**	**27,102.63**	**78,908.92**
Liabilities			
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	14.58062	-	14.58
- total outstanding dues of creditors other than micro enterprises and small enterprises	207.47	-	207.47
Debt securities	1,166.67	1,500.00	2,666.67
Less: Unamortised Cost	(4.25)	(5.56)	(9.81)
Borrowings (other than debt securities)	36,689.72	20,246.43	56,936.15
Other financial liabilities	1,021.03	-	1,021.03
Current tax liabilities (net)	-	-	-
Lease liabilities	31.93	1,134.78	1,166.71
Provisions	-	111.08	111.08
Other non-financial liabilities	115.93	-	115.93
Total liabilities	**39,243.08**	**22,986.73**	**62,229.81**

NOTE 45 Liquid Coverage Ratio Disclosure

Particular	31st March, 2024	31st March, 2023
Disclosure as per Circular no. RBI/2019-20/88 DOR.NBFC(PD)CC. No.102/03.10.001/2019-20 dated November 04,2019 issued by Reserve Bank of India on " Liquidity Covearge Ratio (LCR)	15.19	8.74

NOTE 46: Additional Disclosure as per Schdule III

1. Expenditure in foreign currency - Nil, Previous year Nil.
2. Earnings in foreign currency - Nil, Previous year Nil.
3. Information on related parties as required by Accounting Standard (AS)-18– Related Party Disclosures:
   a. Holding/subsidiary companies – NA
   b. Associates – NA
   c. Key Management Personnel –
      a) Manish K Shah — Director
      b) Nikita M Shah — Director
      c) Kirit R Shah — Director
      d) Monil M Shah — Director
      e) Jay Mota — Director and Chief Financial Officer
      f) Bhavisha Jain — Company Secretary
   d. Entities / Person(s) controlling – Manish K Shah, Nikita M Shah and Monil M Shah

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

4. Expenditure in Corporate Social Responsibility

Particulars	31st March, 2024	31st March, 2023
Unspent amount (opening Balance)	-	-
Gross amount required to be spent during the year	32.09	26.00
Amount approved by the Board to be spent during the year	-	-
Amount Spent during the year	32.50	27.50
Unspent amount (Closing Balance)	-	-

5. Disclosure under the Micro, Small and Medium Enterprises Development Act 2006 to the extent the Company has received intimation from parties under the Act.

Particulars		31st March, 2024	31st March, 2023
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due to Micro and small enterprises	-	-
	Interest due on above but not claimed by the parties	-	-
(ii)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the 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	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been indentified on the basis of information collected by Management.This has been relied upon by Auditors.		-	-

6. Pursuant to the amendments to Schedule III vide MCA circular dated March 24, 2021, the following ratios are presented:

Particular	Numerator	Denominator	31st March, 2024	31st March, 2023
(a) Current Ratio	Total current assets	Total current liabilities	15.78	9.14
(b) Debt-Equity Ratio,	Debt and Borrowings	Total Equity	3.75	3.57
(c) Debt Service Coverage Ratio,	NA	NA	NA	NA
(d) Return on Equity Ratio,	Profit after tax	Total share holder's Equity	15.54%	9.12%
(e) Inventory turnover ratio,	NA	NA	NA	NA
(f) Trade Receivables turnover ratio,	NA	NA	NA	NA
(g) Trade payables turnover ratio,	NA	NA	NA	NA
(h) Net capital turnover ratio,	NA	NA	NA	NA
(i) Net profit ratio,	Profit after tax	Total Revenue from operation	16.27%	11.41%
(j) Return on Capital employed,	Profit before tax	Total share holder's Equity	19.27%	12.60%
(k) Return on investment	Income generated from invested funds	Investment	NA	NA

There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.

7. Title deeds of immovable property not held in the name of the company:

All Titel Deed of the Property is in the name of Company

(₹ in lakhs)

Relevant line item in the Balance Sheet	Description of an item of property	31st March, 2024	31st March, 2023
PPE	Land & Building	178.71	178.71
Investment in property	Land & Building		
PPE retired from active use and held for disposal			
Others			

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Land is in the name of Theme Infotech Pvt Ltd which is related party and on that Building was developed and on that land we are paying rent which is considered Lease under Ind AS 116.

