



## MUFIN GREEN FINANCE LIMITED

Formerly known as APM Finvest Ltd.

To,  
**BSE Limited**  
P. J. Towers, Dalal Street,  
Fort, Mumbai – 400 001

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra - Kurla Complex,  
Bandra (East), Mumbai - 400 051

**Ref: BSE Scrip Code 542774**

**Ref: MUFIN**

**Sub: Annual Report along with Notice of 8th Annual General Meeting and Book Closure dates**

Dear Sir,

Pursuant to the provisions of Regulation 30, 34, 42 and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform the following:-

1. The 8th Annual General Meeting ('AGM') of the members of Mufin Green Finance Limited will be held on Monday, September 30, 2024 at 3:30 P.M. (IST) through Video Conferencing / Other Audio-Visual Means ("VC/OAVM"), in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India;
2. Pursuant to the said circulars, Annual Report for financial year 2023-24 along with Notice of 8th AGM are being sent through electronic mode to all the Members whose email ids are registered with the Company/Registrar and Transfer Agent ('RTA')/Depository Participant ('DP');
3. The Company has provided the facility to its Members to cast their vote electronically, through the remote e-Voting facility (prior to AGM) and e-Voting facility (during the AGM), on all the resolutions set forth in the AGM Notice to the Members, who are holding shares on the Cut-off date i.e. Monday, September 23, 2024. The remote e-voting will commence at 09:00 a.m. (IST) on Friday, September 27, 2024 and end at 05:00 p.m. (IST) on Sunday, September 29, 2024. Detailed instructions for registering email addresses(s) and voting/ attendance at the AGM are given in the AGM Notice;
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 24, 2024 to Thursday, September 30, 2024 (both days inclusive) for the purpose of AGM;
5. The Annual Report along with AGM Notice for financial year 2023-24 are enclosed herewith.

The Annual Report for financial year 2023-24 also available on the website of the Company at [www.mufingreenfinance.com](http://www.mufingreenfinance.com).

This is for your information and record.

Thanking you,  
**For Mufin Green Finance Limited**

**Mayank Pratap Singh**  
Company Secretary

CIN : L65990RJ2016PLC054921



011-42610483



[www.mufingreenfinance.com](http://www.mufingreenfinance.com)



[connect@mufingreenfinance.com](mailto:connect@mufingreenfinance.com)



MUFIN GREEN FINANCE



# ANNUAL REPORT 2023-24

## KEY HIGHLIGHTS FY 2023-24



**GROSS AUM**  
Rs. 624.13 Cr.

**DISBURSEMENTS**  
Rs. 681.01 Cr.



CAPITAL RATIOS - TIER

**CAPITAL ADEQUACY RATIO (CRAR)**  
35.79%

**NON PERFORMING ASSETS**  
GNPA 1.71 %; NNPA 1.45%



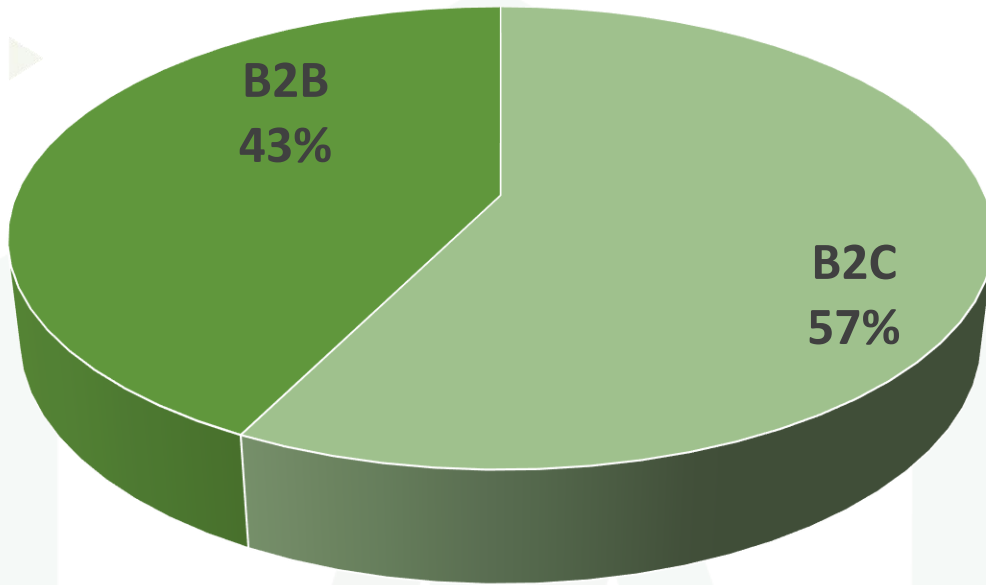
**OUR PRESENCE**  
State: 19

**EMPLOYEES**  
481

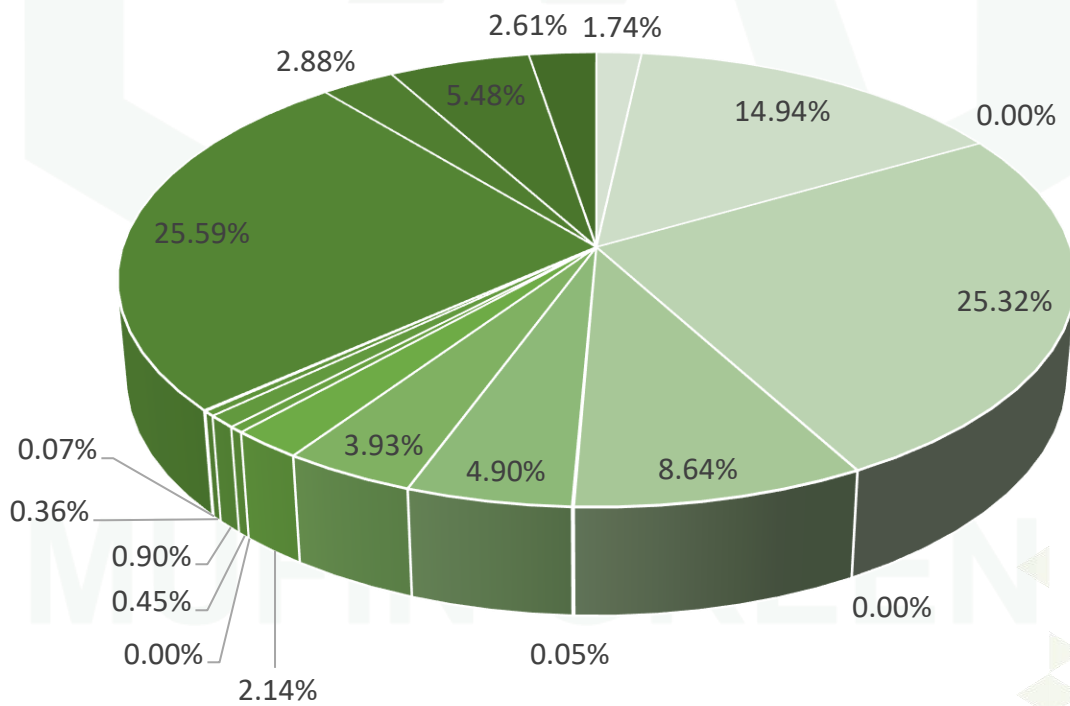


# KEY HIGHLIGHTS FY 2023-24

## SEGMENT-WISE GROSS AUM



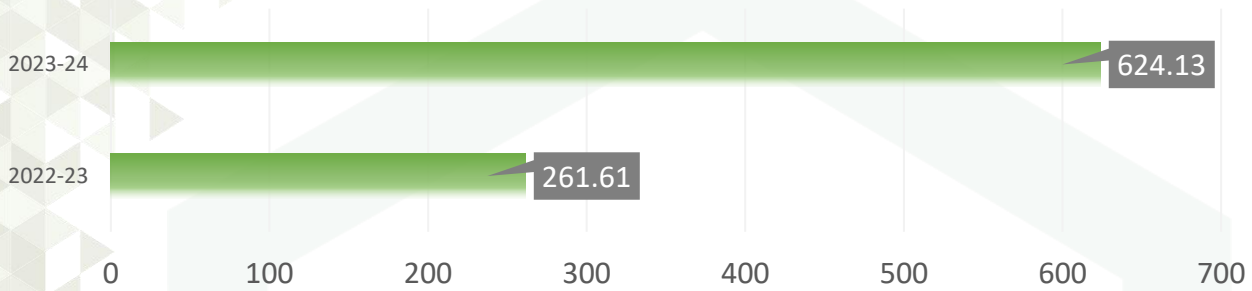
## GEOGRAPHICAL-WISE AUM



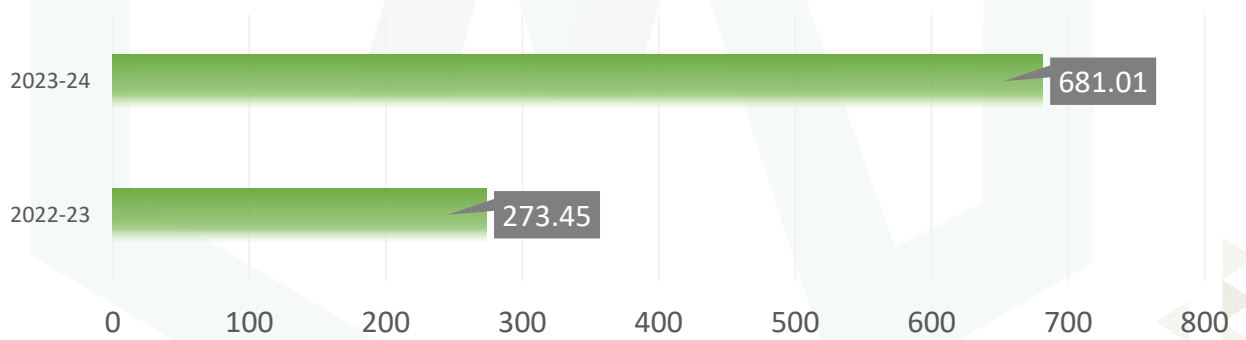
- Assam
- Bihar
- Chattisgarh
- Delhi
- Gujarat
- Haryana
- Jharkhand
- Karnataka
- Madhya Pradesh
- Maharashtra
- Odisha
- Punjab
- Rajasthan
- Tamil Nadu
- Telangana
- Uttar Pradesh
- Uttarakhand
- Hyderabad
- West Bengal

