

Regd. Office: 1C/13, Basement, Rajnigandha Building, New Rohtak Road, New Delhi - 110005
Tel No: 011-28762142; E-mail id: capfinindia@yaho.co.in; Website: www.capfinindia.com

Date: 06th September, 2024

To,

| | |
|---|---|
| Department of Corporate Affairs, BSE Limited, 28th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 | Company Symbol: CAPFIN Script Code: 539198 ISIN: INE960C01013 |
|---|---|

SUBJECT: Notice of the 32nd Annual General Meeting ('AGM') and Annual Report-2023-24

Dear Sir/Madam,

This is to inform you that the 32nd Annual General Meeting ("AGM") of the Company will be held on Saturday, 28th September, 2024 at 12:00 P.M IST through Video Conferencing / Other Audio visual Means in compliance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 30 read with Part A of Schedule III and Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed Annual Report of the Capfin India Limited (the 'Company') for the Financial year 2023-24 along with the Notice of the 32nd Annual General Meeting for the Financial year 2023-24.

Pursuant to Regulation 44 of Listing Regulations, Company is providing facility for remote e- Voting to its members whose names are recorded in Register of Members or Register of Beneficial owner maintained by the Depositories as on the cut-off date i.e. Saturday 21st September, 2024 as the "Cut-off Date". The remote e-voting shall commence at 9:00 A.M. on Wednesday, 25th September, 2024 and shall end at 5:00 P.M. on Friday, 27th September, 2024.

This is for your information and records.

Thanking You
For Capfin India Limited

RACHITA
MANTRY KABRA

Digitally signed by
RACHITA MANTRY KABRA
Date: 2024.09.06 23:30:19
+05'30'

Rachita Mantry Kabra
Whole time Director
DIN: 03414391

32ND ANNUAL REPORT
CAPFIN INDIA LIMITED
2023-2024

COMPANY INFORMATION AS ON 31ST MARCH, 2024**BOARD OF DIRECTORS**

| | |
|--------------------------|---------------------------|
| MS. RACHITA MANTRY KABRA | WHOLE-TIME DIRECTOR & CFO |
| MR. ASHOK KUMAR MOHTA | INDEPENDENT DIRECTOR |
| MR. SANJAY KUKREJA | INDEPENDENT DIRECTOR |
| MS. SARITA MANTRY | NON-EXECUTIVE DIRECTOR |

KEY MANAGERIAL PERSON

| | |
|-----------------------------|--|
| MS. RACHITA MANTRY KABRA | WHOLETIME DIRECTOR AND CFO |
| MR. SANJAYMOHAN SINGH RAWAT | COMPANY SECRETARY & COMPLIANCE OFFICER |

STATUTORY AUDITORS

M/s Mehra Goel & Co., Chartered Accountants
Flat No 03, Plot No. 28, Gowardhan Housing
Society, Maharshi Nagar, Pune- 411037
Membership No. 137405
Firm Registration No. 000517N

BANKER

IDFC First Bank & State Bank of India

SECRETARIAL AUDITOR

M/s DEEPANSHI JAIN AND ASSOCIATES
C-7/75, First Floor, Sector-7, Rohini
Delhi 11085
Mobile: 91-8800984002
Email: csdeepanshijain@Gmail.Com

SHARES LISTED WITH

BSE LIMITED

REGISTERED OFFICE

1C/13, Basement, New Rohtak Road Delhi North
West DL 110005 India

WEBSITE

www.capfinindia.com

EMAIL

capfinindialtd@yahoo.co.in

CONTACT NO.

011-22055161

REGISTRAR & TRANSFER AGENT

:

M/s INDUS PORTFOLIO PRIVATE LIMITED,
Registered Office: 1st Floor, Gopal Complex, Civil
Road, Rotak, Haryana Corporate Office: G-65 Bali
Nagar, New Delhi-110055Tel.No-47671214
Email: ippl@indusinvest.com
Website: www.indusinvest.com

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CAPFIN INDIA LIMITED

CIN: L74999DL1992PLC048032

Regd. Office: 1C/13, Basement, New Rohtak Road Delhi North West DL 110005 INDIA.

Tel: 011-22055161, E-mail: capfinindia ltd@yahoo.co.in, website: www.capfinindia.com

NOTICE

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

NOTICE is hereby given that the **Thirty-Two (32nd)** Annual General Meeting of the members Capfin India Limited will be held on 28th September, 2024 Monday at 12:00 P.M. through Video Conferencing (“VC”)/ Other Audio-Visual means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1- To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2024 and the reports of the Board of Directors and Auditors thereon and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT the audited financial statements of the Company for the financial year ended 31st March 2024 and the reports of the Board of Directors and Auditors thereon as circulated to the Members, be and are hereby considered and adopted.”

ITEM NO.2- To appoint a director in place of Ms. Sarita Mantry (DIN: 01111382), who retires by rotation, and being eligible, offers herself for re-appointment and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Sarita Mantry (DIN: 01111382) who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

ITEM NO.3 To consider and if thought fit to pass with or without modification(s) the following as an Special Resolution:

REGULARISATION OF ADDITIONAL DIRECTOR, Mr. MANGINA SRINIVAS RAO (DIN: 08095079) BY APPOINTING HIM AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY:

“RESOLVED THAT Mr. Mangina Srinivas Rao (DIN: 08095079) who was appointed as an additional Non-Executive Independent Director, pursuant to Sections 149, 150, 152, 161(1) and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approvals and recommendations of the nomination and remuneration committee, and that of the Board, be and is hereby appointed as an Non-Executive Independent Director not liable to retire by rotation, with effect

from July 08, 2024, for a period of 5 years.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

ITEM NO.5 To consider and if thought fit to pass with or without modification(s) the following as a Special Resolution:

REGULARISATION OF ADDITIONAL DIRECTOR, Ms. GAYATHRI IYER (DIN: 09054785) BY APPOINTING HIM AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE_COMPANY:

“**RESOLVED THAT** Ms. GAYATHRI IYER (DIN: 09054785) who was appointed as an additional Non-Executive Independent Director, pursuant to Sections 149, 150, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approvals and recommendations of the nomination and remuneration committee, and that of the Board, be and is hereby appointed as an Non-Executive Independent Director not liable to retire by rotation, with effect from July 08, 2024, for a period of 5 years.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

**By Order of the Board of Directors
Capfin India Limited**

**Place: New Delhi
Date: 06.09.2024**

**Sd/-
Mr. Sanjaymohan Singh Rawat
(A74205)
Company Secretary**

IMPORTANT NOTES:

1. Explanatory statement pursuant to section 102 (1) of the Companies Act, 2013 in respect of the Special Business as set out in the Notice is annexed hereto and forms part of this Notice.
2. **General instructions for accessing and participating in the 32nd AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting.**
3. The Ministry of Corporate Affairs (“MCA”) inter-alia vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as “MCA Circulars”) has permitted the holding of the annual general meeting through Video Conferencing (“VC”) or through other audio-visual means (“OAVM”), without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the 32st Annual General Meeting (“Meeting” or “AGM”) of the Company is being held through VC / OAVM on Saturday, September 28, 2024, at 12:00 P.M. (IST). The proceedings of the AGM deemed to be conducted at 1C/13, Basement, New Rohtak Road Delhi North West Delhi 110005 India.

4. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH.

ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated December 28, 2022, May 05, 2022, December 14, 2021, January 13, 2021, April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
6. Further, the company has engaged NIVIS CORP SERVE LLP for providing video conferencing system through cisco webex and e-voting services through NSDL. In case any member required any assistance in respect of e-voting or joining of Meeting through VC/OAVM can contact at following:

- Ms. Richa Rastogi at info@nivis.co.in,
 - Nivis Corpserve LLP,

- Contact No. 011-45201005

- 7.** The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Pursuant to Regulation 44(6) of Listing Regulations, the Company is also providing a live webcast of the proceedings of the AGM. The facility of participation at the AGM through VC/OAVM will be made available to all Members. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM, without restriction on account of a first come first served basis.
- 8.** The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- 9.** The Explanatory Statement according to Section 102 of the Act setting out material facts concerning the business under Item No 6 of the Notice is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ re-appointment at the AGM are provided as an annexure to the Notice. Requisite declarations have been received from the Directors for seeking appointment/re-appointment.
- 10.** In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.capfinindia.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
- 11.** In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- 12.** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA. You are also requested to update your Bank details by writing to the Company's RTA.
- 13.** SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, shareholders are requested to take action to dematerialize the equity shares of the Company.
- 14.** The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and other documents referred to in the Notice and explanatory statement, will be available electronically for inspection via a secured platform without any fee by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation

of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to capfinindia ltd@yahoo.com.

15. The Board of Directors of the Company has appointed M/s Vikas Verma & Associates, New Delhi as Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner.
16. The Register of Members and Share Transfer Books of the Company will remain closed from **Sunday, 22th September, 2024 to Saturday, 28th September, 2024 (both days inclusive)**.
17. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall within 48 hours of conclusion of the AGM shall submit a consolidated Scrutinizer's report of the total votes cast in favor of or against, if any, to the Chairman or any other person authorized by the Chairman, who shall countersign the same and declare the result of the voting forthwith.
18. The results along with Scrutinizer's Report, shall be displayed at the Registered Office of the Company and placed on the Company's website at www.capfinindia.com and the website of NSDL immediately after the result is declared. The results shall be simultaneously communicated to the Stock Exchange where the securities of the Company are listed. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

The remote e-voting period begins on 25th **September, 2024 at 09:00 A.M.** and ends on **27th September, 2024** at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (**cut-off date**) i.e. **21ST September, 2024**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **21st September, 2024**.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility:

| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | <p>i) Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>ii) If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

| | |
|---|---|
| | iv) Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> 1) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the eVoting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43 |

| | |
|--|--|
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
|--|--|

- (i) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | For Shareholders holding shares in Demat Form and Physical Form |
|--|--|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12***** |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

- (ii) Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - How to retrieve your ‘initial password’?
 - If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the

.pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

(iii) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc. d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

(iv) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

(v) Now, you will have to click on "Login" button.