8. There are no transactions with the Struck off Companies under Section 248 or 560 of the Companies, Act 2013.

9. The Company being an non-banking finance company, as part of its normal business, grants loans and advances to its customers, other entities and persons ensuring adherence to all regulatory requirements. Further, the company has also borrowed funds from banks, financial institutions in compliance with regulatory requirements in the ordinary course of business.

Other than the transactions described above, 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

10. The Company has regrouped, reclassified and restated previous year figures to confirm to this year's presentation.

Note - 47 -Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC/3/21.04.048/2020-21 dated

6th August 2020 pertaining to Resolution Framework for COVID-19-related Stress are as under :-

Mar-24

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans					
Corporate persons*					
Of which MSMEs					
Others	1.08	0.01	0.10	0.39	0.58
Total	**1.08**	**0.01**	**0.10**	**0.39**	**0.58**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Mar-23

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans					
Corporate persons*					
Of which MSMEs					
Others	7.56	0.22	0.07	4.37	2.90
Total	**7.56**	**0.22**	**0.07**	**4.37**	**2.90**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Note - 48 - Details of loans transferred during the quarter ended March 31, 2023 under the RBI

Master Direction on Transfer of loan Exposures dated September 24,2021 are given below :

Particulars	To others
Number of loans sold	6101
Aggregate amount (₹ in Lakhs)	27.13
Sale consideration (₹ in Lakhs)	27.13
Number of transactions	1
Weighted average maturity in months (remaining)	27
Weighted average holding period in months	14
(after origination)	
Retention of beneficial economic interest(average)	10%
Coverage of tangible security coverage	100%

Note - 49 - Registration of charges or Satisfaction with Registrar of Companies(ROC)

Brief Description of Charge	Location of Registrar	Period by which charge had to be satisfied	Reason for delay
Registration of charge of HINDUJA LEYLAND FINANCE LIMITED as per Registration letter dated 28 March 2024 in relation to Registration of charge for loan facility aggregating to ₹ 14 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of BANK OF BARODA as per Registration letter dated 28 March 2024 in relation to Registration of charge for loan facility aggregating to ₹ 1.40 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of A. K. CAPITAL FINANCE LIMITED as per Registration letter dated 19 March 2024 in relation to Registration of charge for loan facility aggregating to ₹ 15.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of VARDHMAN TRUSTEESHIP PRIVATE LIMITED as per Registration letter dated 04 March 2024 in relation to Registration of charge for loan facility aggregating to ₹ 35.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CATALYST TRUSTEESHIP LIMITED as per Registration letter dated 28 February 2024 in relation to Registration of charge for loan facility aggregating to ₹ 2.85 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of STCI FINANCE LIMITED as per Registration letter dated 26 February 2024 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of AMBIT FINVEST PRIVATE LIMITED as per Registration letter dated 26 February 2024 in relation to Registration of charge for loan facility aggregating to ₹ 11.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of VARDHMAN TRUSTEESHIP PRIVATE LIMITED as per Registration letter dated 22 February 2024 in relation to Registration of charge for loan facility aggregating to ₹ 20.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of VARDHMAN TRUSTEESHIP PRIVATE LIMITED as per Registration letter dated 26 December 2023 in relation to Registration of charge for loan facility aggregating to ₹ 25.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of MANAPPURAM FINANCE LIMITED as per Registration letter dated 21 December 2023 in relation to Registration of charge for loan facility aggregating to ₹ 12.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CAPSAVE FINANCE PRIVATE LIMITED as per Registration letter dated 15 December 2023 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of KOTAK MAHINDRA BANK LIMITED as per Registration letter dated 06 December 2023 in relation to Registration of charge for loan facility aggregating to ₹ 20.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of SBM BANK (INDIA) LIMITED as per Registration letter dated 30 November 2023 in relation to Registration of charge for loan facility aggregating to ₹ 12.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of MUTHOOT VEHICLE & ASSET FINANCE LIMITED as per Registration letter dated 28 November 2023 in relation to Registration of charge for loan facility aggregating to ₹ 08.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