## FINANCIAL PERFORMANCE HIGHLIGHTS

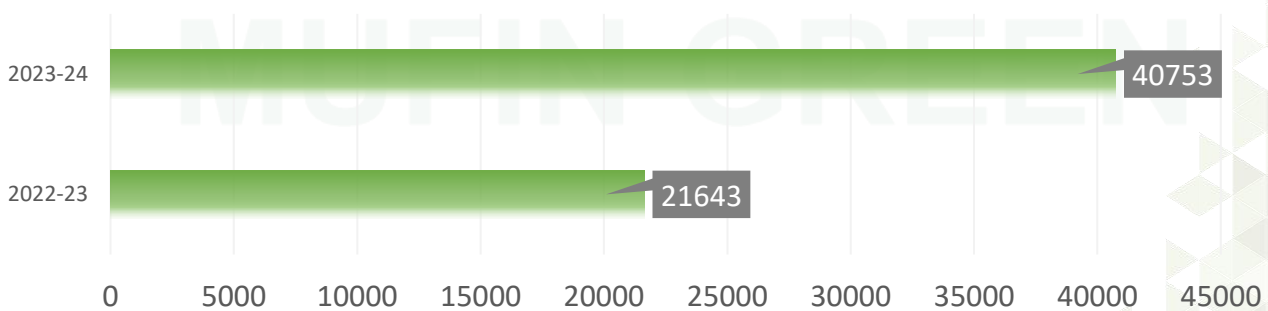
### GROSS ASSET UNDER MANAGEMENT (GROSS AUM IN CRORES)



### DISBURSEMENT (IN CRORES)

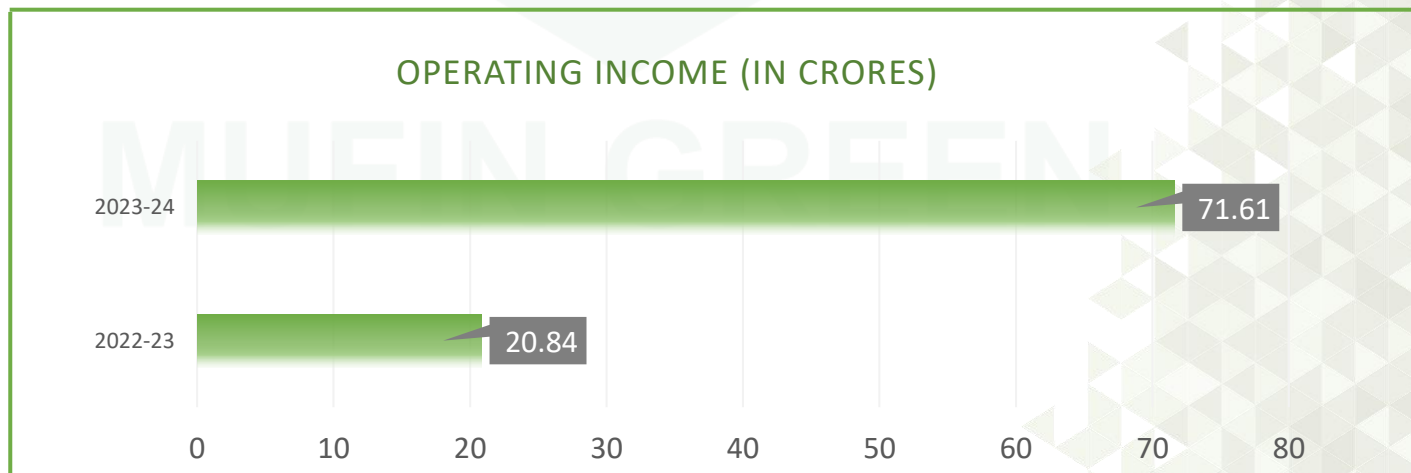
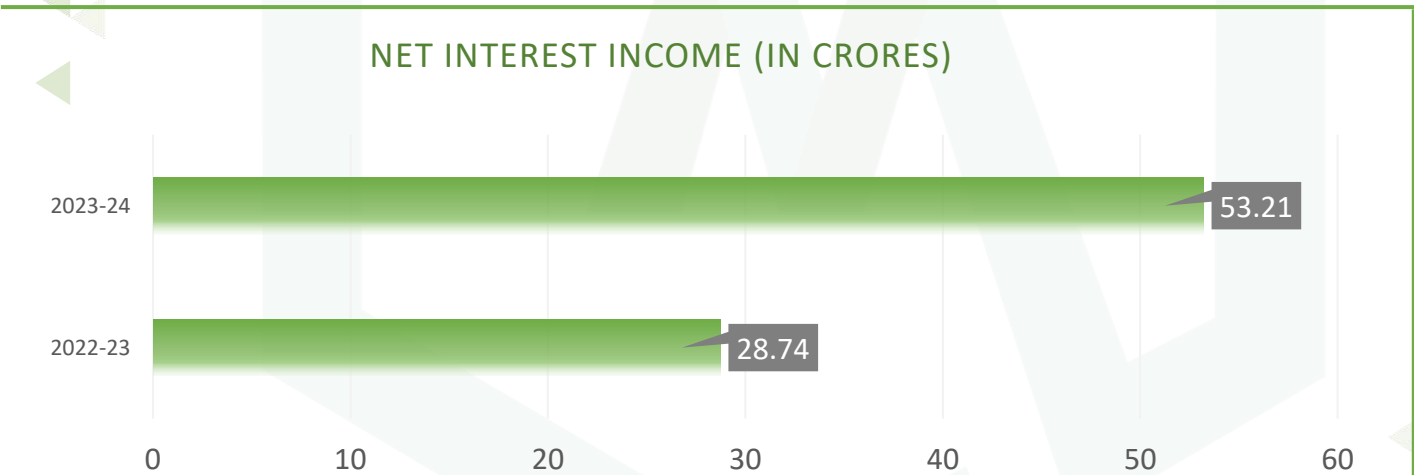
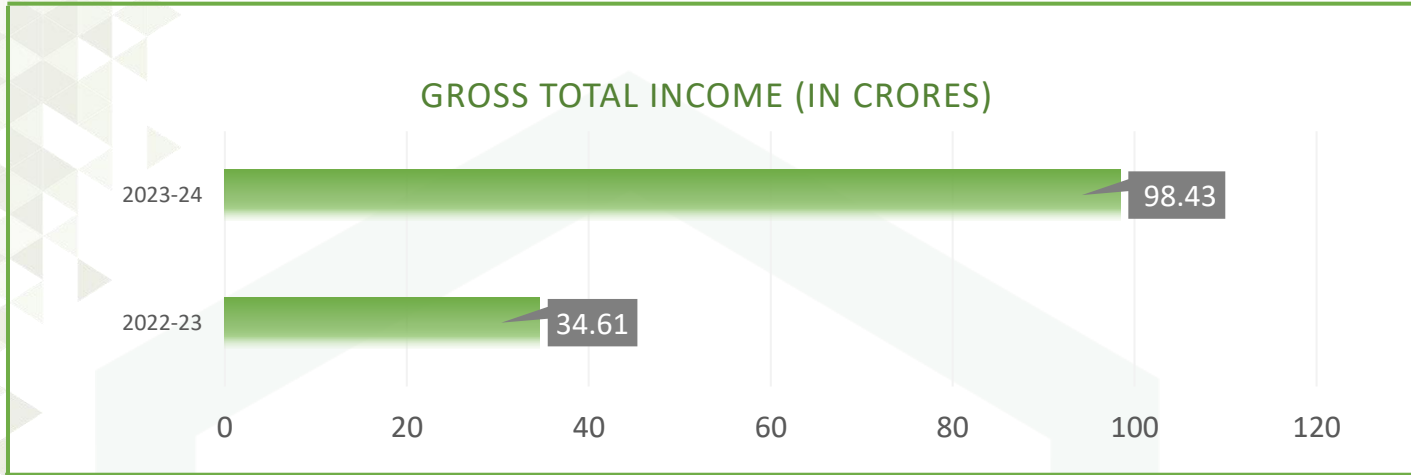