(vi) After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Corporate/ Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sumanmsureka@yahoo.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to harmonycl@hcs.co.in or info@hcs.co.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PA (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to harmonycl@hcs.co.in or info@hcs.co.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system; After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e- Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at capfinindialtd@yahoo.co.in. The same will be replied by the company suitably,

**By Order of the Board of Directors
Capfin India Limited**

**Sd/-
Mr. Sanjaymohan Singh Rawat
(A74205)
Company Secretary**

**Place: New Delhi
Date: 06.09.2024**

'ANNEXURE I'

**Additional Information of Director seeking appointment/reappointment at the Thirty
Second (32nd) Annual Meeting (AGM)
[Pursuant to Secretarial Standards-2 and Regulation 36(3) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

| | |
|---|---|
| Name | MS. SARITA MANTRY |
| DIN | 01111382 |
| Date of Birth | 13.01.1965 |
| Date of first Appointment | 13.02.2017 |
| Qualifications | Graduate |
| Expertise in specific functional area | Financial Matters |
| Directorship in other Companies | 1. Mantri Capital Services Limited |
| Memberships / Chairmanship of Committees across all Public Companies * | NA |
| Relationship with other Directors / Key Managerial Personnel | NA |
| No. of shares held in the Company either by self or on a beneficial basis for any other person | 268490 |

By Order of the Board of Directors
Capfin India Limited

Sd/-

Mr. Sanjaymohan Singh Rawat
(A74205)
Company Secretary

Date: 06.09.2024
Place: New Delhi

**Additional Information of Director seeking appointment/reappointment at the Thirty
Second (32nd) Annual Meeting (AGM)**
**[Pursuant to Secretarial Standards-2 and Regulation 36(3) of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015]**

| | |
|---|---|
| Name | MR. MANGINA SRINIVAS RAO |
| DIN | <u>08095079</u> |
| Date of Birth | 09/08/1960 |
| Date of first Appointment | 08.07.2024 |
| Qualifications | Graduate |
| Expertise in specific functional area | Financial Matters |
| Directorship in other Companies | EFC REIT PRIVATE LIMITED SUMUKA AGRO INDUSTRIES LIMITED EFC (I) LIMITED DRONEACHARYA AERIAL INNOVATIONS LIMITED BALAXI PHARMACEUTICALS LIMITED TOTAL TRANSPORT SYSTEMS LIMITED |
| Memberships / Chairmanship of Committees across all Public Companies * | NA |
| Relationship with other Directors / Key Managerial Personnel | NA |
| No. of shares held in the Company either by self or on a beneficial basis for any other person | Nil |

**By Order of the Board of Directors
Capfin India Limited**

**Sd/-
Mr. Sanjaymohan Singh Rawat
(A74205)
Company Secretary**

**Date: 06.09.2024
Place: New Delhi**

**Additional Information of Director seeking appointment/reappointment at the Thirty
Second (32nd) Annual Meeting (AGM)
[Pursuant to Secretarial Standards-2 and Regulation 36(3) of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015]**

| | |
|---|--|
| Name | Ms. GAYATHRI IYER |
| DIN | <u>09054785</u> |
| Date of Birth | 02/02/1972 |
| Date of first Appointment | 08.07.2024 |
| Qualifications | Graduate |
| Expertise in specific functional area | Financial Matters |
| Directorship in other Companies | AGR EDUCATION FOUNDATION EFC REIT PRIVATE LIMITED UNIVA FOODS LIMITED EFC LIMITED TCC CONCEPT LIMITED EFC (I) LIMITED |
| Memberships / Chairmanship of Committees across all Public Companies * | NA |
| Relationship with other Directors / Key Managerial Personnel | NA |
| No. of shares held in the Company either by self or on a beneficial basis for any other person | Nil |

**By Order of the Board of Directors
Capfin India Limited**

**Sd/-
Mr. Sanjaymohan Singh Rawat
(A74205)
Company Secretary**

**Date: 06.09.2024
Place: New Delhi**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO.3:**

Mr. MANGINA SRINIVAS RAO (DIN: 08095079) was appointed as an additional Director of the company with effect from 08th July 2024 in accordance with the provision of section 161 of the Companies Act, 2013 read with the Article of Association of Company. Pursuant to the Section 161 of the Companies Act, 2013 the above director holds office only up to the date of the ensuing Annual General Meeting of the Company.

Mr. MANGINA SRINIVAS RAO (DIN: 08095079), is not disqualified from being appointed as Director in terms of Section 161 of Companies Act, 2013 and has given his consent to act as Director.

NRC has considered his diverse skills, leadership capabilities, expertise and vast business experience, among others, as being key requirements for this role. In view of the above, the NRC and the Board are of view that Mr. MANGINA SRINIVAS RAO possesses the requisite skills and capabilities, which would be of immense benefits to the Company and hence, it is desirable to appoint him as an Independent Director.

Based on the recommendation of the NRC, the Board of Directors of the Company, pursuant to the provisions of Sections 149, 150, 152 of the Act, and the Articles of Association of the Company, had recommended the appointment of Mr. Mangina Srinivas Rao (DIN: 08095079) as an Independent Director, not liable to retire by rotation, on the Board of the Company, for a period of 5 (five) years with effect from July 8, 2024.

Mr. Rao is not disqualified from being appointed as director in terms of Section 164 of the Act and have given his consent to act as director. The Company has also received declarations from Mr. Rao that he meets the criteria of independence as prescribed under Section 149(6) of the Act and under the SEBI Listing Regulations. In the opinion of the Board, Mr. Rao fulfil the conditions for appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations. Mr. Rao is independent of the management.

The Company has received requisite notice in writing from a member proposing the appointment of Mr. Rao as a candidate for the office of Directors of the Company.

Mr. Rao is interested in the resolution set out at Item No. 3 of the Notice with regard to his appointment. Relatives of Mr. Rao may be deemed to be interested in the resolution.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be regarded as an appropriate disclosure under the Act and the SEBI Listing Regulations.

The Board recommends the said Resolution No. 3 for approval by the members of the company.

The disclosure prescribed under Regulation 36 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with the provisions of the secretarial Standard on General Meeting issued by Institute of Company Secretaries of India (SS-2), are annexed to the notice.

ITEM NO.4:

Ms. GAYATHRI IYER (DIN: 09054785) was appointed as and additional Director of the company with effect from 08th July 2024 in accordance with the provision of section 161 the companies act, 2013 read with the Article of Association of Company. Pursuant to the Section 161 of the Companies act, 2013 the above director holds office only up to the date of the ensuring Annual General Meeting of the Company.

Ms. GAYATHRI IYER (DIN: 09054785) is not disqualified from being appointed as Director in terms of Section 161 of Companies Act, 2013 and has given his consent to act as Director.

The Board is of the view that the appointment of Ms. GAYATHRI IYER (DIN: 09054785), as Non-Executive Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 4 f or approval by the members of the company.

The disclosure prescribed under Regulation 36 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with the provisions of the secretarial Standard on General Meeting issued by Institute of Company Secretaries of India (SS-2), are annexed to the notice.

**By Order of the Board of Directors
Capfin India Limited**

**Sd/-
Mr. Sanjaymohan Singh Rawat
(A74205)
Company Secretary**

Date: 06.09.2024

Place: New Delhi

DIRECTORS' REPORT

To,

The Members,
CAPFIN INDIA LIMITED

Dear Members,

Your Directors have pleasure in presenting you the 32nd Annual Report together with the audited statement of Accounts of the Company for the financial year ended 31st March, 2024.

1. FINANCIAL RESULTS:

(All amounts in Hundreds of INR)

| PARTICULARS | 2023-24 | 2022-23 |
|--|----------------|----------------|
| Gross Income | 23,917.80 | 33,723.53 |
| Profit/(Loss) before depreciation and tax | (66,643.40) | 22,096.05 |
| Profit/ (Loss) before Tax | (66,643.40) | 21,670.62 |
| Add/Less: Provision for tax including deferred tax | (20,376.62) | (3,512.95) |
| Profit/ (Loss) after Tax | (46,266.78) | 18,157.67 |

2. RESULTS OF OPERATIONS & STATE OF COMPANY'S AFFAIRS:

During the year under review, the total income stood at Rs. 23,917.80 as against previous year total income of Rs. 33,723.53. Your company has incurred loss before depreciation and Income Tax of Rs. 66,643.40 (In Hundreds) from its operations and provision for income tax of Rs. (20,376.62) (in Hundreds). The company's net loss amounts to Rs. 46,266.79 (In Hundreds) as compared to profit of Rs. 18,157.67 (In Hundreds) earned in previous year. Your Company continues to take effective steps in broad basing its range of activities. The performance of the company during the year under review has been satisfactory.

3. CHANGE IN THE NATURE OF BUSINESS:

There was no Changes in the nature of business of the Company during the current financial year.

4. SHARE CAPITAL:

The Authorized Share Capital of the Company is INR 4,00,00,000/- (Indian Rupees Four Crore Only). During the year under review, there was no change in the Company's issued, subscribed and paid-up equity share capital. On March 31, 2024, the paid-up capital stood at INR 2,86,47,000/- (Indian Rupees Two Crore Eighty-Six Lakh Forty-Seven Thousand) divided into 28,64,700 (Twenty-Eight Lakh Sixty-Four Thousand and Seven Hundred Only) Equity Shares of INR 10/- (Rupee Ten Only) each.

5. DIVIDEND:

In view of the loss during the current year, the Board of Directors has not recommended any dividend for the financial year ended on 31st March, 2024.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no outstanding unclaimed/unpaid dividend as on 31st March 2024.

7. TRANSFER TO RESERVES:

Under section 45-IC of Reserve Bank of India Act, 1934, non-banking financial companies (NBFCs) are required to transfer a sum of not less than 20% of its net profit every year to the reserve fund before declaration of any dividend. Since, no dividend is declared, no amount is required to be transferred to its reserve fund.

8. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:

There have been no material changes and commitments, if any, affecting the Financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial statements relate and the date of Report.

9. DEPOSITS:

The Company has not accepted any public deposits during FY 2023 -24 within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under as per NBFC Guidelines issued by the Reserve Bank of India, the Board of Directors has passed the required resolution confirming that the Company has neither accepted any public deposits and nor does it intend to do so in the coming year 2024-2025.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE U/S 186 OF THE COMPANIES ACT, 2013:

The particulars of loans, guarantees and investments, wherever required, have been disclosed in the financial statements, which also form part of this report.

11. CORPORATE SOCIAL RESPONSIBILITY:

The Company has not developed and implemented any Corporate Social Responsibility Initiatives as provisions of section 135(1) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable on the Company.

12. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company is not a manufacturing Company. Therefore, conservation of Energy & Technology Absorption is not applicable. The Company has neither earned nor spent on foreign exchange.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY:

Board of Directors

| DIN No/ Membership Number | Name of Director | Designation | Date of Appointment | Date of Resignation |
|------------------------------|-----------------------------|---------------------------------|------------------------|------------------------|
| 03414391 | Ms. Rachita Mantry Kabra | Whole time Director | 29/09/2015 | NA |
| 01111382 | Ms. Sarita Mantry | Director | 13/02/2017 | NA |
| 08506956 | Mr. Sanjay Kukreja | Independent Director | 25/08/2020 | NA |
| <u>08095079</u> | Mr. Mangina Srinivas Rao | Additional Independent Director | 08/07/2024 | NA |
| 09054785 | Ms. Gayathri Iyer | Additional Independent Director | 08/07/2024 | NA |
| DHEPR4271N | Mr. Sanjaymohan Singh Rawat | Company Secretary | 30/07/2024 | NA |

Key Managerial Personnel

In terms of Section 203 of the Act, the following were designated as director or/and Key Managerial Personnel of your Company during the year:

Ms. Rachita Mantry Kabra- Whole time Director and Chief Financial Officer.

The following changes took place in the Board of Directors and Key Managerial Persons after closing of Financial Year but before the date of Board Report:

- Mr. MANGINA SRINIVAS RAO (DIN: 08095079) appointed as additional Director of the Company with effect from 8h July 2024.
- Ms. GAYATHRI IYER (DIN: 09054785) appointed as additional Director of the Company with effect from 8th July 2024.
- Mr. Sanjaymohan Singh Rawat (M. No. 74205) appointed as Company Secretary and Compliance Officer of the Company with effect from 30th July, 2024.
- Mr. Ashok Kumar Mohta (DIN: 08485341) has been resigned as Non-Executive Independent Director of the Company with effect from 23rd Day of June 2024.
- Ms. Priyanka Chaudhary Richhpal has been resigned as Company Secretary and Compliance Officer of the Company with effect from 05th day of May 2024

Women Director

In terms of the provisions of Section 149 of the Companies Act, 2013, a company shall have at least one-Woman Director on the Board of the Company. The Company has appointed Ms.

Rachita Mantry Kabra, Ms. Sarita Mantry and Ms. Gayathri Iyer, as Woman Director on the Board of the Company.