Brief Description of Charge	Location of Registrar	Period by which charge had to be satisfied	Reason for delay
Registration of charge of JANA SMALL FINANCE BANK LIMITED as per Registration letter dated 30 October 2023 in relation to Registration of charge for loan facility aggregating to ₹ 30.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of MAS FINANCIAL SERVICES LIMITED as per Registration letter dated 28 October 2023 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of POONAWALLA FINCORP LIMITED as per Registration letter dated 27 October 2023 in relation to Registration of charge for loan facility aggregating to ₹ 15.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CATALYST TRUSTEESHIP LIMITED as per Registration letter dated 23 October 2023 in relation to Registration of charge for loan facility aggregating to ₹ 2.88 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of BAJAJ FINANCE LIMITED as per Registration letter dated 23 October 2023 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of VARDHMAN TRUSTEESHIP PRIVATE LIMITED as per Registration letter dated 09 October 2023 in relation to Registration of charge for loan facility aggregating to ₹ 50.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of NORTHERN ARC CAPITAL LIMITED as per Registration letter dated 29 September 2023 in relation to Registration of charge for loan facility aggregating to ₹ 25.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of VARDHMAN TRUSTEESHIP PRIVATE LIMITED as per Registration letter dated 26 September 2023 in relation to Registration of charge for loan facility aggregating to ₹ 25.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of PIRAMAL TRUSTEESHIP SERVICES PRIVATE LIMITED as per Registration letter dated 21 September 2023 in relation to Registration of charge for loan facility aggregating to ₹ 20.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of SUNDARAM FINANCE LIMITED as per Registration letter dated 12 September 2023 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED as per Registration letter dated 08 September 2023 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of KISETSU SAISON FINANCE (INDIA) PRIVATE LIMITED as per Registration letter dated 06 September 2023 in relation to Registration of charge for loan facility aggregating to ₹ 15.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of VARDHMAN TRUSTEESHIP PRIVATE LIMITED as per Registration letter dated 03 August 2023 in relation to Registration of charge for loan facility aggregating to ₹ 25.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of ELECTRONICA FINANCE LIMITED as per Registration letter dated 27 July 2023 in relation to Registration of charge for loan facility aggregating to ₹ 5.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of FINCARE SMALL FINANCE BANK LIMITED as per Registration letter dated 24 July 2023 in relation to Registration of charge for loan facility aggregating to ₹ 15.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CATALYST TRUSTEESHIP LIMITED as per Registration letter dated 23 June 2023 in relation to Registration of charge for loan facility aggregating to ₹ 2.97 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of MUTHOOT MONEY LIMITED as per Registration letter dated 09 June 2023 in relation to Registration of charge for loan facility aggregating to ₹ 8 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of IDFC FIRST BANK LIMITED as per Registration letter dated 30 May 2023 in relation to Registration of charge for loan facility aggregating to ₹ 20.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of AMBIT FINVEST PRIVATE LIMITED as per Registration letter dated 30 May 2023 in relation to Registration of charge for loan facility aggregating to ₹ 11.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

Brief Description of Charge	Location of Registrar	Period by which charge had to be satisfied	Reason for delay
Registration of charge of SUNDARAM FINANCE LIMITED as per Registration letter dated 25 July 2023 in relation to Registration of charge for loan facility aggregating to ₹ 20.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of MUTHOOT VEHICLE & ASSET FINANCE LIMITED as per Registration letter dated 08 November 2022 in relation to Registration of charge for loan facility aggregating to ₹ 5.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of VARDHMAN TRUSTEESHIP PRIVATE LIMITED as per Registration letter dated 03 November 2022 in relation to Registration of charge for loan facility aggregating to ₹ 20.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of AMBIT FINVEST PRIVATE LIMITED as per Registration letter dated 30 September 2022 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of NORTHERN ARC CAPITAL LIMITED as per Registration letter dated 09 September 2022 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of NORTHERN ARC CAPITAL LIMITED as per Registration letter dated 30 June 2022 in relation to Registration of charge for loan facility aggregating to ₹ 15.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CATALYST TRUSTEESHIP LIMITED as per Registration letter dated 28 February 2022 in relation to Registration of charge for loan facility aggregating to ₹ 12.01 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED as per Registration letter dated 21 February 2022 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of HINDUJA LEYLAND FINANCE LIMITED as per Registration letter dated 30 November 2021 in relation to Registration of charge for loan facility aggregating to ₹ 20.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of NORTHERN ARC CAPITAL LIMITED as per Registration letter dated 03 November 2021 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CATALYST TRUSTEESHIP LIMITED as per Registration letter dated 24 September 2021 in relation to Registration of charge for loan facility aggregating to ₹ 17.73 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of INCRED FINANCIAL SERVICES LIMITED as per Registration letter dated 22 September 2021 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CATALYST TRUSTEESHIP LIMITED as per Registration letter dated 06 July 2021 in relation to Registration of charge for loan facility aggregating to ₹ 13.18 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of IDBI TRUSTEESHIP SERVICES LIMITED as per Registration letter dated 24 March 2021 in relation to Registration of charge for loan facility aggregating to ₹ 20.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of UTKARSH SMALL FINANCE BANK LIMITED as per Registration letter dated 25 February 2021 in relation to Registration of charge for loan facility aggregating to ₹ 25.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of IDFC FIRST BANK LIMITED as per Registration letter dated 17 October 2020 in relation to Registration of charge for loan facility aggregating to ₹ 30.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of JANA SMALL FINANCE BANK LIMITED as per Registration letter dated 30 September 2020 in relation to Registration of charge for loan facility aggregating to ₹ 25.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of HINDUJA LEYLAND FINANCE LIMITED as per Registration letter dated 30 September 2020 in relation to Registration of charge for loan facility aggregating to ₹ 15.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of IDBI TRUSTEESHIP SERVICES LIMITED as per Registration letter dated 07 August 2020 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of NORTHERN ARC CAPITAL LIMITED as per Registration letter dated 27 July 2020 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