### NUMBER OF BORROWERS



# FINANCIAL PERFORMANCE HIGHLIGHTS

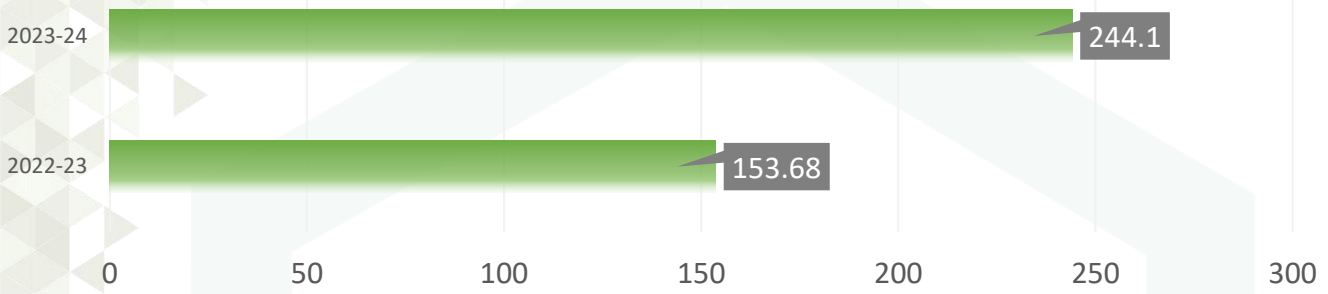
## OPERATIONAL PARAMETERS



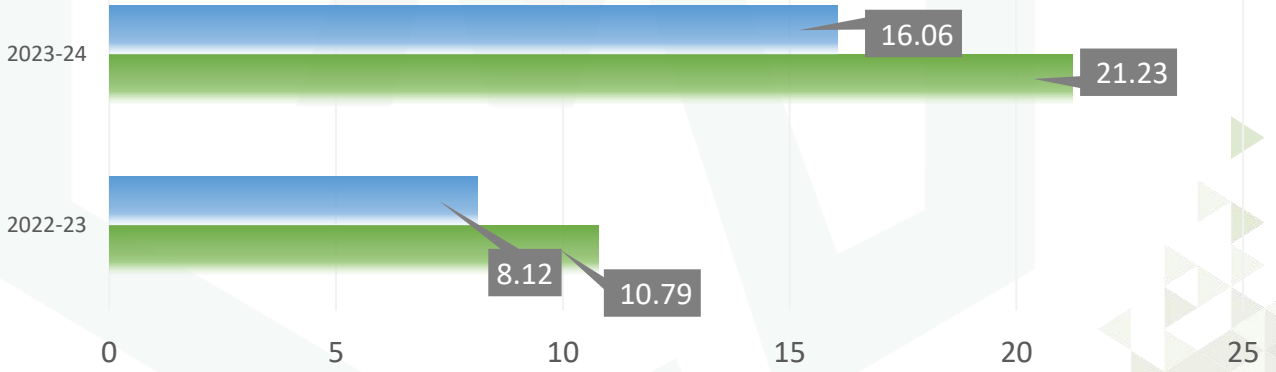
# FINANCIAL PERFORMANCE HIGHLIGHTS

## FINANCIAL PARAMETERS

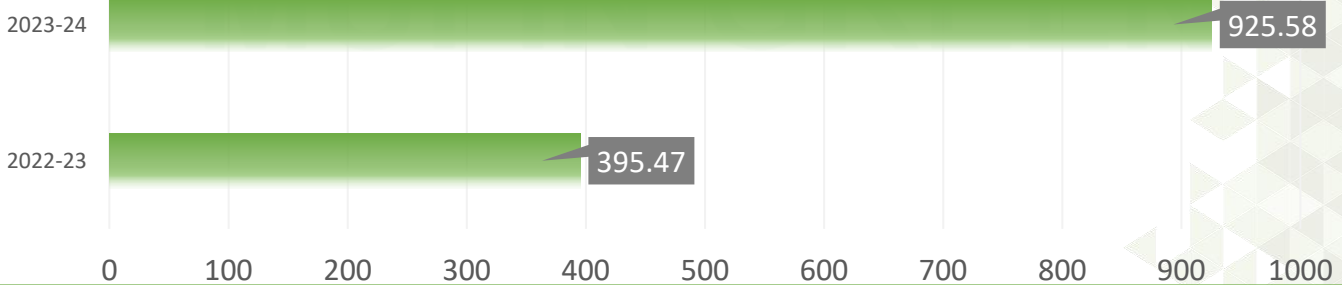
NET WORTH (IN CRORES)



PBT, PAT (IN CRORES)

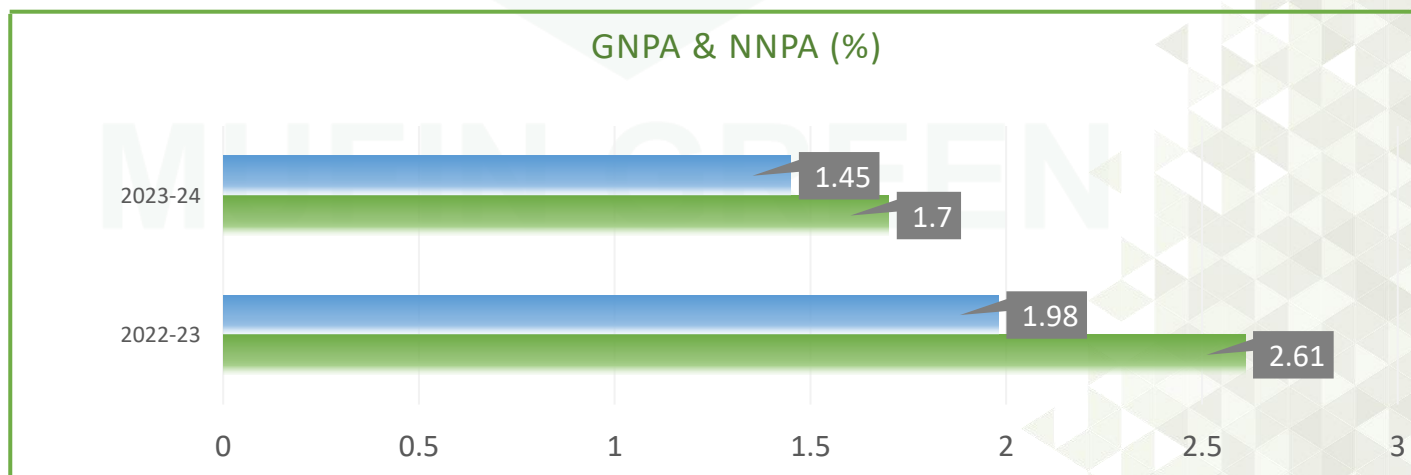
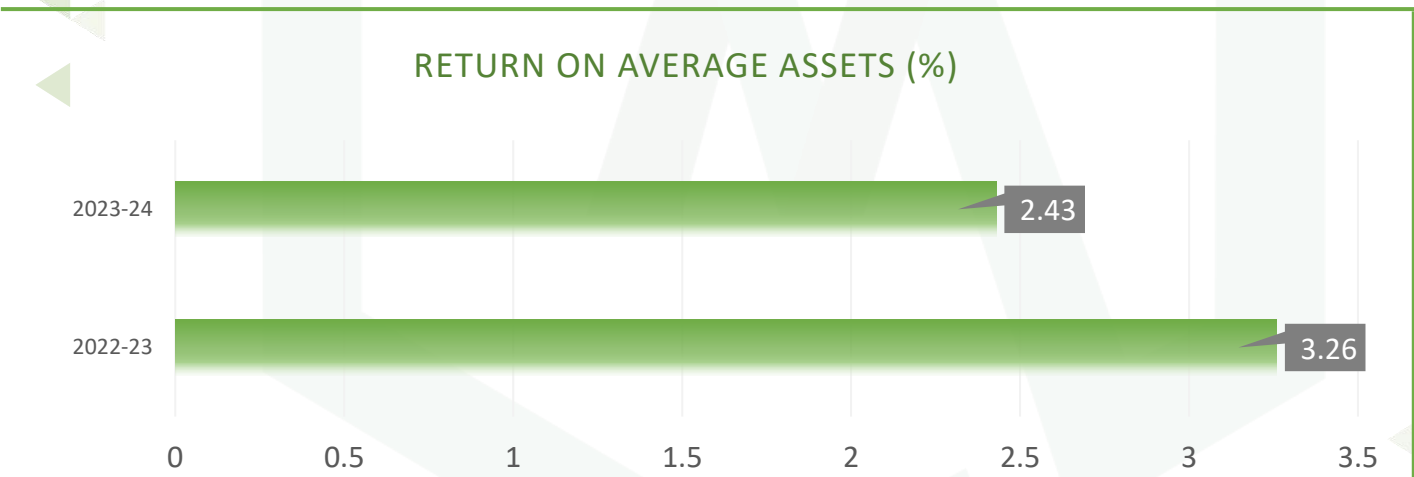
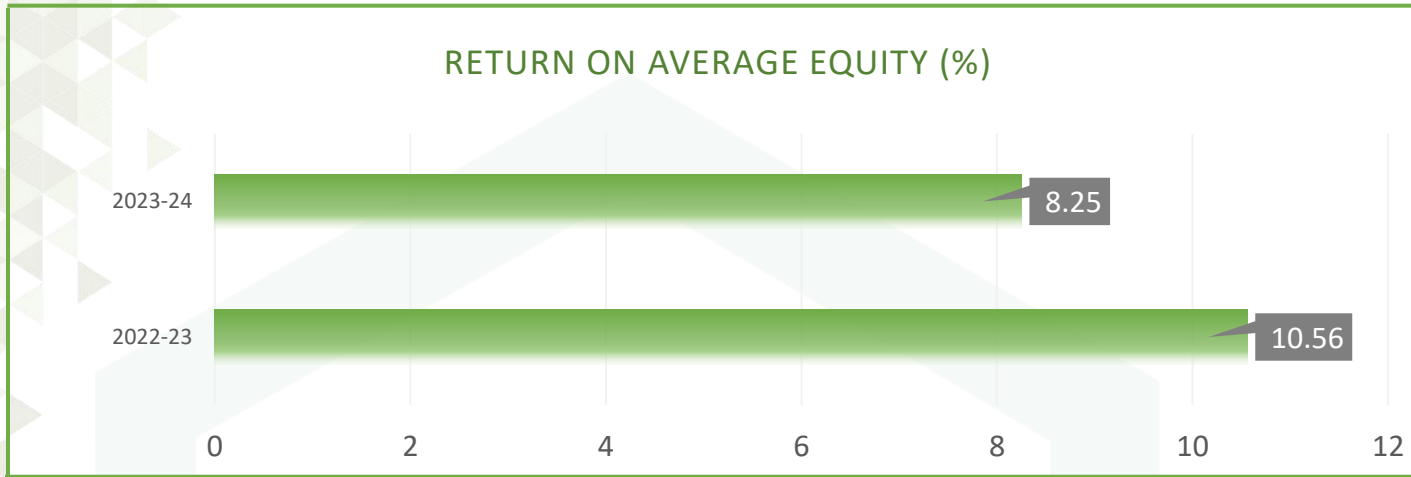


TOTAL ASSETS (IN CRORES)