In accordance with provisions of the Act and the Articles of Association of the Company, Ms. Sarita Mantry, (DIN: 01111382), Non-Executive Director retires by rotation at the ensuing AGM and being eligible offers herself for re-appointment.

Independent Director:

In terms of Section 149 of the Act and SEBI Listing Regulations, Mr. Sanjay Kukreja, Mr. Mangina Srinivas Rao and Ms. Gayathri Iyer are the Independent Directors of the Company as on date of this report.

All Independent Directors of the Company have given requisite declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act along with Rules framed thereunder, Regulation 16(1)(b) of SEBI Listing Regulations and have complied with the Code of Conduct of the Company as applicable to the Board of directors and Senior Managers. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Company has received confirmation from all the Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

14. NUMBER OF MEETINGS OF THE BOARD:

During the Financial Year under review, 7 (Seven) Meetings of the Board of Directors were held. The dates on which the said meetings were held:

- 30th May, 2023
- 24th July, 2023
- 12th August, 2023
- 21st August, 2023
- 10th November, 2023
- 14th February, 2024
- 22nd March, 2024

The intervening gap between the Meetings was within the period prescribed under the SEBI (LODR) Regulations, 2015 and Companies Act, 2013

| S.no. | Name of Director | Designation | No. of Board Meeting eligible to attend | No. of Meetings attended | No. of Meeting in which absent |
|-------|--------------------------|---------------------|---|--------------------------|--------------------------------|
| 1 | Ms. Rachita Mantry Kabra | Whole time Director | 7 | 7 | 0 |

| | | | | | |
|---|--------------------------|---------------------------------|---|---|-----|
| 2 | Ms. Sarita Mantry | Non-Executive Director | 7 | 7 | 0 |
| 3 | Mr. Ashok Kumar Mohta | Independent Director | 7 | 7 | 0 |
| 4 | Mr. Sanjay Kukreja | Independent Director | 7 | 7 | 0 |
| 5 | Mr. Mangina Srinivas Rao | Additional Independent Director | - | - | N.A |
| 6 | Ms. Gayathri Iyer | Additional Independent Director | - | - | N.A |

15. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

Independent Directors of the Company held their Separate meeting under Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of Companies Act, 2013 on 14th February, 2024 to evaluate the performance of the Board, its committees and individual directors including independent directors.

16. COMMITTEES OF THE BOARD:

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in this Annual Report. Further, during the year under review, all recommendations made by the various committees have been accepted by the Board.

17. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted/re-constituted in line with the provisions of Section 177 of the Companies Act, 2013 and other applicable laws. The Audit Committee comprises of majority of the Independent Directors. All the members of the Committee have experience in financial matters. The Audit Committee is constituted in line to monitor and provide effective supervision of the management’s financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity, and quality of Financial Reporting. The details of the composition of the committee are set out in the following table: -

| Name | Status | Category |
|-----------------------------|----------|------------------------|
| Mr. Sanjay Kukreja | Chairman | Independent Director |
| Ms. Sarita Mantry | Member | Non-Executive Director |
| Mr. Ashok Mohta* | Member | Independent Director |
| Mr. MANGINA SRINIVAS RAO ** | Member | Independent Director |

* Resigned w.e.f. 23rd June, 2024

** Inducted w.e.f. 08th July, 2024

The committee was reconstituted by inducting Mr. MANGINA SRINIVAS RAO as member of the Committee w.e.f. 08th July, 2024.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Audit Committee oversees the work carried out in the financial reporting process by the management, the internal Auditors and the Independent Auditors and notes the processes and safeguards employed by each of them. All possible measures must be taken by the Audit Committee to ensure the objectivity and independence of the independent auditors.

The Board has accepted all recommendations of Audit Committee.

During the year under review 06 (Six) meetings of Audit Committee were convened and held. The dates on which the said meetings were held:

1. 30th May, 2023
2. 12th August, 2023
3. 21st August, 2023
4. 10th November, 2023
5. 14th February, 2024
6. 22nd March, 2024

| Sr. No. | Name of the Members | Designation | No. of Audit Committee attended during the year |
|---------|-----------------------------|---------------|---|
| 01 | Mr. Sanjay Kukreja | Chairman & ID | 6 |
| 02 | Ms. Sarita Mantry | Member | 6 |
| 03 | Mr. Ashok Kumar Mohta* | Member | 6 |
| 04 | Mr. MANGINA SRINIVAS RAO ** | Member | N.A. |

* Resigned w.e.f. 23rd June, 2024

** Inducted w.e.f. 08th July, 2024

The committee was reconstituted by inducting Mr. MANGINA SRINIVAS RAO as member of the Committee w.e.f. 08th July, 2024.

During the year, all recommendations of the audit committee were approved by the Board of Directors.

18. NOMINATION AND REMUNERATION COMMITTEE:

The company is having a Nomination and Remuneration committee comprising of the following directors:

| S.No. | Name | Status | Category |
|-------|--------------------|----------|----------------------|
| 1 | Mr. Sanjay Kukreja | Chairman | Independent Director |

| | | | |
|---|-----------------------------|--------|------------------------|
| 2 | Ms. Sarita Mantry | Member | Non-Executive Director |
| 3 | Mr. Ashok Kumar Mohta* | Member | Independent Director |
| 4 | Mr. MANGINA SRINIVAS RAO ** | Member | Independent Director |

* Resigned w.e.f. 23rd June, 2024

** Inducted w.e.f. 08th July, 2024

The committee was reconstituted by inducting Mr. MANGINA SRINIVAS RAO as member of the Committee w.e.f. 08th July, 2024.

During the Financial Year under review 03 (Three) meetings of the Nomination and Remuneration Committee were convened and held. The dates on which the said meetings were held:

1. 30th May, 2023
2. 21st August, 2023
3. 22th March, 2024

| Sr. No. | Name of the Members | Designation | No. of Nomination and Remuneration Committee attended during the year |
|---------|-----------------------------|---------------|---|
| 01 | Mr. Sanjay Kukreja | Chairman & ID | 3 |
| 02 | Ms. Sarita Mantry | Member | 3 |
| 03 | Mr. Ashok Kumar Mohta | Member | 3 |
| 04 | Mr. MANGINA SRINIVAS RAO ** | Member | NA |

* Resigned w.e.f. 23rd June, 2024

** Inducted w.e.f. 08th July, 2024

The committee was reconstituted by inducting Mr. MANGINA SRINIVAS RAO as member of the Committee w.e.f. 08th July, 2024.

19. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company is having a Stakeholders Relationship Committee comprising of the following directors:

| S.No. | Name | Status | Category |
|-------|-----------------------------|----------|------------------------|
| 1 | Sanjay Kukreja | Chairman | Independent Director |
| 2 | Sarita Mantry | Member | Non-Executive Director |
| 3 | Ashok Mohta* | Member | Independent Director |
| 4 | Mr. MANGINA SRINIVAS RAO ** | Member | Independent Director |

* Resigned w.e.f. 23rd June, 2024

** Inducted w.e.f. 08th July, 2024

The committee was reconstituted by inducting Mr. MANGINA SRINIVAS RAO as member of the Committee w.e.f. 08th July, 2024.

During the Financial Year under review 02 (Two) meetings of the Stakeholders Relationship Committee were convened and held. The dates on which the said meetings were held:

1. 30th May, 2023
2. 22th March, 2024

| Sr. No. | Name of the Members | Designation | No. of Stakeholder relationship Committee attended during the year |
|---------|-----------------------------|---------------|--|
| 01 | Mr. Sanjay Kukreja | Chairman & ID | 2 |
| 02 | Ms. Sarita Mantry | Member | 2 |
| 03 | Mr. Ashok Kumar Mohta | Member | 2 |
| 04 | Mr. MANGINA SRINIVAS RAO ** | Member | N.A |

* Resigned w.e.f. 23rd June, 2024

** Inducted w.e.f. 08th July, 2024

The committee was reconstituted by inducting Mr. MANGINA SRINIVAS RAO as member of the Committee w.e.f. 08th July, 2024.

20. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Nomination & Remuneration Committee of Directors have approved a Policy for Selection, Appointment, Remuneration and determine Directors' Independence of Directors which inter-alia requires that composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and senior management employees and the Directors appointed shall be of high integrity with relevant expertise and experience so as to have diverse Board and the Policy also lays down the positive attributes/criteria while recommending the candidature for the appointment as Director. Nomination & Remuneration Policy is uploaded on the website of the Company i.e. at www.capfinindia.com.

21. BOARD EVALUATION:

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provisions of the Act and the SEBI Listing Regulations.

The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are

broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The Board and the NRC reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent directors, performance of Non-Independent Directors and the Board as a whole was evaluated. Additionally, they also evaluated the Chairman of the Board, considering the views of Executive and Non-executive Directors in the aforesaid meeting. The Board also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The above evaluations were then discussed in the Board meeting and performance evaluation of Independent directors was done by the entire Board, excluding the Independent Director being evaluated.

22. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI Listing Regulations, kindly refer to the Company's website www.capfinindia.com for details of the familiarization program for IDs on their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014 in prescribed Form AOC-2 is annexed herewith at **Annexure I**.

24. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The company does not have any Subsidiary, Joint Venture or Associate Company; hence, provisions of section 129(3) of the Companies Act, 2013 relating to preparation of consolidated financial statements are not applicable.

25. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. No person has been denied access to the Chairperson of the Audit Committee.

26. PARTICULARS OF EMPLOYEES U/S 197(12) OF THE COMPANIES ACT, 2013:

The Information & Statement of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5 (1) & 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure II**.

27. DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED U/S 134(3)(c)

In terms of section 134(5) of the Companies Act, 2013, your directors state that: -

- (a) in the preparation of the annual accounts, the applicable accounting standards and other requirements have been followed;
- (b) 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 the end of the financial year and of the loss of the company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis.
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively
- (f) the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. AUDITORS & AUDITORS' REPORT:

Statutory Auditors

In accordance with the Companies Act 2013, the statutory auditors of the Company, M/s. RAG & Associates, Chartered Accountants, New Delhi, were appointed as statutory auditors of the Company. However, the Board has recommended the appointment of **M/s Mehra Goel & Co. (Chartered Accountants, New Delhi (Firm Registration Number:000517N))**, as the Statutory Auditors of the Company to fill the casual vacancy caused due to the resignation of M/s RAG & Associates, Chartered Accountants, (Firm Registration Number: 008653C), to hold office until the conclusion of this 36th Annual General Meeting, at such remuneration plus out-of-pocket expenses and applicable taxes etc

Internal Auditor

Pursuant to Section 138 of the Act and Rules made there under rules, M/s Dhirubhai Shah & Co LLP, Chartered Accountants (FRN: 102511W/W100298) were appointed as Internal Auditors for the financial year 2023-24.

Secretarial Auditor

Pursuant to Section 204 of the Act and Rules made there under, the Board of Directors of the Company has appointed M/s Deepanshi Jain & Associates (COP No. 14826, Membership Number: 40127) Practicing Company Secretary having its Registered Office at C-7/75, First Floor, Sector-7, Rohini, Delhi- 110085, to conduct Secretarial Audit of the Company for the financial year 2023-24. The Report of the Secretarial Audit is annexed herewith as **Annexure -III**.

Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

29. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:

According to Section 134(5) (e) of the Companies Act, 2013, the Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of business, including adherence to the company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate Internal Financial Control System which ensures that all the assets are safeguarded and protected and the transactions are authorized, recorded and reported correctly.