Brief Description of Charge	Location of Registrar	Period by which charge had to be satisfied	Reason for delay
Registration of charge of MAGMA FINCORP LIMITED as per Registration letter dated 31 December 2019 in relation to Registration of charge for loan facility aggregating to ₹ 15.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of SUNDARAM FINANCE LIMITED as per Registration letter dated 18 September 2019 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of AMBIT FINVEST PRIVATE LIMITED as per Registration letter dated 24 January 2023 in relation to Registration of charge for loan facility aggregating to ₹ 5.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of NORTHERN ARC CAPITAL LIMITED as per Registration letter dated 29 November 2022 in relation to Registration of charge for loan facility aggregating to ₹ 20.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of NORTHERN ARC CAPITAL LIMITED as per Registration letter dated 29 September 2022 in relation to Registration of charge for loan facility aggregating to ₹ 15.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of CATALYST TRUSTEESHIP LIMITED as per Registration letter dated 02 May 2022 in relation to Registration of charge for loan facility aggregating to ₹ 12.01 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of NORTHERN ARC CAPITAL LIMITED as per Registration letter dated 22 February 2021 in relation to Registration of charge for loan facility aggregating to ₹ 15.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Registration of charge of HINDUJA LEYLAND FINANCE LIMITED as per Registration letter dated 24 December 2018 in relation to Registration of charge for loan facility aggregating to ₹ 10.00 Cr.	ROC- Mumbai	30 days	We have been compliant in filing form CHG -1 - No Delay
Satisfaction of charge of NORTHERN ARC CAPITAL LIMITED as per satisfaction letter dated 17-01-2024 in relation to satisfaction of charge for loan facility aggregating to ₹ 25.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of MUTHOOT VEHICLE & ASSET FINANCE LIMITED as per satisfaction letter dated 11-12-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 5.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of VARDHMAN TRUSTEESHIP PRIVATE LIMITED as per satisfaction letter dated 16-05-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 20.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of AMBIT FINVEST PRIVATE LIMITED as per satisfaction letter dated 21-04-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 10 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of NORTHERN ARC CAPITAL LIMITED as per satisfaction letter dated 26-10-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 10.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of NORTHERN ARC CAPITAL LIMITED as per satisfaction letter dated 17-11-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 15.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of CATALYST TRUSTEESHIP LIMITED as per satisfaction letter dated 28-07-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 12.01 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED as per satisfaction letter dated 07-12-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 10.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of HINDUJA LEYLAND FINANCE LIMITED as per satisfaction letter dated 18-08-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 20.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of NORTHERN ARC CAPITAL LIMITED as per satisfaction letter dated 05-08-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 10.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay

Notes Forming Part of Financial Statements
For the year ended 31st March,2024

Brief Description of Charge	Location of Registrar	Period by which charge had to be satisfied	Reason for delay
Satisfaction of charge of CATALYST TRUSTEESHIP LIMITED as per satisfaction letter dated 07-11-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 17.73 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of INCRED FINANCIAL SERVICES LIMITED as per satisfaction letter dated 05-07-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 10.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of CATALYST TRUSTEESHIP LIMITED as per satisfaction letter dated 18-05-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 13.18 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of IDBI TRUSTEESHIP SERVICES LIMITED as per satisfaction letter dated 10-07-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 20.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of UTKARSH SMALL FINANCE BANK LIMITED as per satisfaction letter dated 25-08-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 25.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of IDFC FIRST BANK LIMITED as per satisfaction letter dated 12-10-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 30.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of JANA SMALL FINANCE BANK LIMITED as per satisfaction letter dated 19-04-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 25.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of HINDUJA LEYLAND FINANCE LIMITED as per satisfaction letter dated 17-10-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 15.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of IDBI TRUSTEESHIP SERVICES LIMITED as per satisfaction letter dated 25-08-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 10.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of NORTHERN ARC CAPITAL LIMITED as per satisfaction letter dated 13-09-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 10.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of MAGMA FINCORP LIMITED as per satisfaction letter dated 12-07-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 15.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of SUNDARAM FINANCE LIMITED as per satisfaction letter dated 08-05-2023 in relation to satisfaction of charge for loan facility aggregating to ₹ 10.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of AMBIT FINVEST PRIVATE LIMITED as per satisfaction letter dated 22-03-2024 in relation to satisfaction of charge for loan facility aggregating to ₹ 5 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of NORTHERN ARC CAPITAL LIMITED as per satisfaction letter dated 07-02-2024 in relation to satisfaction of charge for loan facility aggregating to ₹ 20.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of NORTHERN ARC CAPITAL LIMITED as per satisfaction letter dated 17-01-2024 in relation to satisfaction of charge for loan facility aggregating to ₹ 15.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of CATALYST TRUSTEESHIP LIMITED as per satisfaction letter dated 31-01-2024 in relation to satisfaction of charge for loan facility aggregating to ₹ 12.01 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of NORTHERN ARC CAPITAL LIMITED as per satisfaction letter dated 18-03-2024 in relation to satisfaction of charge for loan facility aggregating to ₹ 15.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay
Satisfaction of charge of HINDUJA LEYLAND FINANCE LIMITED as per satisfaction letter dated 26-02-2024 in relation to satisfaction of charge for loan facility aggregating to ₹ 10.00 Cr	ROC- Mumbai	30 days	We have been compliant in filing form CHG- 4 - No Delay

50. Notes to financial information

50.1 The Company has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns filed by the Company with the banks and financial institutions are in accordance with the unaudited books of accounts of the Company for the respective

Notes Forming Part of Financial Statements

For the year ended 31st March,2024

50.2 The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds are held by the Company in the form of debt mutual funds and short term fixed deposits till the time the utilisation is made subsequently.

50.3 Details of Benami Property held:

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2024

50.4 Wilful Defaulter:

The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2024

50.5 Undisclosed Income:

There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2024, in the tax assessments under the Income Tax Act, 1961. There have been no unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2024

50.6 Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2024.

50.7 Title Deeds of Immovable Properties not held in the name of the Company:

The Company does not hold any immovable property as at 31 March 2024. All the lease agreements are duly executed in favour of the Parent Company for properties where the Parent Company is the lessee.

50.8 Revaluation of Property, plant and equipment and Intangible assets

There is no revaluation of Property, plant and equipment and other intangible assets during the year ended 31 March 2024.

50.9 Ultimate Beneficiary

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries. No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

50.10 Utilisation of Borrowed funds and share premium:

As a part of normal lending business, the Company grants loans and advances on the basis of security/ guarantee provided by the Borrower/ co-borrower and makes investments. These transactions are part of Company normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

As per our report of even date
For Venus Shah & Associates
Chartered Accountants
Firm registration number - 120878W

For and on bahalf of the Board of Director of
Manba Finance Limited
CIN : U65923MH1996PLC099938

Sd/-
Venus B. Shah
Partner
Membership No. - 109140
UDIN : 24109140BKFTKQ2608

Sd/-
Manish K. Shah
Managing Director
DIN -00979854

Sd/-
Monil M. Shah
Director
DIN -07054772

Sd/-
Jay K. Mota
Director & CFO
DIN -03105256

Sd/-
Bhavisha A. Jain
Company Secretary

Place - Mumbai
Date - 25.05.2024

Notes

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MANBA FINANCE

MANBA FINANCE LTD.

Corporate office: Plot No.79, Rd Number 16, Wagle Estate, Thane (w)-400604, Maharashtra, India.
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