# FINANCIAL PERFORMANCE HIGHLIGHTS

## FINANCIAL PARAMETERS

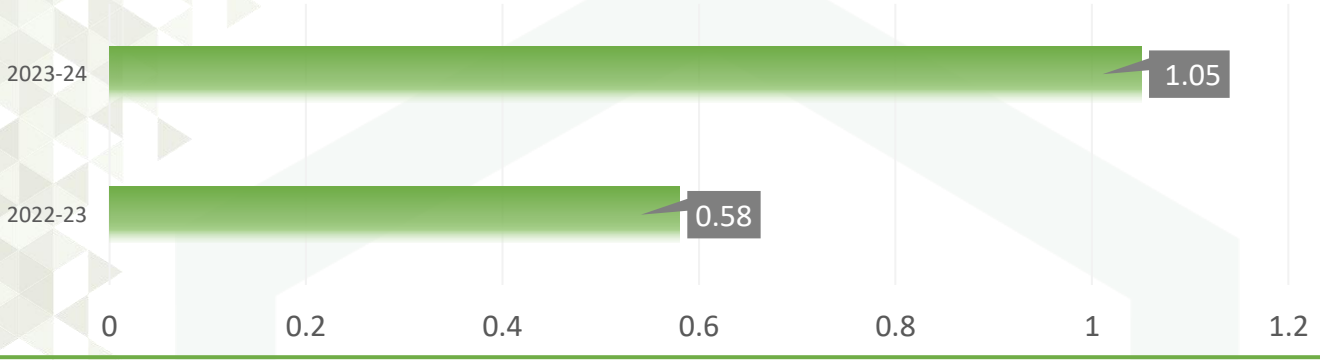




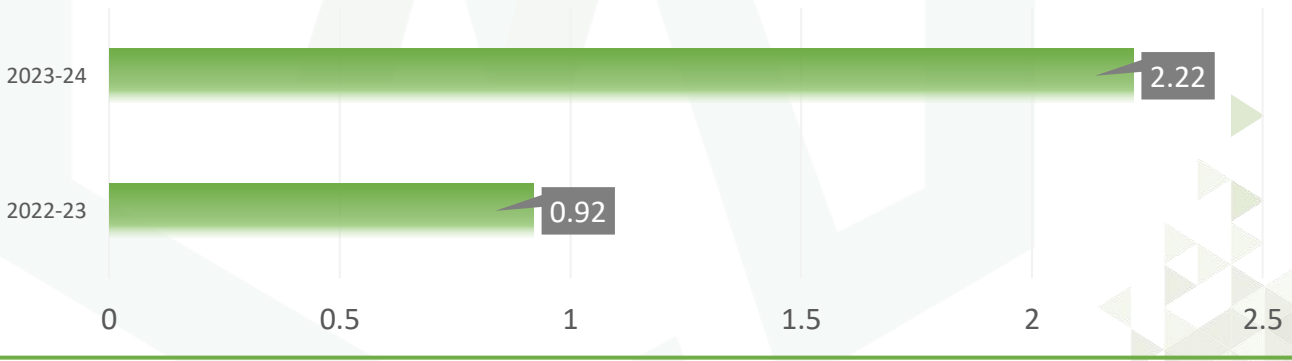
# FINANCIAL PERFORMANCE HIGHLIGHTS

## KEY FINANCIAL RATIOS

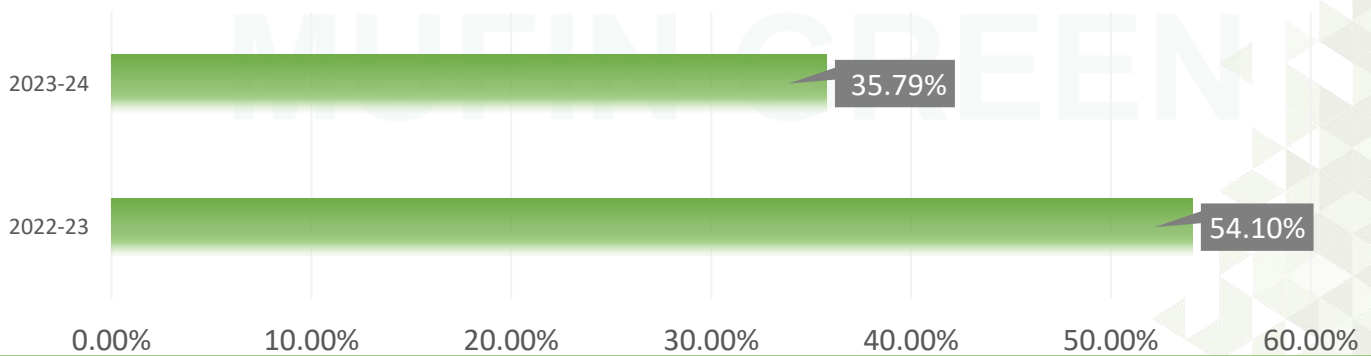
### EARNING PER SHARE (RE)



### LEVERAGE (TIMES)



### CRAR %



## FINANCIAL PERFORMANCE HIGHLIGHTS

PARAMETERS	FY23	FY24	% change
GROSS AUM (RS. IN CRORES)	261.61	624.13	138.57%
DISBURSEMENT (RS. IN CRORES)	273.45	681.01	149.04%
PAT (RS. IN CRORES)	8.12	16.06	97.78%
GROSS NPA (AS % OF GROSS AUM)	2.61	1.70	-34.87%
NET NPA (AS % OF GROSS AUM)	1.98	1.45	-26.77%
CAPITAL ADEQUACY RATIO (CRAR) (%)	54.10	35.79	-33.84%
TIER I (%)	53.59	35.28	-34.17%
TIER II (%)	0.51	0.51	0.00%
RETURN ON AVERAGE ASSETS (%)	3.26	2.43	-25.46%
RETURN ON AVERAGE EQUITY (%)	10.56	8.25	-23.48%
DEBT EQUITY RATIO (TIMES)	0.92	2.22	141.30%
NET OWNED FUND (RS. IN CRORES)	150.35	235.73	56.79%
NET PROFIT MARGIN (%)\$	23.45	16.32	-30.41%
NET INTEREST MARGIN (NIM) (%)	13.09	12.02	-8.17%
TOTAL OPERATING EXPENSES TO NII (TIMES)	0.48	0.50	4.17%
OPEX TO AVG ASSET (TIMES)	0.06	0.04	-33.33%
ACTIVE CUSTOMERS (NUMBERS)	21643	40753	88.30%
EMPLOYEE STRENGTH (NUMBERS)	231	481	108.23%
CREDIT RATING	BBB	BBB	

## CSR INITIATIVE

As a responsible corporate entity, we are committed to support the weaker sections of the society. Our Corporate Social Responsibility (CSR) initiatives focus on creating sustainable livelihood for women in urban slums, and ensuring access to education to children in the society.

Our mission is to deliver education to underserved communities through innovative and engaging methods. We're bringing learning directly to the streets with E-Rickshaw-based mobile schools. These electric vehicles act as mobile classrooms, providing essential education to children who need it most and do not have access to school education.

Through our "Green Wheels For Women" initiative, we are dedicated to empower women in urban slums by equipping them with the skills and resources necessary to operate three-wheeler electric vehicles. By offering comprehensive training and eco-friendly vehicles through low-interest bearing loans, we are helping women in need to achieve financial independence while contributing to a more sustainable future and helping in uplifting the standards of their family.



## YEAR AT A GLANCE- NSE LISTING

Mufin Green Finance Limited, a company that focuses on financing sustainable and green projects, is listed on the National Stock Exchange (NSE) of India.



This listing allows the company to access a broader pool of investors and enhance its visibility in the market.



The listing also reflects the growing importance of sustainable finance in the Indian financial ecosystem, providing investors with an opportunity to support environmentally conscious and sustainable initiatives.



# YEAR AT A GLANCE- FUN TIME

## Hariyali Teej



## YOGA DAY CELEBRATIONS



## TEAM LUNCH



## GREEN OFFSITE

# YEAR AT A GLANCE- CALENDER CELEBRATION

## FUN WITH COLOURS- HOLI



## GANESH CHATURTHI



## DIWALI



## CHRISTMAS

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Manoj Kumar Bhatt  
Chairman & Independent Director

Mr. Kapil Garg  
Managing Director

Mrs. Srishti Agarwal  
Non-Executive Director

Mr. Hemant Bhageria  
Independent Director

Mr. Nitin Goel  
Independent Director

Mrs. Sanchi Pandey  
Independent Director

### CHIEF FINANCIAL OFFICER

Mrs. Gunjan Jain

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Mayank Pratap Singh

### REGISTERED OFFICE

SP-147, RIICO Industrial Area, Bhiwadi,  
Dist. Alwar (Rajasthan)-301019  
Tel: 01493-265400  
Fax: 01493-265413  
Email: apmfinvestltd@gmail.com

### CORPORATE OFFICE

201, 2<sup>nd</sup> Floor, Best Sky Tower,  
Netaji Subhash Place, Delhi-110034  
Tel: 011-43094300  
Email: apmfinvestltd@gmail.com

### STATUTORY AUDITORS

Tattvam & Co.  
Chartered Accountants,  
JD-2C, 2<sup>nd</sup> Floor, Pitampura  
New Delhi-110034

### INTERNAL AUDITORS

J. Mandal & Co.  
Chartered Accountants,  
FM House, A-9, Sector-9, Noida-201301

### BANKERS

HDFC Bank  
State Bank of India  
AU Small Finance Bank  
Yes Bank

### REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Pvt Ltd  
D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-I, New Delhi-110020  
Tel: 011-40450193-97  
Email: admin@skylinerta.com

### CORPORATE IDENTITY NUMBER

L65990RJ2016PLC054921

### WEBSITE

[www.mufingreenfinance.com](http://www.mufingreenfinance.com)

### STOCK EXCHANGE

BSE Limited  
National Stock Exchange of India Limited

### DEBENTURE TRUSTEES

Axis Trustee Services Limited  
The Ruby, 2<sup>nd</sup> Floor, SW, 29 Senapati Bapat  
Marg, Dadar West, Mumbai- 400 028.  
Mr. Naveen Kumar  
Tel No. : + 91 9999688256  
[debenturetrustee@axistrustee.com](mailto:debenturetrustee@axistrustee.com)

MUFIN GREEN

## NOTICE

**NOTICE** is hereby given that the **8th Annual General Meeting (AGM)** of the Members of **Mufin Green Finance Limited** will be held on **Monday, the 30<sup>th</sup> day of September, 2024** at **03:30 P.M.**, through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

### **ORDINARY BUSINESS**

- 1. Consideration and adoption of the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024 and the reports of the Board of Directors and Statutory Auditors thereon.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024 and the reports of the Board of Directors and Statutory Auditors thereon, as circulated to the Members, are hereby considered and adopted.”