To further strengthen the internal control process, the company has developed the very comprehensive compliance management tool to drill down the responsibility of the compliance from top management to executive.

Based on the results of such assessments carried out by management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed.

30. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Company has adopted a policy on prevention, prohibitions and redressal of sexual harassment at workplace in line with the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

31. CODE OF CONDUCT:

Commitment to ethical professional conduct is a must for every employee, including Board Members and Senior Management Personnel of the Company. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct. All Board members and Senior Management Personnel affirm compliance with the Code of Conduct annually.

32. MANAGEMENT DISCUSSIONS & ANALYSIS REPORT:

As per SEBI Listing Regulations, Management Discussion and Analysis Report is annexed herewith at **Annexure -IV**.

33. EXTRACT OF THE ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92:

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2022-23 is available on Company's website at www.capfinindia.com

34. SECRETARIAL STANDARDS:

During the year under review the Company has complied with Secretarial Standards on Board and General Meetings issued by Institute of Company Secretaries of India.

35. CORPORATE GOVERNANCE:

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, compliance with the Corporate Governance provisions as specified in regulation 17 to 27 and clause (b) to (i) [and (t)] of sub-regulation (2) of regulation 46 and Para C, D, and E of Schedule V shall not apply to the company having Paid up Equity Share Capital not exceeding Rs. 10 Crore and Net Worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year. The Company is covered under the exception given under Regulation 15(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, therefore Company is not required to comply with the said provisions.

36. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- There has been no application made or pending under Insolvency and Bankruptcy Code, 2016
- There has been no one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

37. ACKNOWLEDGEMENT:

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, stock exchanges, customers, vendors, members during the year under review.

For & on behalf of
Capfin India Limited

Date: 06.09.2024
Place: New Delhi

Sd/-
Sarita Mantry
Director
DIN: 01111382

Sd/-
Rachita Mantry Kabra
Whole time Director
DIN: 03414391

FORM NO. AOC-2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form 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 arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Capfin India Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2023-24.

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

For Details of material contracts or arrangements or transactions at arm's length basis of Capfin India Limited for the financial year 2023-24 please refer financial statement.

**For & on behalf of
Capfin India Limited**

**Date:06.09.2024
Place: New Delhi**

**Sd/-
Sarita Mantry
Director
DIN: 01111382**

**Sd/-
Rachita Mantry Kabra
Whole Time Director & CFO
DIN: 03414391**

“Annexure II”**Information of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

| S. No. | PARTICULARS | REMARKS |
|--------|---|--|
| 1. | The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year. | Managing Director-NIL |
| | | Independent Director – NIL |
| 2 | The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year. | No Change |
| 3 | The percentage increase in the median remuneration of employees in the financial year | No increment. |
| 4 | The number of permanent employees on the rolls of company | 3 (Three) |
| 5 | The explanation on the relationship between average increase in remuneration and company performance. | - |
| 6 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 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. | NIL |
| 7 | Affirmation that the remuneration is as per the remuneration policy of the company | The Board of Directors affirm that the remuneration paid to Directors, KMPs and employees is as per the Remuneration Policy of the Company |

**For & on behalf of
Capfin India Limited**

Date: 06.09.2024
Place: New Delhi

Sd/-
Sarita Mantry
Director
DIN: 01111382

Sd/-
Rachita Mantry Kabra
Whole Time Director & CFO
DIN: 03414391

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31ST MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

To,
The Members,
Capfin India Limited
1C/13, Basement,
New Rohtak Road
Delhi-110005

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Capfin India Limited** (hereinafter called “**the Company**” **CIN : L74999DL1992PLC048032**). The secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on 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 covering the financial year ended on March 31st, 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 M/s. Capfin India Limited for the financial year ended on March 31st, 2024 according to the provisions of the following list of laws and regulations:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (Not applicable to the company during the Financial Year 2023-24)
- (v) Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013

- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable: -
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. (Not applicable to the company during the Financial Year 2023-24)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. (Not applicable to the company during the Financial Year 2023-24)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities and Security Receipts) Regulations, 2008. (Not applicable to the company during the Financial Year 2023-24)
 - 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.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. (Not applicable to the company during the Financial Year 2023-24)
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (Not applicable to the company during the Financial Year 2023-24)
 - i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. (Not applicable to the company during the Financial Year 2023-24)
 - j) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009; (Not applicable to the company during the Financial Year 2023-24)
 - k) Securities and Exchange Board of India (Depository Participant) Regulations, 2018; (Not applicable to the company during the Financial Year 2023-24)

I have also examined compliance with respect to the applicable clauses of the following:

- (a) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India; and
- (b) The Listing Agreement entered into by the Company with the BSE Ltd.
- (c) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

The Compliance by the Company of applicable financial laws, like Direct and Indirect Tax Laws, has not been reviewed in Secretarial Audit since the same have been subject to review by Statutory Financial Auditor and other designated professionals.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period, there were no instances of:

- (a) Public/ Rights/ Preferential Issue of Shares/Debentures/ Sweat Equity
- (b) Redemption/ Buy-back of Securities
- (c) Major decisions taken by the members in pursuant to section 180 of the Companies Act, 2013
- (d) Merger/ Amalgamation/ Reconstruction etc.;
- (e) Foreign Technical Collaborations

For Deepanshi Jain & Associates
Company Secretaries

Place: New Delhi
Date: 5th September, 2024
UDIN: F010651F001153353

Sd/-
Deepanshi Jain
Proprietor
FCS No- 10651
C P No- 14826

******The aforesaid report is issued on the basis of the documents and information provided by the management and the data available on the public database and websites.***

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

To,
The Members,
Capfin India Limited
1C/13, Basement,
New Rohtak Road
Delhi-110005

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

Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, we have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.

The Compliance of provisions of corporate and other applicable laws, rules, regulations & standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.

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

For Deepanshi Jain & Associates
Company Secretaries

Place: New Delhi
Date: 5th September, 2024
UDIN: F010651F001153353

Sd/-
Deepanshi Jain
Proprietor
FCS No- 10651
C P No- 14826

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

CAPFIN INDIA LIMITED is a non-deposit taking Non-Banking Financial Company (NBFC-ND) registered with Reserve Bank of India. The situations will be improving and the economy as a whole is continuously recovering by the effects of securities market.

2. OPPORTUNITIES AND THREATS

Some of the key trends of the industry that are favorable to the company to exploit these emerging opportunities are: —

- Clients are more comfortable with uniform high quality and quick service and process across the enterprise.
- There are good prospects for expanding further activities in this direction.

Some of the key changes in the industry unfavorable to the company are:

- Heightened competition
- Increasing Compliances
- Attraction and retention of human capital
- Regulatory changes

3. RISK & CONCERNS

In line with the regulatory requirements, the Company has framed a Risk Management Policy to identify and access the key business risk areas and a risk mitigation process. A detailed exercise is being carried out at regular intervals to identify, evaluate, manage and monitor all business risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization with increasing integration of markets, newer and more complex products and transactions and an increasingly stringent regulatory framework has exposed organizations to and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. The sustainability of the business is derived from the following:

Identification of the diverse risks faced by the company.

- The evolution of appropriate systems and processes to measure and monitor them
- Risk Management through appropriate mitigation strategies within the policy framework.
- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.
- Reporting these risk mitigation results to the appropriate managerial levels.

- There is the risk of loss from inadequate or failed systems, processes or procedures. These may be attributed to human failure or technical problems given the increase use of technology and staff turnover. Your company has in place suitable mechanisms to effectively reduce such risks.
- All these risks are continuously analyzed and reviewed at various levels of management through an effective information system.

4. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

During the year under review, since company is being working in a single segment therefore the specific performance does not stand eligible.

5. OUTLOOK

The presence of a stable government at the center will be a major catalyst in taking major decisions which would push forward the pace of reforms and thereby directly improving the macro-economic environment. It is now being forecasted that in the near future, the Indian economy will become the fastest growing emerging market.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has carried out the internal audit in-house and has ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transaction are appropriately authorized, recorded and reported. Exercises for safeguarding assets and protection against unauthorized use are undertaken from time to time. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective. All these measures are continuously reviewed by the management and as and when necessary improvements are affected.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Further, the financial performance during the year under reference has been stated in the Directors Report. During the year, the total income declined and loss was also incurred as compared to profit during the last year.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

The Company had sufficient numbers of employees at its administrative office. The company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The company enjoyed excellent relationship with workers and staff during the last year.

9. CAUTIONARY STATEMENT

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward

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looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

For & on behalf of
Capfin India Limited

Date: 06.09.2024
Place: New Delhi

Sd/-
Sarita Mantry
Director
DIN: 01111382

Sd/-
Rachita Mantry Kabra
Whole time Director & CFO
DIN: 03414391

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT
PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Whole time Director. The Code of Conduct as adopted is available on the Company's website. I confirm that the Company has in respect of the Financial Year ended March 31, 2024, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the Code of Conduct as applicable to them.

For & on behalf of
Capfin India Limited

Sd/-

Date: 06.09.2024

Place: New Delhi

Rachita Mantry Kabra
Whole Time Director
DIN: 03414391

INDEPENDENT AUDITOR'S REPORT

To the Members of Capfin India Limited

Report on the Audit of Ind AS Financial Statements

Opinion

We have audited the Ind AS Financial Statements of Capfin India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss including Other Comprehensive Income, its Cash Flows and the Changes in Equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report ("other information"), but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other

information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standard on Auditing (SA's) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS 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 Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Ind AS Financial Statements, including the disclosures and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters:

The comparative financial information of the Company for the year ended March 31, 2023, was audited by another auditor who expressed an unmodified opinion on those financial statements on May 30, 2023. Accordingly, we do not express any opinion, as the case may be, on the figures reported in the financial statements for the year ended March 31, 2023.

Our opinion is not modified in respect of this matter.

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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 the Statement of Other Comprehensive Income, and the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards)

Rules, 2015, as amended;

Report on Other Legal and Regulatory Requirements (Continued)

- (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 31 March 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 with reference to these Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position to Ind AS Financial Statements.
 - ii. The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses to Ind AS Financial Statements
 - iii. There were no amounts that were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the financial statements, during the year 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 person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on the audit procedures 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 (a) and (b) of Rule 11(e) contain any material misstatement.

- v. The Company has not declared or paid any equity dividend during the year.
- vi. *Based on our examination which included test checks, 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 wherein the accounting software did not have the audit trail feature enabled throughout the year for all relevant. transactions recorded in the software.*

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

For **Mehra Goel & Co**
Chartered Accountants
FRN No. 000517N

Roshan Daultani
Partner
Membership No.: 137405
UDIN: 24137405BKDLQE4615

Place: Pune
Date: May 24, 2024

Annexure 1 referred to in paragraph 1 under the heading 'Report on other legal and regulatory requirements' of our report of even date.

Re: Capfin India Limited ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property Plant and Equipment's and intangible assets.

(b) As explained to us, these Property Plant and Equipment's assets have been physically verified by the management at reasonable intervals; no any material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to 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 there under.
- (ii) (a) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to size of the company and nature of its business.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has taken working capital limits from the bank –State Bank of India and quarterly returns or statement filed by the company with state bank of India are in agreements with books of accounts.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.
 - (a) The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.
 - A. Based on the audit procedures carried on by us and as per the information and explanation given to us, the Company has not granted any loans to subsidiaries.
 - B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted loans to a party other than subsidiaries.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Hence this clause is not applicable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Hence this clause is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Hence this clause is not applicable.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same part

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Hence this clause is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Goods and Service Tax, income tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings from any lender during the year.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not applied the proceeds of the loan other than the purpose for which the loans were applied for.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no short term funds have been applied for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the 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 as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (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 as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle blower complaints received by the Company during the year.

- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company does not have an internal audit system commensurate with the size and nature of its business.
- (b) We have not considered the internal audit reports of the Company hence not report was placed before us.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) In our opinion and according to information and explanation given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934, and has obtained the registration.
- (xvii) The Company did not incur cash losses in the current and in the immediately preceding financial year. Hence this clause is not applicable.
- (xviii) There has been resignation of the statutory auditors during the year and there were no issues, concerns or objections raised by the outgoing auditors.
- (xix) On the basis of the financial ratios disclosed in note XX to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. 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) During the year, section 135 regarding Corporate Social Responsibility of the Act is not applicable to the company, accordingly, the requirements to report on clause 3(xx)(a) and (b) of the Order are not applicable to the Company.

(xxi) The Company does not prepare consolidated financial statements, hence the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For **Mehra Goel & Co**
Chartered Accountants
FRN No. 000517N

Roshan Daultani
Partner
Membership No.: 137405
UDIN: 24137405BKDLQE4615

Place: Pune

Date: May 24, 2024

“ANNEXURE 2” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF CAPFIN INDIA LIMITED

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

**To
The Member of
Capfin India Limited**

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

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the 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 Over Financial Reporting

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

Opinion

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

For **Mehra Goel & Co**
Chartered Accountants
FRN No. 000517N

Roshan Daultani
Partner
Membership No.: 137405
UDIN: 24137405BKDLQE4615

Place: Pune
Date: May 24, 2024

Capfin India Limited
Balance Sheet as at March 31, 2024
(CIN: L74999DL1992PLC048032)

(All amounts are in rupees hundreds unless otherwise stated)

| | Notes | As at March 31, 2024 | As at March 31, 2023 |
|---|-------|----------------------|----------------------|
| ASSETS | | | |
| Financial assets | | | |
| Stock in trade | | 17,357.62 | - |
| Cash and cash equivalents | 2 | 6,243.76 | 14,890.88 |
| Bank Balance other than cash and cash equivalents | | - | - |
| Loans | 3 | 161,019.53 | 121,184.74 |
| Investments | 4 | 54,580.71 | 171,806.17 |
| Other financial assets | 5 | 42.46 | - |
| | | 239,244.08 | 307,881.79 |
| Non- financial assets | | | |
| Current tax assets (Net) | 6 | 1,508.04 | 758.84 |
| Deferred tax assets (Net) | 7 | 17,996.08 | - |
| Investment property | 8 | - | - |
| Property, plant and equipment | 9 | 18.59 | 18.59 |
| Other non- financial assets | 10 | 800.96 | 814.66 |
| | | 20,323.67 | 1,592.09 |
| Total assets | | 259,567.75 | 309,473.88 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Financial liabilities | | | |
| Payables | | | |
| a) Trade payables | | | |
| b) Other payables | | | |
| Other payables | 11 | 218.00 | 468.00 |
| Borrowings | 12 | - | - |
| | | 218.00 | 468.00 |
| Non-financial liabilities | | | |
| Provisions | | | |
| Deferred tax liability (Net) | 7 | - | 2,426.09 |
| Equity | | | |
| Equity share capital | 13 | 286,470.00 | 286,470.00 |
| Other equity | 14 | (27,120.26) | 20,109.79 |
| | | 259,349.74 | 309,005.88 |
| Total Liabilities and Equity | | 259,567.74 | 309,473.88 |

Summary of significant accounting policies 1

See accompanying notes to the financial statements

**Audit Report as on even date attached
For Mehra Goel & Co
Chartered Accountants
(FRN: 000517N)**

**Roshan Daultani
Partner
Membership No.: 137405
Place: Pune
Date: 24-05-2024
UDIN : 24137405BKDLQE4615**

For and on behalf of the Board of Directors

**Rachita Mantry Kabra
Director
DIN: 03414391
Place:
Date: 24-05-2024**

**Sarita Mantry
Director
DIN : 01111382
Place:
Date: 24-05-2024**

**SANJAYMOHAN SINGH RAWAT
Company Secretary**

| Capfin India Limited | | | | |
|---|-------|------------------------------|------------------------------|--|
| Statement of Profit and Loss for the year ended March 31, 2024 | | | | |
| (CIN: L74999DL1992PLC048032) | | | | |
| (All amounts are in rupees hundreds unless otherwise stated) | | | | |
| | Notes | Year Ended March 31, 2024 | Year Ended March 31, 2023 | |
| I. Revenue from Operations (Gross) | | | | |
| Sale of stock in trade | | 13,113.43 | - | |
| Dividend income | 15 | 181.00 | 82.10 | |
| Net gain/ (loss) on fair value changes | 16 | (2,588.52) | 5,784.86 | |
| Interest income | 17 | 11,861.54 | 9,576.43 | |
| Rental income | | - | 330.00 | |
| Total revenue from operations | | 22,567.45 | 15,773.39 | |
| Other income | 18 | 1,350.35 | 17,950.14 | |
| II. Total Income | | 23,917.79 | 33,723.53 | |
| Impairment of financial instruments | 19 | 71,467.00 | - | |
| Purchase of stock in trade | | 21,634.02 | - | |
| Change in stock in trade | | (17,357.62) | | |
| Fees and commission expense | 20 | 7,847.19 | 4,131.31 | |
| Employee benefit expense | 21 | 4,800.00 | 4,800.00 | |
| Depreciation, amortisation and impairment | | - | 425.43 | |
| Others expenses | 22 | 2,170.61 | 2,696.17 | |
| III. Total Expenses | | 90,561.20 | 12,052.91 | |
| IV. Profit before Tax (II - III) | | (66,643.41) | 21,670.62 | |
| V. Tax Expenses | 23 | (20,376.62) | 3,512.95 | |
| - Current tax | | 45.55 | 78.80 | |
| - Deferred tax | | (20,422.17) | 302.37 | |
| - Mat Credit Loss | | - | 3,131.78 | |
| VI. Profit for the Period (IV-V) | | (46,266.79) | 18,157.67 | |
| Other Comprehensive income | | | | |
| VII. Items that will not be reclassified to profit or loss in subsequent periods | | | | |
| Net gain /(loss) on changes in fair value | | (963.26) | - | |
| Net loss on impairment of equity instruments measured at fair value through OCI | | - | | |
| Income Tax impact | | | | |

| | | | | | |
|--|--|--|--|--------------------|------------------|
| VIII. Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods | | | | (963.26) | - |
| | | | | | |
| Total comprehensive income (VI+ VIII) | | | | (47,230.05) | 18,157.67 |
| | | | | | |

| | | | |
|---|--|--|-------------------------|
| Earning Per Equity Share (Face Value ₹.10/-each) | | | |
| - Basic | | (1.65) | 0.63 |
| - Diluted | | (1.65) | 0.63 |
| Summary of significant accounting policies | | 1 | |
| See accompanying notes to the financial statements | | | |
| Audit Report as on even date attached | | For and on behalf of the Board of Directors | |
| For Mehra Goel & Co | | | |
| Chartered Accountants | | | |
| (FRN: 000517N) | | | |
| | | Rachita Mantry Kabra | Sarita Mantry |
| | | Director | Director |
| Roshan Daultani | | DIN: 03414391 | DIN : 01111382 |
| Partner | | Place: | Place: |
| Membership No.: 137405 | | Date: 24-05-2024 | Date: 24-05-2024 |
| Place: Pune | | | |
| Date: 24-05-2024 | | | |
| UDIN : 24137405BKDLQE4615 | | SANJAYMOHAN SINGH RAWAT | |
| | | Company Secretary | |

Capfin India Limited
Statement of Cash Flows for the year ended March 31, 2024
(CIN: L74999DL1992PLC048032)

(All amount in rupees hundreds unless otherwise stated)

| Notes | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| I. Cash Flow from Operating Activities | | |
| Profit / (loss) before tax | (66,643.41) | 21,670.62 |
| Adjustment to reconcile profit before tax to net cash flows | - | - |
| Depreciation and amortisation | - | 425.43 |
| Adjustment for Depreciation relating to Previous Years | - | - |
| Impairment of investments | 29,420 | - |
| Income from unwinding of security deposits | - | - |
| Finance costs (including fair value change in financial instruments) | - | - |
| Profit on sale of investment | (1,275.59) | (17,827.14) |
| Operating Profit before Working Capital changes | (38,499.00) | 4,268.91 |
| Movements in working capital : | | |
| Increase/(Decrease) in trade payables | - | - |
| Increase/(Decrease) in provisions | - | - |
| Increase/(Decrease) in Provisions | - | - |
| Increase/(Decrease) in Other payables | (250.00) | (800.00) |
| Decrease / (Increase) in Non Financial Liabilities | - | - |
| Decrease / (Increase) in Non Financial assets | 13.70 | 888.07 |
| (Increase)/Decrease in trade receivables | - | - |
| (Increase)/Decrease in Inventories | (17,357.62) | - |
| Decrease / (Increase) in Loans | (39,834.46) | 29,515.19 |
| Decrease / (Increase) in Other Financial assets | (42.46) | - |
| Cash Generated From Operations | (95,969.83) | 33,872.17 |
| Less : Direct Tax paid (net of refunds) | (794.59) | 660.79 |
| Net Cash Flow from Operating Activities | (96,764.42) | 34,532.96 |
| II. Cash Flow from Investing Activities: | | |
| Proceeds from sale of investments | 281,691.16 | 29,361.30 |
| Purchase of investments | (194,849.46) | (109,368.13) |
| Gain on sale of investments | 1,275.59 | (697.20) |
| Sale of investments | - | 42,000.00 |
| Net cash flow (used in) investing activities | 88,117.29 | (38,704.03) |
| III. Net Cash Flow From Financing Activities: | | |
| Borrowing taken/paid during the year | - | - |
| III. Net cash flow (used in) financing activities | - | - |
| IV. Net (decrease) / In cash and cash equivalents (I+II+III) | (8,647.13) | (4,171.08) |
| Cash and cash equivalents (Opening) | 14,890.88 | 1,188.79 |
| Cash and cash equivalents (Closing) | 6,243.75 | (2,982.28) |

Audit Report as on even date attached For and on behalf of the Board of Directors

For Mehra Goel & Co
Chartered Accountants
(FRN: 000517N)

Roshan Daultani
Partner
Membership No.: 137405
Place: Pune
Date: 24-05-2024
UDIN : 24137405BKDLQE4615

Rachita Mantry Kabra
Director
DIN: 03414391
Place:
Date: 24-05-2024

Sarita Mantry
Director
DIN : 01111382
Place:
Date: 24-05-2024

SANJAYMOHAN SINGH RAWAT
Company Secretary

Capfin India Limited

Statement of Changes in equity for the period ended March 31, 2024

(All amounts are in rupees hundreds unless otherwise stated)

| (a) Equity Share Capital | Number | Amounts in INR |
|--|------------------|-------------------|
| Equity shares of Rs. 10 each issued, subscribed and fully paid | | |
| As at 31 March 2023 | 2,864,700 | 28,647,000 |
| Changes in equity share capital during the year | - | - |
| As at 31 March 2024 | 2,864,700 | 28,647,000 |