- 2. Consideration and adoption of the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2024 and the reports of the Statutory Auditors thereon.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2024 and the reports of the Board of Directors and Statutory Auditors thereon, as circulated to the Members, are hereby considered and adopted.”

- 3. Re-appointment of Mrs. Srishti Agarwal as a Director liable to retire by rotation.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Srishti Agarwal (DIN 10229578), Director of the Company who retires by rotation at this meeting, and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

### **SPECIAL BUSINESS**

- 4. Consider and approve appointment of Ms. Sanchi Pandey (DIN 08210470) as an Independent Director of the Company.**

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors for appointment of Ms. Sanchi Pandey (DIN: 08210470) as an Additional Director in the capacity of an Independent Director of the Company w.e.f. August 12, 2024, who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment,



and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act and who holds office as such up to the date of ensuing Annual General Meeting, be and is hereby, appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a period of five years with effect from August 12, 2024 till August 11, 2029.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**5. Consider and approve material related party transactions with Hindon Mercantile Limited.**

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), and all applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) and the Company’s policy on materiality of Related Party Transaction(s), and Rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and pursuant to the consent of the Audit Committee and Board of Directors of the Company, the consent and approval of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee constituted by the Board or any person(s) authorised by the Board in this regard) to enter into arrangements/transactions/ contracts with Hindon Mercantile Limited, a Related Party as defined in the Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit, the aggregate amount/value of all such arrangements/transactions/contracts that may be entered into by the Company with Hindon Mercantile Limited and remaining outstanding at any one point in time shall not exceed Rs. 100 Crores (Rupees Hundred Crores) during the financial year 2024-25.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director and Mr. Mayank Pratap Singh, Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transaction/contracts, filing of necessary forms/ documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

**6. Consider and approve material related party transaction with Fintelligence Data Science Private Limited.**

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), and all applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) and the Company’s policy on materiality of Related Party Transaction(s), and Rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and pursuant to the consent of the Audit Committee and Board of Directors of the Company, the consent and approval of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee constituted by the Board or any person(s) authorised by

the Board in this regard) to enter into arrangements/transactions/ contracts with Fintelligence Data Science Private Limited, a Related Party as defined in the Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit, the aggregate amount/value of all such arrangements/transactions/contracts that may be entered into by the Company with Fintelligence Data Science Private Limited and remaining outstanding at any one point in time shall not exceed Rs. 1 Crores (Rupees One Crores) during the financial year 2024-25.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director and Mr. Mayank Pratap Singh, Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transaction/contracts, filing of necessary forms/ documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

**7. Consider and approve material related party transaction with Bimapay Finsure Private Limited.**

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), and all applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) and the Company’s policy on materiality of Related Party Transaction(s), and Rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and pursuant to the consent of the Audit Committee and Board of Directors of the Company, the consent and approval of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee constituted by the Board or any person(s) authorised by the Board in this regard) to enter into arrangements/transactions/ contracts with Bimapay Finsure Private Limited, a Related Party as defined in the Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit, the aggregate amount/value of all such arrangements/transactions/contracts that may be entered into by the Company with Bimapay Finsure Private Limited and remaining outstanding at any one point in time shall not exceed Rs. 25 Crores (Rupees Twenty Five Crores) during the financial year 2024-25.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director and Mr. Mayank Pratap Singh, Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transaction/contracts, filing of necessary forms/ documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

**8. Consider and approve material related party transaction with Mufin Green Leasing Private Limited.**

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), and all applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) and the Company’s policy on materiality of Related Party Transaction(s), and Rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and pursuant to the consent of the Audit Committee and Board of Directors of the Company, the consent and approval of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee constituted by the Board or any person(s) authorised by the Board in this regard) to enter into arrangements/transactions/ contracts with Mufin Green Leasing Private Limited, a Related Party as defined in the Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit, the aggregate amount/value of all such arrangements/transactions/contracts that may be entered into by the Company with Mufin Green Leasing Private Limited and remaining outstanding at any one point in time shall not exceed Rs. 10 Crores (Rupees Ten Crores) during the financial year 2024-25.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director and Mr. Mayank Pratap Singh, Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transaction/contracts, filing of necessary forms/ documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

**9. Consider and approve material related party transaction with Mufin Green Infra Limited.**

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), and all applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) and the Company’s policy on materiality of Related Party Transaction(s), and Rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and pursuant to the consent of the Audit Committee and Board of Directors of the Company, the consent and approval of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee constituted by the Board or any person(s) authorised by the Board in this regard) to enter into arrangements/transactions/ contracts with Mufin Green Infra Limited, a Related Party as defined in the Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit, the aggregate amount/value of all such arrangements/transactions/contracts that may be entered into by the Company with Mufin Green Infra Limited and remaining outstanding at any one point in time shall not exceed Rs. 50 Crores (Rupees Fifty Crores) during the financial year 2024-25.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director and Mr. Mayank Pratap Singh, Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transaction/contracts, filing of necessary forms/ documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute

discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

**10. Consider and approve material related party transaction with Hedge Money Private Limited.**

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), and all applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) and the Company’s policy on materiality of Related Party Transaction(s), and Rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and pursuant to the consent of the Audit Committee and Board of Directors of the Company, the consent and approval of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee constituted by the Board or any person(s) authorised by the Board in this regard) to enter into arrangements/transactions/ contracts with Hedge Money Private Limited, a Related Party as defined in the Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit, the aggregate amount/value of all such arrangements/transactions/contracts that may be entered into by the Company with Hedge Money Private Limited and remaining outstanding at any one point in time shall not exceed Rs. 50 Crores (Rupees Fifty Crores) during the financial year 2024-25.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director and Mr. Mayank Pratap Singh, Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transaction/contracts, filing of necessary forms/ documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

**11. Consider and Approve to give Loans or Invest Funds of the Company in excess of the limits specified under Section 186 of the Companies Act, 2013.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**

“**RESOLVED THAT** pursuant to the provisions of the Section 186 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any Committee which Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise the securities of any other body corporate, upto a maximum aggregate amount of Rs. 500 crores, outstanding at any point of time, over and above the permissible limits under Section 186(2) of the Companies Act, 2013 (presently being 60 percent of the Company’s paid up capital, free reserves and securities premium account or one hundred percent of the Company’s free reserves and securities premium account, whichever is more).

**RESOLVED FURTHER THAT** the Board of Director (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers

conferred by this Resolution) be and is hereby authorised to take from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment and varying the same either in part or in full as it may deem appropriate and to do and perform all such acts, deeds, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to this resolution.

## 12. Consider and Approve transactions under Section 185 of the Companies Act, 2013

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**

**“RESOLVED THAT** pursuant to Section 185 of the Companies Act, 2013 read with section 186 of Companies Act, 2013 (including any statutory modification(s) or reenactment thereof for the time being in force) the consent of the Members of the Company be and is hereby accorded for advancing loan and / or giving of guarantee(s), and / or providing of security(ies) in connection with any loan taken / to be taken from financial institutions / banks / insurance companies / other investing agencies or any other person(s) / bodies corporate by any entity (said entity(ies) covered under the category of ‘a person in whom any of the director of the company is interested’ as specified in the explanation to Sub-section (b) of Section 2 of the said section, of an aggregate outstanding amount not exceeding Rs. 500 Crore (Rupees Five Hundred Crores only).

**RESOLVED FURTHER THAT** the Board of Director (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment and varying the same either in part or in full as it may deem appropriate and to do and perform all such acts, deeds, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to this resolution.”

### Registered Office:

SP-147, RIICO Industrial Area,  
Bhiwadi, Dist. Alwar (Rajasthan) – 301019

### Corporate Office:

201, 2<sup>nd</sup> Floor, Best Sky Tower, Netaji Subhash Place,  
Delhi-110034  
Tel: (011)- 43094300, Fax: (011)-43094300  
e-mail: [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com)  
website: [www.mufingreenfinance.com](http://www.mufingreenfinance.com)

Place: New Delhi

Dated: 05.09.2024

By Order of the Board

Mayank Pratap Singh  
Company Secretary  
(M. No.: 46666)

### NOTES:-

1. Ministry of Corporate Affairs (“MCA”) vide its General Circulars Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, and subsequent circulars issued in this regard, the latest being 9/2023 dated 25th September, 2023, (‘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. The deemed venue for holding the AGM will be the Registered Office of the Company. Since, the AGM will be held through VC, the route map, and attendance slip are also not annexed to this Notice.
2. Relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business, as set out above is furnished as Annexure to this Notice.
3. 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 the AGM is being held in accordance with the Circulars through VC, the facility for the appointment of proxies by the members will not be available.

4. Pursuant to Section 113 Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy of its Board or governing body resolution/authorization, etc., authorizing its representative to attend AGM through VC/OAVM on its behalf and to vote through remote e-Voting. The said Resolution/Authorization be sent to the Company by email through its registered email address to [apmfinvestltd@gamil.com](mailto:apmfinvestltd@gamil.com) with a copy marked to [e-Voting@nsdl.co.in](mailto:e-Voting@nsdl.co.in).
5. Participation of Members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cutoff date, will be entitled to vote at the Meeting.
7. Notice of the AGM including instructions for e-Voting along with the Annual Report for the FY 2023-24 are being sent through electronic mode only to those Members whose email addresses are registered with the Company/DP. Members may note that the Notice and Annual Report for the FY 2023-24 will also be available on the Company's website, <https://www.mufingreenfinance.com/>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL [www.e-Voting.nsdl.com](http://www.e-Voting.nsdl.com).

In case any Member is desirous of obtaining hard copy of the Annual Report for the FY 2023-24 may send request to the email address at [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com) mentioning Folio No./DP ID and Client ID.

8. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated 31st July, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated 4th August, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE\_IAD1/P/CIR/2023/145 dated 31st July, 2023 (updated as on 11th August, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

9. The Company has appointed National Securities Depository Limited ('NSDL') as the authorised agency, to provide VC/OAVM facility for the AGM of the Company.
10. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the Meeting and 15 minutes after the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
11. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form except in case of request received for transmission or transposition of securities. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.
12. The requests for effecting transmission/transposition of securities shall be processed in the dematerialized form. In order to eliminate all risks associated with physical shares and avail various benefits of dematerialization. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, Skyline Financial Services Private Limited at [contact@skylinerta.com](mailto:contact@skylinerta.com) for assistance in this regard.
13. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/ mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the

self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

14. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form No. SH-14. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at <https://www.skylinerta.com>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the share are held in physical form, quoting their folio no.
15. The format of the Register of Members prescribed by the MCA under the Act requires the Company/Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address bank details for payment of dividends, etc. Form No. ISR-1 for capturing additional details is available on the Company's website. Members holding shares in physical form are requested to submit the filled-in Form No. ISR-1 to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statements of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time-to-time.
18. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
19. The Company has fixed **Monday, 23rd September, 2024** as the 'Cut-off Date' to record the entitlement of the shareholders to cast their voting through remote e-Voting/e-Voting during the AGM. Any person who is not a Member on the Cut-off date should treat this Notice for information purposes only.
20. The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, and the Certificate from the Secretarial Auditors in respect of the Company's Employee Stock Option Scheme will remain available for inspection through electronic mode during the AGM, for which purpose Members are required to send an e-mail to the Company Secretary at [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com).
21. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2024 to 30st September, 2024 (both days inclusive). Transfers received during book closure will be considered only after reopening of the Register of Members.
22. A brief profile of the Directors, who are appointed/ re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are provided as annexure to this notice.
23. 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, 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.

24. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com) on or before **Saturday, 21st September, 2024**. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, subject to availability of sufficient time for smooth conduct of the AGM.
25. The procedures for joining the AGM through VC, remote e-Voting and voting at the AGM along with the contact details for addressing the grievances in this regard are provided in the instructions annexed to the Notice.

#### PROCEDURES FOR JOINING THE AGM THROUGH VC, REMOTE E-VOTING AND VOTING AT THE AGM:

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 in relation to e-Voting facility provided by listed entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting facility provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below:

The remote e-Voting period will be as under:

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**Commencement of remote e-Voting** 09:00 a.m. on 27<sup>th</sup> September, 2024

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**End of remote e-Voting** 05:00 p.m. on 29<sup>th</sup> September, 2024

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Members holding shares either in physical form or in dematerialized form, as on **23rd September, 2024** i.e., Cutoff date, may cast their vote electronically during the above period. The e-Voting module shall be disabled by NSDL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the period commencing from **27th September, 2024** and ending on **29th September, 2024** or e-Voting during the AGM. Members who have cast their vote by remote e-Voting prior to the AGM may attend/participate in the AGM through VC but shall not be entitled to cast their vote on such resolution again.

The Board of Directors of the Company have appointed Mr. Abhay Kumar (COP: 22630), Company Secretary in Practice, New Delhi as Scrutinizer to scrutinize the process of remote e-Voting and electronic voting at the AGM in a fair and transparent manner.

The-Voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off date. The Scrutinizer will, after the conclusion of e-Voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-Voting, make a consolidated Scrutinizer's Report and submit the same to the Management. The result of e-Voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company (<https://www.mufingreenfinance.in/>) and on the website of the e-Voting agency ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)).

The result will simultaneously be communicated to the stock exchanges. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., on 30th September, 2024.

#### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:



### 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 and joining virtual meeting 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:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ 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 “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ 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 <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

	<p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>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 <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 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 &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
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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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-48867000 and 022-24997000
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

- i. 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 phone.
- ii. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’/ Member’ section.
- iii. 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.
- iv. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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***

- v. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) 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.
  - c) How to retrieve your ‘initial password’?
    - (i) If your e-mail ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail 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 e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose e-mail ids are not registered.
- vi. 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](http://www.evoting.nsdl.com).
    - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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.
  - vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  - viii. Now, you will have to click on "Login" button.
  - ix. After you click on the "Login" button, Home page of e-Voting will open.

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

**A. How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?**

- i. 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 and General Meeting is in active status.
- ii. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and for casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC / OAVM" link placed under "Join Meeting".
- iii. Now you are ready for e-Voting as the Voting page opens.
- iv. 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.
- v. Upon confirmation, the message "Vote cast successfully" will be displayed.
- vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**B. Other information:**

- i. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- ii. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using 'Forgot User Details/Password' or 'Physical User Reset Password?' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the toll free no.: 1800 1020 990 and 1800 22 44 30. Individual demat account holders will follow the process mention in Access to NSDL system.

**General Guidelines for shareholders**

- i. Institutional/Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a 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/attend the AGM, to the Scrutinizer by email to [abhaycsjha@gmail.com](mailto:abhaycsjha@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.

- ii. 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](http://www.evoting.nsdl.com) to reset the password.
- iii. 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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-1020-990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the email id – [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), who will also address the grievances connected with the voting by electronic means.

**Process for those shareholders whose e-mail id’s are not registered with the depositories and for procuring user id, password & 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 investor. [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com).
2. In case shares are held in demat mode, please provide DPIDCLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investor.relations@sbicard.com](mailto:investor.relations@sbicard.com). 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, shareholders/members may send a request to [evoting@nsdl.co.in](mailto: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.

**Process of Registration of Email address and other details:**

Pursuant to relevant circulars the shareholders who have not registered their email address and in consequence the notice could not be serviced may get their email address registered with the Company’s Registrar and Share Transfer Agent, Skyline Financial Services Pvt. Ltd. Post successful registration of the email, the shareholder would receive soft copy of the Notice of AGM and the Annual Report for the financial year 2023-24 comprising Financial Statements, Board’s Report, Auditor’s Reports and other documents required to be attached therewith and the procedure for e-voting along with the User ID and Password to enable e-voting for the AGM from NSDL. In case of any queries relating to the registration of E-mail address, shareholder may write to [info@skylinerta.com](mailto:info@skylinerta.com) & for e-voting related queries you may write to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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

1. Member will be provided with a facility to attend the Annual General Meeting 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 meeting” menu against Company Name. You are requested to click on VC / OAVM link placed under

Join 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.

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

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
  - ii. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast 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.
  - iii. 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.
  - iv. 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.
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**ANNEXURE TO THE NOTICE**  
**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT**

[In pursuance of Secretarial Standard on General Meetings (SS-2) & Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Particulars	Item No. 3	Item No. 4
<b>Name of the Director</b>	Mrs. Srishti Agarwal	Ms. Sanchi Pandey
<b>Director Identification Number (DIN)</b>	10229578	08210470
<b>Date of Birth</b>	12/04/1987	15/02/1989
<b>Age</b>	37 Years	35 Years
<b>Nationality</b>	Indian	Indian
<b>Date of first Appointment on Board</b>	August 11, 2023	August 12, 2024
<b>Qualification</b>	MBA	Graduate
<b>Brief resume including experience, expertise in specific functional areas</b>	Human Resource Professional over 12 years of experience.	Finance professional with a with over 9 years of diverse experience into finance & taxation and has extensive knowledge of Management, Fund Raising, Companies Act, & Audit.
<b>Terms &amp; Conditions for appointment/ re-appointment</b>	Proposed appointment as Non-Executive Director	Proposed appointment as an Independent and Non-Executive Director
<b>Details of Remuneration / Remuneration last drawn</b>	None	None
<b>Shareholding in Mufin Green Finance Limited (No. &amp; %)</b>	Nil	Nil
<b>List of Directorships held in other listed Companies</b>	Nil	Nil
<b>Members / Chairperson of Committees in Mufin Green Finance Limited</b>	Nil	Nil
<b>Members / Chairperson of Committees in other Public Companies</b>	Nil	Nil
<b>Relationship with other /Directors</b>	Not inter-se related to any other Director or key Managerial Personnel	Not inter-se related to any other Director or key Managerial Personnel
<b>Number of Meetings of the Board attended during the year</b>	4	Nil

**EXPLANATORY STATEMENT**  
**(Pursuant to Section 102 of the Companies Act, 2013)**

**Items to Special Business**

**Item No. 4 Consider and approve appointment of Ms. Sanchi Pandey (DIN 08210470) as an Independent Director of the Company:**

The Board of Directors of the Company at its meeting held on August 12, 2024, appointed Ms. Sanchi Pandey as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from August 12, 2024, subject to the approval of the Members of the Company. In terms of section 160 of the Companies Act, 2013, the Nomination and Remuneration Committee and the Board have recommended the appointment of Ms. Sanchi Pandey as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013.

The Company has also received a notice in writing from a member proposing the candidature of Ms. Sanchi Pandey to be appointed as Director of the Company. The Company has received a declaration from Ms. Sanchi Pandey confirming that she meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received consent from Ms. Sanchi Pandey to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Ms. Sanchi Pandey fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director of the Company and she is independent of the management. Considering Ms. Sanchi Pandey knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint her as an Independent Director for a period of five years with effect from August 12, 2024.

Copy of letter of appointment of Ms. Sanchi Pandey setting out the terms and conditions of appointment is being made available for inspection by the members through electronic mode. Additional information in respect of Ms. Sanchi Pandey, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure to this Notice.

Brief profile of Ms. Sanchi Pandey is given at Annexure A to this Notice. Except Ms. Sanchi Pandey, being the appointee, or her relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 4.

**Item No. 5 Consider and Approve material related party transaction with Hindon Mercantile Limited:**

Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter called as the Listing Regulations), all related party transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the members of a public listed Company through a resolution and all related parties shall abstain from voting on such resolution. The Board of Directors and Audit Committee had approved the entering into related party transactions with Hindon Mercantile Limited upto an amount of Rs. 100 crores.