(b) Other equity

For the year ended March 31, 2024:

| | Attributable to the equity shareholders | | | |
|------------------------------------|---|--------------------|---|--------------------|
| | Reserves and Surplus | | Other Comprehensive Income | Total |
| | Capital Reserve | Retained earnings | Equity instruments through other comprehensive income | |
| As at 31 March 2022 | 36,893.69 | 14,748.35 | (49,689.92) | |
| Profit for the year | | 18,157.67 | | 18,157.67 |
| Other Comprehensive income | | | - | - |
| Other reclassification adjustments | | | | - |
| As at 31 March 2023 | 36,893.69 | 32,906.02 | (49,689.92) | 20,109.79 |
| Profit for the year | | (46,266.79) | | (46,266.79) |
| Other Comprehensive income | | | (963.26) | (963.26) |
| Other reclassification adjustments | | | | - |
| As at 31 March 2024 | 36,893.69 | (13,360.78) | (50,653.18) | (27,120.26) |

Audit Report as on even date attached

For Mehra Goel & Co

Chartered Accountants

(FRN: 000517N)

For and on behalf of the Board of Directors

Rachita Mantry Kabra

Director

DIN: 03414391

Sarita Mantry

Director

DIN : 01111382

Roshan Daultani

Partner

Membership No.: 137405

Place: Pune

Date: 24-05-2024

UDIN : 24137405BKDLQE4615

SANJAYMOHAN SINGH RAWAT

Company Secretary

Capfin India Limited**Statement of Changes in equity for the period ended March 31, 2024**

(All amounts are in rupees hundreds unless otherwise stated)

Note 2: Cash and cash equivalents

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------|---------------------------------|---------------------------------|
| Cash on hand | 876.51 | 1,096.51 |
| Balances with banks | 5,367.25 | 13,794.37 |
| | 6,243.76 | 14,890.88 |

The Company has not taken bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and for cash equivalent given above

Note 3: Loans

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---------------------------------|---------------------------------|
| Term loans: | | |
| Corporate lending | 44,837.44 | 94,984.74 |
| Small business lending | 158,228.77 | 26,200.00 |
| | | |
| Total – Gross | 203,066.21 | 121,184.74 |
| Less: provision for non performing assets | 42,046.68 | - |
| Total – Net | 161,019.53 | 121,184.74 |
| (a) Secured by tangible assets (property, plant and equipment including land and building)* | - | 41,400.00 |
| (b) Secured by book debts, inventories, fixed deposit and other working capital items | - | - |
| (c) covered by bank and government guarantee | - | - |
| (b) Unsecured | 161,019.53 | 79,784.74 |
| Total – Gross | 161,019.53 | 121,184.74 |

* The term loan has been extended to M/s Kusum Garment Pvt Ltd which is been secured by ROC charge on Land and Building has been provided for.

Capfin India Limited
Statement of Changes in equity for the period ended March 31, 2024
(All amounts are in rupees hundreds unless otherwise stated)

Note 4: Investments

| As at 31 March 2024 | At Amortised Cost | At fair value | | | Subtotal | Others | Total |
|---|-------------------|------------------------------------|------------------------|---|------------------|----------|------------------|
| | | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | | | |
| Investments in India | | | | | | | |
| Equity Instruments | - | 84,001.05 | - | - | 84,001.05 | - | 84,001.05 |
| Investment in jewellery | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - |
| Total gross (A) | - | 84,001.05 | - | - | 84,001.05 | - | 84,001.05 |
| Less: Allowance for Impairment loss (B) | - | 29,420.34 | - | - | 29,420.34 | - | 29,420.34 |
| Total Net D = (A) -(B) | - | 54,580.71 | - | - | 54,580.71 | - | 54,580.71 |

The company has ownership of 109565 shares of M/s Ondot Courier & Cargo Pvt Ltd, which has been fully impaired in FY 2023-24. The company has went into liquidation and the case is still pending in NCLT.

| As at 31 March 2023 | At Amortised Cost | At fair value | | | Subtotal | Others | Total |
|---|-------------------|------------------------------------|------------------------|---|-------------------|----------|-------------------|
| | | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | | | |
| Investments in India | | | | | | | |
| Equity Instruments | - | 171,806.17 | - | - | 171,806.17 | - | 171,806.17 |
| Others | - | - | - | - | - | - | - |
| Total gross (A) | - | 171,806.17 | - | - | 171,806.17 | - | 171,806.17 |
| Less: Allowance for Impairment loss (B) | - | - | - | - | - | - | - |
| Total Net D = (A) -(B) | - | 171,806.17 | - | - | 171,806.17 | - | 171,806.17 |

The Company has designated its equity investments as FVOCI on the basis that these are not held for trading and held for strategic purposes.

Capfin India Limited**Statement of Changes in equity for the period ended March 31, 2024**

(All amounts are in rupees hundreds unless otherwise stated)

Note 5: Other financial assets

| Particulars | As at | As at |
|-------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Trade receivables | 42.46 | - |
| Total | 42.46 | - |

Note 6: Current tax assets (Net)

| Particulars | As at | As at |
|---|-----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Current tax assets | | |
| Tax deducted at source receivable (Net of Provision for taxation) | 1,508.04 | 758.84 |
| | | - |
| Total | 1,508.04 | 758.84 |

Note 7 : Deferred tax assets (Net)

| Particulars | As at | As at |
|---|------------------|-------------------|
| | March 31, 2024 | March 31, 2023 |
| Deferred tax assets | | |
| Depreciation | - | (2,426.09) |
| Effect due to other temporary differences | 17,996.08 | - |
| | 17,996.08 | (2,426.09) |
| Net deferred tax assets | 17,996.08 | (2,426.09) |

Capfin India Limited

Statement of Changes in equity for the period ended March 31, 2024

(All amounts are in rupees hundreds unless otherwise stated)

Note 8: Investment property

| Gross block | Investment property | Total |
|------------------------------------|---------------------|------------------|
| At 31st March 2022 | 26,696.36 | 26,696.36 |
| Additions (subsequent expenditure) | 697.20 | 697.20 |
| At 31st March 2023 | 27,393.56 | 27,393.56 |
| Additions (subsequent expenditure) | - | - |
| At 31st March 2024 | 27,393.56 | 27,393.56 |

| Accumulated depreciation | Investment property | Total |
|---------------------------|---------------------|-----------------|
| At 31st March 2022 | 2,706.66 | 2,706.66 |
| Depreciation expense | 425.43 | 425.43 |
| At 31st March 2023 | 3,132.09 | 3,132.09 |
| Depreciation expense | - | - |
| At 31st March 2024 | 3,132.09 | 3,132.09 |

| Sale of Assets | Investment property | Total |
|----------------------|---------------------|---------------|
| Property Sold | 24,261.47 | 24,261 |

| Net Block | Investment property | Total |
|---------------------------|---------------------|---------------|
| At 31st March 2022 | 23,990 | 23,990 |
| At 31st March 2023 | - | - |
| At 31st March 2024 | - | - |

Information regarding income and expenditure of Investment property

| Particulars | 31-Mar-24 | 31-Mar-23 |
|---|-----------|----------------|
| Rental income derived from investment properties | - | 330.00 |
| Direct operating expenses (including repairs and maintenance) that did not generate rental income | - | - |
| Profit arising from investment properties before depreciation and indirect expenses | - | 330.00 |
| Less – Depreciation | - | (425.43) |
| Profit arising from investment properties before indirect expenses | - | (95.43) |

The Company has sold the property at fair market value for INR 42 Lakhs.

Capfin India Limited**Statement of Changes in equity for the period ended March 31, 2024**

(All amounts are in rupees hundreds unless otherwise stated)

Note 9: Property and equipment

| Gross block | Mobile Phone | Laptop | Total |
|---------------------------|---------------------|---------------|--------------|
| At 31st March 2022 | 33.98 | 42.79 | 81.84 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At 31st March 2023 | 33.98 | 42.79 | 81.84 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At 31st March 2024 | 33.98 | 42.79 | 81.84 |

| Accumulated depreciation | Mobile Phone | Laptop | Total |
|---------------------------------|---------------------|---------------|--------------|
| At 31st March 2022 | 19.56 | 38.62 | 63.25 |
| Depreciation expense | | | - |
| Disposal | | | - |
| At 31st March 2023 | 19.56 | 38.62 | 63.25 |
| Depreciation expense | - | | - |
| Disposal | | | - |
| At 31st March 2024 | 19.56 | 38.62 | 63.25 |

| Net Block | Mobile Phone | Laptop | Total |
|---------------------------|---------------------|---------------|--------------|
| At 31st March 2023 | 14.42 | 4.17 | 18.59 |
| At 31st March 2024 | 14.42 | 4.17 | 18.59 |

Capfin India Limited
Statement of Changes in equity for the period ended March 31, 2024
(All amounts are in rupees hundreds unless otherwise stated)

Note 10: Other non financial assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Balances with statutory/government authorities | 800.96 | 814.66 |
| | | - |
| Total | 800.96 | 814.66 |

Note 11: Other payables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------|-------------------------|-------------------------|
| Expenses payable | 218.00 | 468.00 |
| Tax Payable | | - |
| Total | 218.00 | 468.00 |

Note 12: Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------|-------------------------|-------------------------|
| Term loans | | |
| - From Director (Unsecured) | | - |
| Total | - | - |
| - Within India | | - |
| - Outside India | | - |
| Total | - | - |

Note 13: Issued Capital and reserves

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Authorised | | |
| 40,00,000 Equity Shares of INR 10 each | 400,000 | 400,000 |
| (Previous year 40,00,000 Equity Shares of INR 10 each) | | |
| | 400,000 | 400,000 |
| Issued: | | |
| 34,50,000 Equity Shares of INR 10 each | 345,000 | 345,000 |
| (Previous year 34,50,000 Equity Shares of INR 10 each) | | |
| | 345,000 | 345,000 |
| Subscribed and fully paid up: | | |
| 28,64,700 Equity Shares of INR 10 each | 286,470 | 286,470 |
| (Previous year 28,64,700 Equity Shares of INR 10 each) | | |
| | 286,470 | 286,470 |

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|----------------|----------------------|----------------|
| | No. of shares | Amount | No. of shares | Amount |
| At the beginning of the year | 2,864,700 | 286,470 | 2,864,700 | 286,470 |
| Issued during the year | | | | |
| Outstanding at the end of the year | 2,864,700 | 286,470 | 2,864,700 | 286,470 |

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the company

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|------------------------------------|----------------------|--------------|----------------------|--------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| Equity shares of Rs 10 each | | | | |
| Focus Stock Brokers Limited | - | - | - | - |
| Dinesh Kumar Mantry | 170,640.00 | 5.96 | 170,640.00 | 5.96 |
| Sarita Mantry | 268,490.00 | 9.37 | 268,490.00 | 9.37 |
| Total | 439,130.00 | 15.33 | 439,130.00 | 15.33 |

d. Details of promoter's shareholding

| | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|-------------------|----------------------|-------------------|
| | No. of shares | % of total shares | No. of shares | % of total shares |
| Sarita Mantry - Promoter | | | | |
| At the beginning of the year | 268,490.00 | 9.37% | 172,188.00 | 6.01% |
| % change during the year | - | 0.00% | 96,302.00 | 3.36% |
| Outstanding at the end of the year | 268,490.00 | 9.37% | 268,490.00 | 9.37% |
| Dinesh Kumar Mantry - Promoter Group | | | | |
| At the beginning of the year | 170,640.00 | 5.96% | 123,700.00 | 4.31% |
| % change during the year | 26,398.00 | 0.92% | 46,940.00 | 1.65% |
| Outstanding at the end of the year | 197,038.00 | 6.88% | 170,640.00 | 5.96% |
| Anil Kumar Mantry - Promoter Group | | | | |
| At the beginning of the year | 28,000.00 | 0.98% | 28,000.00 | 0.98% |
| % change during the year | 26,398.00 | 0.92% | - | 0.00% |
| Outstanding at the end of the year | 54,398.00 | 1.90% | 28,000.00 | 0.98% |
| Sushila Devi Mantry - Promoter Group | | | | |
| At the beginning of the year | 52,796.00 | 1.84% | 52,796.00 | 1.84% |
| % change during the year | - | 0.00% | - | 0.00% |
| Outstanding at the end of the year | 52,796.00 | 1.84% | 52,796.00 | 1.84% |
| Mahabir Prasad Mantry HUF | | | | |
| At the beginning of the year | - | 0.00% | 20,975.00 | 0.73% |
| % change during the year | - | 0.00% | (20,975.00) | -0.73% |
| Outstanding at the end of the year | - | 0.00% | - | 0.00% |
| Mahabir Prasad Mantry | | | | |
| At the beginning of the year | - | 0.00% | 43,600.00 | 1.52% |
| % change during the year | - | 0.00% | (43,600.00) | -1.52% |
| Outstanding at the end of the year | - | 0.00% | - | 0.00% |