Regulation 23 of the Listing Regulations has been amended effective April 1, 2022 to provide that shareholders' approval should be obtained for related party transactions which, in a financial year, exceed the lower of (i) `1,000 crore; and (ii) 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Details of Material Related Party Transactions and other particulars thereof as per SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 including summary of information presented to Audit Committee are mentioned hereunder:



S. No.	Particulars		
1.	Type of transaction, material terms and particulars of the transaction	(i) Purchase of Loans/Exposure (ii) Providing Loans and Advances (short term, long term, secured, unsecured)/Inter Corporate Deposits) (iii) Availing and Rendering of Services	
2.	Name of Related Party	Hindon Mercantile Limited	
3.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Holding Company	
4.	Tenure of the proposed transaction (particular tenure shall be specified)	The Transactions are recurring in nature. The approval of the shareholders is being sought for the related party transactions entered/to be entered during FY 2024-25 and thereafter till the next Annual General Meeting scheduled to be held during FY 2025-26 or fifteen months from the date of this Annual General Meeting, whichever is earlier.	
5.	Value of proposed transaction	The Value of proposed transactions with Hindon in the financial year 2024-25 is expected to be upto 100 Crore.	
6.	The percentage of the Company annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	The value of proposed transactions with Hindon during the FY 2024- 25 is 100% of the annual turnover of the Company for the FY 2023-24.	
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- <u>The Information pertaining to Loans and Advances provided by the Company</u>	Details of the source of funds in connection with the proposed transaction;	The Company being a listed NBFCs, disclosure of source of funds is Not Applicable.
		Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments nature of indebtedness; cost of funds; and tenure;	Indebtedness incurred as short term loans. Further, the Company being a listed NBFC, disclosure of cost of funds is Not Applicable.
		Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Business Purpose
8.	Justification as to why the RPT is in the interest of the Company	The related party transactions entered by the Company with Hindon Mercantile Limited are in the Ordinary course of business and are on an arm's length basis. It	

	is further ensured that the transactions with Hindon are conducted as if it is with an unrelated party, so that there is no conflict of interest.
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The aforesaid related party transactions do not fall under the purview of Section 188 of the Companies Act, 2013 being in the ordinary course of business and at arms' length. However, the same are covered under the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly the approval of the shareholders is sought by way of Ordinary Resolution.

The Audit Committee and Board have approved the aforesaid related party transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and noted that these transactions shall be in the ordinary course of business and at arm's length basis.

Regulation 23 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all entities falling under the definition of related parties shall not vote to approve any related party transaction, irrespective of whether the entity is a party to the transaction or not. Therefore, none of the Promoter Group entities holding share(s) will vote on the above Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the Notice of AGM for approval of the members.

None of the Directors except Mr. Kapil Garg, Managing Director or Key Managerial Personnel of the Company are interested, financial or otherwise, in the proposed resolution.

**Item No. 6 Consider and Approve material related party transaction with Fintelligence Data Science Private Limited:**

Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter called as the Listing Regulations), all related party transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the members of a public listed Company through a resolution and all related parties shall abstain from voting on such resolution. The Board of Directors and Audit Committee had approved the entering into related party transactions with Fintelligence Data Science Private Limited upto an amount of Rs. 1 crores.

Regulation 23 of the Listing Regulations has been amended effective April 1, 2022 to provide that shareholders' approval should be obtained for related party transactions which, in a financial year, exceed the lower of (i) `1,000 crore; and (ii) 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Details of Material Related Party Transactions and other particulars thereof as per SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 including summary of information presented to Audit Committee are mentioned hereunder:

S. No.	Particulars	
1.	Type of transaction, material terms and particulars of the transaction	(i) Availing and Rendering of Services; (ii) Providing Financial Assistance
2.	Name of Related Party	Fintelligence Data Science Private Limited
3.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Fellow Subsidiary
4.	Tenure of the proposed transaction (particular tenure shall be specified)	The Transactions are recurring in nature. The approval of the shareholders is being sought for the related party transactions entered/to be entered during FY 2024-25 and thereafter till the next Annual General Meeting scheduled to be held during FY

		2025-26 or fifteen months from the date of this Annual General Meeting, whichever is earlier.	
5.	Value of proposed transaction	The Value of proposed transactions with Fintelligence Data Science Private Limited in the financial year 2024-25 is expected to be upto 1 Crore.	
6.	The percentage of the Company annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	The value of proposed transactions with Fintelligence Data Science Private Limited during the FY 2024- 25 is 1% of the annual turnover of the Company for the FY 2023-24.	
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- <u>Not Applicable</u>	Details of the source of funds in connection with the proposed transaction;	NA
		Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments nature of indebtedness; cost of funds; and tenure;	NA
		Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA
8.	Justification as to why the RPT is in the interest of the Company	The related party transactions entered by the Company with Fintelligence Data Science Private Limited are in the Ordinary course of business and are on an arm's length basis. It is further ensured that the transactions with Fintelligence Data Science Private Limited are conducted as if it is with an unrelated party, so that there is no conflict of interest.	

The aforesaid related party transactions do not fall under the purview of Section 188 of the Companies Act, 2013 being in the ordinary course of business and at arms' length. However, the same are covered under the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly the approval of the shareholders is sought by way of Ordinary Resolution.

The Audit Committee and Board have approved the aforesaid related party transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and noted that these transactions shall be in the ordinary course of business and at arm's length basis.

Regulation 23 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all entities falling under the definition of related parties shall not vote to approve any related party transaction, irrespective of whether the entity is a party to the transaction or not. Therefore, none of the Promoter Group entities holding share(s) will vote on the above Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 6 of the Notice of AGM for approval

of the members.

None of the Directors except Mr. Kapil Garg, Managing Director or Key Managerial Personnel of the Company are interested, financial or otherwise, in the proposed resolution.

**Item No. 7 Consider and Approve material related party transaction with Bimapay Finsure Private Limited:**

Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter called as the Listing Regulations), all related party transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the members of a public listed Company through a resolution and all related parties shall abstain from voting on such resolution. The Board of Directors and Audit Committee had approved the entering into related party transactions with Bimapay Finsure Private Limited upto an amount of Rs. 25 crores.

Regulation 23 of the Listing Regulations has been amended effective April 1, 2022 to provide that shareholders' approval should be obtained for related party transactions which, in a financial year, exceed the lower of (i) `1,000 crore; and (ii) 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Details of Material Related Party Transactions and other particulars thereof as per SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 including summary of information presented to Audit Committee are mentioned hereunder:

S. No.	Particulars		
1.	Type of transaction, material terms and particulars of the transaction	(i) Availing and Rendering of Services; (ii) Providing Financial Assistance	
2.	Name of Related Party	Bimapay Finsure Private Limited	
3.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Fellow Subsidiary	
4.	Tenure of the proposed transaction (particular tenure shall be specified)	The Transactions are recurring in nature. The approval of the shareholders is being sought for the related party transactions entered/to be entered during FY 2024-25 and thereafter till the next Annual General Meeting scheduled to be held during FY 2025-26 or fifteen months from the date of this Annual General Meeting, whichever is earlier.	
5.	Value of proposed transaction	The Value of proposed transactions with Bimapay Finsure Private Limited in the financial year 2024-25 is expected to be upto 25 Crore.	
6.	The percentage of the Company annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	The value of proposed transactions with Bimapay Finsure Private Limited during the FY 2024- 25 is 25% of the annual turnover of the Company for the FY 2023-24.	
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- <u>Not Applicable</u>	Details of the source of funds in connection with the proposed transaction;	NA
		Where any financial indebtedness is incurred to make or	NA

		give loans, inter-corporate deposits, advances or investments nature of indebtedness; cost of funds; and tenure;	
		Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA
8.	Justification as to why the RPT is in the interest of the Company	The related party transactions entered by the Company with Bimapay Finsure Private Limited are in the Ordinary course of business and are on an arm's length basis. It is further ensured that the transactions with Bimapay Finsure Private Limited are conducted as if it is with an unrelated party, so that there is no conflict of interest.	

The aforesaid related party transactions do not fall under the purview of Section 188 of the Companies Act, 2013 being in the ordinary course of business and at arms' length. However, the same are covered under the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly the approval of the shareholders is sought by way of Ordinary Resolution.

The Audit Committee and Board have approved the aforesaid related party transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and noted that these transactions shall be in the ordinary course of business and at arm's length basis.

Regulation 23 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all entities falling under the definition of related parties shall not vote to approve any related party transaction, irrespective of whether the entity is a party to the transaction or not. Therefore, none of the Promoter Group entities holding share(s) will vote on the above Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 7 of the Notice of AGM for approval of the members.

None of the Directors except Mr. Kapil Garg, Managing Director or Key Managerial Personnel of the Company are interested, financial or otherwise, in the proposed resolution.

**Item No. 8 Consider and Approve material related party transaction with Mufin Green Leasing Private Limited:**

Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter called as the Listing Regulations), all related party transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the members of a public listed Company through a resolution and all related parties shall abstain from voting on such resolution. The Board of Directors and Audit Committee had approved the entering into related party transactions with Mufin Green Leasing Private Limited upto an amount of Rs. 10 crores.

Regulation 23 of the Listing Regulations has been amended effective April 1, 2022 to provide that shareholders' approval should be obtained for related party transactions which, in a financial year, exceed the lower of (i) `1,000 crore; and (ii) 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Details of Material Related Party Transactions and other particulars thereof as per SEBI Circular no. SEBI/HO/CFD/

CMD1/CIR/P/2021/662 dated November 22, 2021 including summary of information presented to Audit Committee are mentioned hereunder:

S. No.	Particulars		
1.	Type of transaction, material terms and particulars of the transaction	(i) Availing and Rendering of Services; (ii) Providing Financial Assistance	
2.	Name of Related Party	Mufin Green Leasing Private Limited	
3.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Wholly Owned Subsidiary	
4.	Tenure of the proposed transaction (particular tenure shall be specified)	The Transactions are recurring in nature. The approval of the shareholders is being sought for the related party transactions entered/to be entered during FY 2024-25 and thereafter till the next Annual General Meeting scheduled to be held during FY 2025-26 or fifteen months from the date of this Annual General Meeting, whichever is earlier.	
5.	Value of proposed transaction	The Value of proposed transactions with Mufin Green Leasing Private Limited in the financial year 2024-25 is expected to be upto 10 Crore.	
6.	The percentage of the Company annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	The value of proposed transactions with Mufin Green Leasing Private Limited during the FY 2024- 25 is 10% of the annual turnover of the Company for the FY 2023-24.	
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- <u>Not Applicable</u>	Details of the source of funds in connection with the proposed transaction;	NA
		Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments nature of indebtedness; cost of funds; and tenure;	NA
		Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA
8.	Justification as to why the RPT is in the interest of the Company	The related party transactions entered by the Company with Mufin Green Leasing Private Limited are in the Ordinary course of business and are on an arm's length basis. It is further ensured that the transactions with Mufin Green Leasing Private Limited are conducted as if it is with	

	an unrelated party, so that there is no conflict of interest.
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The aforesaid related party transactions do not fall under the purview of Section 188 of the Companies Act, 2013 being in the ordinary course of business and at arms' length. However, the same are covered under the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly the approval of the shareholders is sought by way of Ordinary Resolution.