Note 14: Other equity

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|-------------------------|-------------------------|
| Other equity: | | |
| Capital Reserve | 36,893.69 | 36,893.69 |
| Retained earnings | 32,906.02 | 14,748.35 |
| Add: Profit during the year | (46,266.79) | 18,157.67 |
| Add: Other adjustments | | |
| | (13,360.77) | 32,906.02 |
| Other comprehensive income | (49,689.92) | (49,689.92) |
| Add: changes during the year | (963.26) | - |
| | (50,653.18) | (49,689.92) |
| Total | (27,120.26) | 20,109.79 |

Nature and purpose of reserves**Other comprehensive income**

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Capital Reserve

This pertains to the amount of Rs 36,89,369 realised by the company due to forfeiture of shares made during the Financial Year 2015-16

Retained earnings

Retained earnings represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves. It also includes impact of remeasurement of defined benefit plans.

Capfin India Limited
Statement of Changes in equity for the period ended March 31, 2024
(All amounts are in rupees hundreds unless otherwise stated)

Note 15: Dividend income

| Particulars | 31-Mar-24 | 31-Mar-23 |
|-----------------|---------------|--------------|
| Dividend income | 181.00 | 82.10 |
| Total | 181.00 | 82.10 |

Note 16: Net gain/ (loss) on fair value changes

| Particulars | 31-Mar-24 | 31-Mar-23 |
|--|-------------------|-----------------|
| Net gain / (loss) on financial instruments at fair value through profit or loss | | |
| On trading portfolio: | | |
| Investments | - | 3,569.84 |
| Derivatives | (2,588.52) | 2,215.01 |
| Net gain on financial instruments measured on fair value | (2,588.52) | 5,784.86 |
| Fair value changes: | | |
| Realised gain | (2,588.52) | 5,784.86 |
| Unrealised gain / (loss) | - | - |

Note 17: Interest income

| Particulars | 2023-24 | | | | 2022-23 | | | |
|----------------------------------|---------------------------------------|--|--|------------------|---------------------------------------|--|--|-----------------|
| | On Financial Assets at Amortised Cost | On Financial Assets at fair value through profit or loss | On Financial Assets at fair value through profit or loss | Total | On Financial Assets at Amortised Cost | On Financial Assets at fair value through profit or loss | On Financial Assets at fair value through profit or loss | Total |
| Interest on Loans | | | | | | | | |
| Loans and advances to customers* | 11,861.54 | | | 11,861.54 | 9,576.43 | | | 9,576.43 |
| Interest on Fixed deposits | - | | | - | - | | | - |
| Total | 11,861.54 | - | - | 11,861.54 | 9,576.43 | - | - | 9,576.43 |

Note 18: Other income

| Particulars | 31-Mar-24 | 31-Mar-23 |
|-------------------------------|-----------------|------------------|
| Interest on Income Tax Refund | - | 123.00 |
| Misc Income | 74.53 | - |
| Profit on Sale of Investments | 1,275.82 | 17,827.14 |
| Total | 1,350.35 | 17,950.14 |

Capfin India Limited
Statement of Changes in equity for the period ended March 31, 2024
(All amounts are in rupees hundreds unless otherwise stated)

Note : 19 Impairment of financial instruments

Measured at amortized cost

| Particulars | 31-Mar-24 | 31-Mar-23 |
|------------------------|---------------|-----------|
| Provision for advances | 42,047 | - |
| Investments | 29,420 | - |
| Total | 71,467 | - |

a. 100% provision made for advances given to Kusum Garments private limited

Measured at fair value through OCI

| Particulars | 31-Mar-24 | 31-Mar-23 |
|--------------|-----------|-----------|
| Loans | - | - |
| Investments | - | - |
| Total | - | - |

Note : 20 Fees and commission expense

| Particulars | 31-Mar-24 | 31-Mar-23 |
|--------------------------------------|-----------------|-----------------|
| Fees and commission expenses: | | |
| Other fees | 7,847.19 | 4,131.31 |
| Total | 7,847.19 | 4,131.31 |

Note : 21 Employee benefit expense

| Particulars | 31-Mar-24 | 31-Mar-23 |
|------------------------|-----------------|-----------------|
| Salaries and wages | 4,800.00 | 4,800.00 |
| Staff welfare expenses | - | - |
| Total | 4,800.00 | 4,800.00 |

Note : 22 Other Expenses

| Particulars | 31-Mar-24 | 31-Mar-23 |
|-------------------------------------|-----------|-----------|
| Audit Fees | 243.00 | 318.00 |
| Bank Charges | 8.85 | 8.85 |
| Conveyance | - | - |
| Repair & Maintnace : Flat Furniture | - | 60.00 |
| E-Voting Expenses | - | - |
| General Meeting Expenses | - | - |
| Legal & Professional Charges | 388.36 | 460.71 |

| | | |
|--|-----------------|-----------------|
| Miscellaneous Expenses | 256.77 | 80.07 |
| Vehicle Expenses | - | - |
| Postage & Courier | - | - |
| Printing & Stationary | - | - |
| Publication | - | - |
| Share Transfer and Registration Expenses | - | - |
| Rent | 720.00 | 720.00 |
| Telephone and postage Expenses | - | - |
| Website Expense | - | 49.00 |
| Short & Excess | - | - |
| Rates and Taxes | - | - |
| Contingnet Insurance Policy Premium | 29.50 | 29.50 |
| Securities Transaction Tax | 524.14 | 719.70 |
| Other Charges | - | 250.34 |
| Loss in Future & options | - | 0.01 |
| Total | 2,170.61 | 2,696.17 |

Details of payments to auditors:

| Particulars | 31-Mar-24 | 31-Mar-23 |
|------------------------|---------------|---------------|
| Payment to auditors: | | |
| Statutory Audit Fee | 118.00 | 118.00 |
| Out of pocket expenses | - | - |
| Total | 118.00 | 118.00 |

Note : 23 Tax Expenses

| Particulars | 31-Mar-24 | 31-Mar-23 |
|--------------|--------------------|---------------|
| Current tax | 45.55 | 78.80 |
| Deferred Tax | (20,422.17) | 302.37 |
| Total | (20,376.62) | 381.17 |

a) Income tax related to items charged or credited directly to profit or loss during the year:

| Statement of profit or loss | 31-Mar-24 | 31-Mar-23 |
|---|--------------------|---------------|
| Current income tax: | | |
| Current income tax charge | 45.55 | 78.80 |
| Adjustments in respect of current income tax of previous year | | - |
| Deferred tax: | | |
| Relating to origination and reversal of temporary differences | -20422.17 | 302.37 |
| Tax expense | (20,376.62) | 381.17 |

Capfin India Limited
Ind AS adjustment entries

(All amounts are in rupees hundreds unless otherwise stated)

24 Related Party transactions

(A) Names of Related parties and nature of related party relationships

Key management personnel

Rachita Mantry-Managing Director
Sarita Mantry - Director
Ashok Mohta- Independent Director
Sanjay Kukreja - Independent Director
Rachita Mantry-CFO
Priyanka Chaudhary-CS

The following table provides the total amount due to or due from the related parties as on 31st March 2024 and 31 March 2023

| Particulars | 31 March, 2024 | 31 March, 2023 |
|---------------------------------|-----------------|-----------------|
| Rachita Mantry | | |
| Director Salary & Perks Payable | 3,600.00 | 3,600.00 |
| Loan taken | - | - |
| Total | 3,600.00 | 3,600.00 |

25 Segment Reporting

The Company has a single operating segment that is “providing loans to corporates and non-corporates”. Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended 31st March 2024.

Entity wide disclosures:

- I. **Information about products and services:**
The Company,s major line of business of “providing loans to corporates and non-corporates” and earn interest income on the same.
- II. **Geographic Informations:**
The company operates presently in the business of providing loans to corporates and non-corporates in India. Accordingly, revenue from customers and all assets are located in India only.

26 Contingent Liabilities and Commitments

The company has nil contingent liabilities and no commitments for the year ended on March 31, 2024

27 Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. This note explains the sources of risk which the entity is exposed to and how the company manages the risk. The Company is exposed to market risk, credit risk and liquidity risk.

The Company board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

1. Market Risk

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and investing in fixed interest instruments.

(b) Foreign currency risk

The Company does not have significant exposure in currency other than INR.

2. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The contractual maturities of the Company's financial liabilities are presented below:

| As at 31st March 2024 | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years | Total |
|---|-----------|--------------------|----------------|--------------|-----------|---------------|
| Interest-bearing loans and borrowings-Principal Payable | | | | | | - |
| Expenses Payable | - | 100.00 | - | - | - | 100.00 |
| Total | - | 100.00 | - | - | - | 100.00 |

| As at 31st March 2023 | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years | Total |
|---|-----------|--------------------|----------------|--------------|-----------|---------------|
| Interest-bearing loans and borrowings-Principal Payable | | | | - | | - |
| Expenses Payable | | 350 | 118.00 | | | 468.00 |
| Total | - | 350 | 118.00 | - | - | 468.00 |

3. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. There are no impairment losses on financial assets to be recognised in statement of profit and loss as on 31 March 2024 and for the comparative period as on 31 March 2023.

Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management does not expect any significant credit risk out of exposure to trade and other receivables. Accordingly company does not expect any impairment loss on trade receivables.

Cash and cash equivalents: The company held cash and cash equivalents of INR 6,24,375.60 as at 31 March 2024 (31 March 2023: INR 14,89,088.10). The cash and cash equivalents are held with public sector banks and leading private sector Bank. There is no impairment on cash and cash equivalents as on the reporting date and the comparative period.

Capfin India Limited

Ind AS adjustment entries

(All amounts are in rupees hundreds unless otherwise stated)

28 Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves a

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and t

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintai
Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

29 Accounting classifications and fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by

Set out below is a comparison by class of the carrying amounts and fair values of the Company's financial in:

As at 31st March 2024, the Company held the following financial instruments carried at fair value on the statement o

| Particulars |
|---|
| Financial assets at amortised cost: |
| Cash and cash equivalents |
| Loans |
| Investments |
| Other financial assets |
| |
| Total |
| |
| Financial liabilities at amortised cost: |
| Other payables |
| Borrowings (Other than debt securities) |
| |
| Total |

As at 31st March 2023, the Company held the following financial instruments carried at fair value on the statement o

| Particulars |
|---|
| Financial assets at amortised cost: |
| Cash and cash equivalents |
| Loans |
| Investments |
| Other financial assets |
| |
| Total |
| |
| Financial liabilities at amortised cost: |
| Other payables |
| Borrowings (Other than debt securities) |

| |
|--------------|
| |
| Total |

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, bank deposits, trade receivables of nature

tributable to the equity holders of the parent.

to optimise returns to its shareholders.

in investor, creditors and market confidence and to sustain future development and growth of its business. The

valuation technique:

struments that are carried in the financial statements:

of financial position:

| Carrying amount | Fair value | Fair value | | |
|-------------------|-------------------|------------|---------|-------------------|
| | | 31-Mar-24 | Level 1 | Level 2 |
| | | | | |
| 6,243.76 | 6,243.76 | | | |
| 161,019.53 | 161,019.53 | | | 161,019.53 |
| 54,580.71 | 54,580.71 | | | |
| 42.46 | 42.46 | | | |
| | | | | |
| 221,886.45 | 221,886.45 | - | - | 161,019.53 |
| | | | | |
| | | | | |
| 218.00 | 218.00 | | | |
| - | - | | | |
| | | | | |
| 218.00 | 218.00 | | | - |

of financial position:

| Carrying amount | Fair value | Fair value | | |
|-------------------|-------------------|------------|---------|-------------------|
| | | 31-Mar-23 | Level 1 | Level 2 |
| | | | | |
| 14,890.88 | 14,890.88 | | | |
| 121,184.74 | 121,184.74 | | | 121,184.74 |
| 171,806.17 | 171,806.17 | | | |
| | - | | | |
| | | | | |
| 307,881.79 | 307,881.79 | - | - | 121,184.74 |
| | | | | |
| | | | | |
| 468.00 | 468.00 | | | |
| - | - | | | |

| | | | | |
|---------------|---------------|--|--|---|
| | | | | |
| 468.00 | 468.00 | | | - |

de payables and other financial liabilities are considered to be same as their fair values, due to their short term

Capfin India Limited**Ind AS adjustment entries**

(All amounts are in rupees hundreds unless otherwise stated)

30 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to

| Particulars | As at 31 March 2024 | |
|---|---------------------|-----------------|
| | Within 12 months | After 12 months |
| ASSETS | | |
| Financial assets | | |
| Stock in trade | 17,357.62 | - |
| Cash and cash equivalents | 6,243.76 | - |
| Loans | 161,019.53 | - |
| Investments | 54,580.71 | - |
| Other financial assets | 42.46 | - |
| Total financial assets | 239,244.06 | - |
| | | |
| Non-financial assets | | |
| Current tax assets (net) | 1,508.04 | - |
| Deferred tax assets (net) | 17,996.08 | - |
| Property, plant and equipment | - | 18.59 |
| Other non-financial assets | - | 800.96 |
| Total non-financial assets | 19,504.12 | 819.55 |
| | | |
| Total assets | 258,748.18 | 819.55 |
| | | |
| LIABILITIES | | |
| Financial liabilities | | |
| Derivative financial instruments | | |
| Trade payables | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | - | - |
| Borrowings (other than debt securities)* | - | - |
| Subordinated liabilities | - | - |
| Lease Liabilities | - | - |
| Other financial liabilities | 218.00 | - |
| Total financial liabilities | 218.00 | - |
| | | |
| Non-financial liabilities | | |
| Deferred tax liabilities (net) | - | - |
| Provisions | - | - |
| Other non-financial liabilities | - | - |
| Total non-financial liabilities | - | - |
| | | |
| EQUITY | | |
| Equity share capital | - | 286,470.00 |

| | | | |
|-------------------------------------|--|---------------|-------------------|
| Other equity | | - | (27,120.26) |
| Total equity | | - | 259,349.74 |
| | | | |
| Total liabilities and equity | | 218.00 | 259,349.74 |

be recovered or settled.

| As at 31 March 2023 | | | |
|---------------------|-------------------|-----------------|-------------------|
| Total | Within 12 months | After 12 months | Total |
| | | | |
| 17,357.62 | - | - | - |
| 6,243.76 | 14,890.88 | - | 14,890.88 |
| 161,019.53 | 121,184.74 | - | 121,184.74 |
| 54,580.71 | 171,806.17 | - | 171,806.17 |
| 42.46 | - | - | - |
| 239,244.06 | 307,881.79 | - | 307,881.79 |
| | | | |
| | | | |
| 1,508.04 | 758.84 | - | 758.84 |
| 17,996.08 | - | - | - |
| 18.59 | 18.59 | - | 18.59 |
| 800.96 | - | 814.66 | 814.66 |
| 20,323.67 | 777.43 | 814.66 | 1,592.09 |
| | | | |
| 259,567.73 | 308,659.22 | 814.66 | 309,473.88 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| - | - | - | - |
| | | | |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 218.00 | 468.00 | - | 468.00 |
| 218.00 | 468.00 | - | 468.00 |
| | | | |
| | | | |
| - | 2,426.09 | - | 2,426.09 |
| - | - | - | - |
| - | - | - | - |
| - | 2,426.09 | - | 2,426.09 |
| | | | |
| | | | |
| 286,470.00 | - | 286,470.00 | 286,470.00 |

| | | | |
|-------------------|-----------------|-------------------|-------------------|
| (27,120.26) | - | 20,109.79 | 20,109.79 |
| 259,349.74 | - | 306,579.79 | 306,579.79 |
| | | | |
| 259,567.74 | 2,894.09 | 306,579.79 | 309,473.88 |

Capfin India Limited

Notes to financial statements

(All amount in rupees hundreds unless otherwise stated)

Disclosure as required under RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.1031 Standards

- i. **A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) under Ind AS 109 for the year ended 31 March 2024**

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS |
|---|--|-------------------------------------|
| (1) | (2) | (3) |
| Performing Assets | | |
| Standard | Stage 1 | 161,666.21 |
| | Stage 2 | - |
| Subtotal for standard | | 161,666.21 |
| Non-Performing Assets (NPA) | | |
| Substandard (A) | Stage 3 | - |
| Doubtful - up to 1 year | Stage 3 | - |
| 1 to 3 years | Stage 3 | - |
| More than 3 years | Stage 3 | - |
| Subtotal for doubtful (B) | | - |
| Loss | Stage 3 | 41,400.00 |
| Subtotal for NPA (A+B) | | 41,400.00 |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1 | - |
| | Stage 2 | - |
| | Stage 3 | - |
| Subtotal | | - |
| Total | Stage 1 | 161,666.21 |
| | Stage 2 | - |
| | Stage 3 | 41,400.00 |
| | Total | 203,066.21 |

A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) under Ind AS 109 for the year ended 31 March 2023

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS |
|---|--|-------------------------------------|
| (1) | (2) | (3) |
| Performing Assets | | |
| Standard | Stage 1 | 121184.74 |
| | Stage 2 | 0 |
| Subtotal for standard | | 121184.74 |
| Non-Performing Assets (NPA) | | |
| Substandard (A) | Stage 3 | 0 |
| Doubtful - up to 1 year | Stage 3 | 0 |
| 1 to 3 years | Stage 3 | 0 |
| More than 3 years | Stage 3 | 0 |
| Subtotal for doubtful (B) | | 0 |
| Loss | Stage 3 | 0 |
| Subtotal for NPA (A+B) | | 0 |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1 | 0 |
| | Stage 2 | 0 |
| | Stage 3 | 0 |
| Subtotal | | 0 |
| Total | Stage 1 | 121184.74 |
| | Stage 2 | 0 |
| | Stage 3 | 0 |
| | Total | 121184.74 |

Since the total impairment allowances under Ind AS 109 is equal to the total provisioning required under amount (31 March 2023 : Nil) is required to be transferred to 'Impairment Reserve'. The gross carrying an includes interest accrual on net carrying value of stage - 3 assets as permitted under Ind AS 109. While, the as interest accrual on NPAs is not permitted under IRACP norms.

106/2019-20 dated 13 March 2020 on Implementation of Indian Accounting

set Classification and Provisioning (IRACP) and impairment allowances made

| Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|---------------------|--|--|
| (4) | (5) = (3) - (4) | (6) | (7) = (4) - (6) |
| | | | |
| 646.66 | 161,019.55 | 646.66 | - |
| - | - | - | - |
| 646.66 | 161,019.55 | 646.66 | - |
| | | | |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 41,400.00 | - | 41,400.00 | - |
| 41,400.00 | - | 41,400.00 | - |
| | | | |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 646.66 | 161,019.55 | 646.66 | - |
| - | - | - | - |
| 41,400.00 | - | 41,400.00 | - |
| 42,046.66 | 161,019.55 | 42,046.66 | - |

set Classification and Provisioning (IRACP) and impairment allowances made

| Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|---------------------|--|--|
| (4) | (5) = (3) - (4) | (6) | (7) = (4) - (6) |
| | | | |
| 0 | 121184.74 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 121184.74 | 0 | 0 |
| | | | |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| | | | |
| 0 | 0 | 0 | 0 |
| | | | |
| 0 | 0 | 0 | 0 |
| | | | |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| | | | |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| | | | |
| 0 | 121184.74 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 121184.74 | 0 | 0 |

IRACP (including standard asset provisioning) as at 31 March 2024 , no amount of asset as per Ind AS 109 and Loss allowances (Provisions) thereon provisions required as per IRACP norms does not include any such interest

Capfin India Limited**Notes to financial statements**

(All amounts are in rupees hundreds unless otherwise stated)

32. Earnings Per Share (EPS)

| | <u>31-Mar-24</u> | <u>31-Mar-23</u> |
|--|------------------|------------------|
| | INR | INR |
| a) Basic earning per share | | |
| Basic earning per share attributable to the equity holders of the company | -1.65 | 0.63 |
| b) Diluted earning per share | | |
| Diluted earning per share attributable to the equity holders of the company | -1.65 | 0.63 |

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

| | <u>31-Mar-24</u> | <u>31-Mar-23</u> |
|---|------------------|------------------|
| | INR | INR |
| Profit attributable to equity holders of the Company: | | |
| Continuing operations | (47,230.05) | 18,157.67 |
| Discontinued operation | | |
| Profit attributable to equity holders of the Company for basic earnings | (47,230.05) | 18,157.67 |
| Profit attributable to equity holders of the Company adjusted for the effect of dilution | (47,230.05) | 18,157.67 |
| Weighted average number of Equity shares for basic EPS * | 28,647.00 | 28,647.00 |
| Effect of dilution: | | |
| Weighted average number of Equity shares adjusted for the effect of dilution * | 28,647.00 | 28,647.00 |

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other

33. Leases

Company has one contract for building falling within the scope of Ind AS 116. Short term leases refers to the leases having remaining period of 12 months from the initial date of application. In such cases, Company has availed the short term lease exemption available in Ind AS 116 and the lease payments associated with such leases are recognised as an expense on a straight line basis over the lease term. The amount recognised as expense on account of short term leases is INR 72,000.

Audit Report as on even date attached

For Mehra Goel & Co

Chartered Accountants

(FRN: 000517N)

Roshan Daultani

Partner

Membership No.: 137405

Place: Pune

Date: 24-05-2024

UDIN : 24137405BKDLQE4615

For and On behalf of the Board of Directors**Rachita Mantry Kabra**

Director

DIN: 03414391

Place: Pune

Date: 24-05-2024

Sarita Mantry

Director

DIN: 01111382

Place: Pune

Date: 24-05-2024

SANJAYMOHAN SINGH RAWAT

Company Secretary