The Audit Committee and Board have approved the aforesaid related party transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and noted that these transactions shall be in the ordinary course of business and at arm's length basis.

Regulation 23 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all entities falling under the definition of related parties shall not vote to approve any related party transaction, irrespective of whether the entity is a party to the transaction or not. Therefore, none of the Promoter Group entities holding share(s) will vote on the above Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 8 of the Notice of AGM for approval of the members.

None of the Directors except Mr. Kapil Garg, Managing Director or Key Managerial Personnel of the Company are interested, financial or otherwise, in the proposed resolution.

**Item No. 9 Consider and approve material related party transaction with Mufin Green Infra Limited:**

Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter called as the Listing Regulations), all related party transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the members of a public listed Company through a resolution and all related parties shall abstain from voting on such resolution. The Board of Directors and Audit Committee had approved the entering into related party transactions with Mufin Green Infra Limited upto an amount of Rs. 50 crores.

Regulation 23 of the Listing Regulations has been amended effective April 1, 2022 to provide that shareholders' approval should be obtained for related party transactions which, in a financial year, exceed the lower of (i) `1,000 crore; and (ii) 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Details of Material Related Party Transactions and other particulars thereof as per SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 including summary of information presented to Audit Committee are mentioned hereunder:

S. No.	Particulars	
1.	Type of transaction, material terms and particulars of the transaction	(i) Availing and Providing of Services; (ii) Providing Financial Assistance
2.	Name of Related Party	Mufin Green Infra Limited
3.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Subsidiary
4.	Tenure of the proposed transaction (particular tenure shall be specified)	The Transactions are recurring in nature. The approval of the shareholders is being sought for the related party transactions entered/to be entered during FY 2024-25 and thereafter till the next Annual General Meeting scheduled to be held during FY 2025-26 or fifteen months from

		the date of this Annual General Meeting, whichever is earlier.	
5.	Value of proposed transaction	The Value of proposed transactions with Mufin Green Infra Limited in the financial year 2024-25 is expected to be upto 50 Crore.	
6.	The percentage of the Company annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	The value of proposed transactions with Mufin Green Leasing Private Limited during the FY 2024- 25 is 50% of the annual turnover of the Company for the FY 2023-24.	
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- <u>Not Applicable</u>	Details of the source of funds in connection with the proposed transaction;	NA
		Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments nature of indebtedness; cost of funds; and tenure;	NA
		Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA
8.	Justification as to why the RPT is in the interest of the Company	The related party transactions entered by the Company with Mufin Green Infra Limited are in the Ordinary course of business and are on an arm's length basis. It is further ensured that the transactions with Mufin Green Infra Limited are conducted as if it is with an unrelated party, so that there is no conflict of interest.	

The aforesaid related party transactions do not fall under the purview of Section 188 of the Companies Act, 2013 being in the ordinary course of business and at arms' length. However, the same are covered under the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly the approval of the shareholders is sought by way of Ordinary Resolution.

The Audit Committee and Board have approved the aforesaid related party transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and noted that these transactions shall be in the ordinary course of business and at arm's length basis.

Regulation 23 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all entities falling under the definition of related parties shall not vote to approve any related party transaction, irrespective of whether the entity is a party to the transaction or not. Therefore, none of the Promoter Group entities holding share(s) will vote on the above Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 9 of the Notice of AGM for approval of the members.



None of the Directors except Mr. Kapil Garg, Managing Director or Key Managerial Personnel of the Company are interested, financial or otherwise, in the proposed resolution.

**Item No. 10 Consider and approve material related party transaction with Hedge Money Private Limited:**

Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter called as the Listing Regulations), all related party transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the members of a public listed Company through a resolution and all related parties shall abstain from voting on such resolution. The Board of Directors and Audit Committee had approved the entering into related party transactions with Hedge Money Private Limited upto an amount of Rs. 50 crores.

Regulation 23 of the Listing Regulations has been amended effective April 1, 2022 to provide that shareholders' approval should be obtained for related party transactions which, in a financial year, exceed the lower of (i) `1,000 crore; and (ii) 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Details of Material Related Party Transactions and other particulars thereof as per SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 including summary of information presented to Audit Committee are mentioned hereunder:

S. No.	Particulars		
1.	Type of transaction, material terms and particulars of the transaction	(i) Availing and Providing of Services; (ii) Providing Financial Assistance	
2.	Name of Related Party	Hedge Money Private Limited	
3.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Fellow Subsidiary	
4.	Tenure of the proposed transaction (particular tenure shall be specified)	The Transactions are recurring in nature. The approval of the shareholders is being sought for the related party transactions entered/to be entered during FY 2024-25 and thereafter till the next Annual General Meeting scheduled to be held during FY 2025-26 or fifteen months from the date of this Annual General Meeting, whichever is earlier.	
5.	Value of proposed transaction	The Value of proposed transactions with Hedge Money Private Private Limited in the financial year 2024-25 is expected to be upto 50 Crore.	
6.	The percentage of the Company annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	The value of proposed transactions with Hedge Money Private Limited during the FY 2024- 25 is 50% of the annual turnover of the Company for the FY 2023-24.	
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- <u>Not Applicable</u>	Details of the source of funds in connection with the proposed transaction;	NA
		Where any financial indebtedness is incurred to make or give loans, inter-	NA

		corporate deposits, advances or investments nature of indebtedness; cost of funds; and tenure;	
		Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA
8.	Justification as to why the RPT is in the interest of the Company	The related party transactions entered by the Company with Hedge Money Private Limited are in the Ordinary course of business and are on an arm's length basis. It is further ensured that the transactions with Hedge Money Private Limited are conducted as if it is with an unrelated party, so that there is no conflict of interest.	

The aforesaid related party transactions do not fall under the purview of Section 188 of the Companies Act, 2013 being in the ordinary course of business and at arms' length. However, the same are covered under the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly the approval of the shareholders is sought by way of Ordinary Resolution.

The Audit Committee and Board have approved the aforesaid related party transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and noted that these transactions shall be in the ordinary course of business and at arm's length basis.

Regulation 23 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all entities falling under the definition of related parties shall not vote to approve any related party transaction, irrespective of whether the entity is a party to the transaction or not. Therefore, none of the Promoter Group entities holding share(s) will vote on the above Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 10 of the Notice of AGM for approval of the members.

None of the Directors except Mr. Kapil Garg, Managing Director or Key Managerial Personnel of the Company are interested, financial or otherwise, in the proposed resolution.

**Item No. 11 Consider and Approve to give Loans or Invest Funds of the Company in excess of the limits specified under Section 186 of the Companies Act, 2013:**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 500 Crores, as proposed in the Notice.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.11 for approval by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

**Item No. 12 Consider and Approve transactions under Section 185 of the Companies Act, 2013:**

The Company may have to render support for the business requirements of its Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), from time to time. However, owing to certain restrictive provisions contained in Section 185 of the Companies Act, 2013 ('the Act'), the Company was unable to extend financial assistance by way of loan to such Entities.

The Board of Directors seek consent of the Members by way of a Special Resolution pursuant to Section 185 of the Act for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the Entities for the capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for the expansion of its business activities and other matters connected and incidental thereon for their principal business activities.

The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.12 for approval by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

**Registered Office:**

SP-147, RIICO Industrial Area,  
Bhiwadi, Dist. Alwar (Rajasthan) – 301019

**Corporate Office:**

201, 2<sup>nd</sup> Floor, Best Sky Tower, Netaji Subhash Place,  
Delhi-110034

Tel: (011)- 43094300, Fax: (011)-43094300

e-mail: [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com)

website: [www.mufingreenfinance.com](http://www.mufingreenfinance.com)

**By Order of the Board**

**Mayank Pratap Singh**  
**Company Secretary**  
**(M. No.: 46666)**

**Place: New Delhi**

**Dated: 05.09.2024**

MUFIN GREEN

Annexure-A

**Brief profile of Directors seeking appointment/re-appointment at the 8th Annual General Meeting to be held on September 30, 2024**

**Ms. Srishti Agarwal**

Srishti is an accomplished Human Resources professional with over 12 years of diverse experience into Capability Building, Talent Management, Business Partnering, Organization Development, Global Mobility, Mergers and Acquisitions and Change Management.

She has led ground level initiatives like setting up the payroll function and compliances for Indian as well as international companies. She started her journey with HR specialist roles of compensation and benefits (C&B) and gradually moved to larger portfolios like Organizational Change & Development, Performance Management, and HR Strategy. In C&B, Srishti has worked across the spectrum - designing and implementing compensation structures, conducting salary surveys, administering employee benefits programs, such as health insurance, retirement plans, and employee wellness initiatives in addition to payroll management and handling of compliance and policy matters. Her contributions have been acknowledged in implementing effective talent management strategies, building high-performing teams, optimizing employee engagement, and fostering a culture of continuous learning.

In her last 2 assignments, Srishti was responsible for leading the Human Resources function at Cosmo Films and Cinopolis India. During her stint with Cinopolis India, she was nominated as a top-talent and to attend a Certification in Behaviour Economics at the Harvard Business School, Boston. During her tenure as Head – HR at Cinopolis, she led the company to win a GTPW Certification and also become the “Best Places in Retail” by GPTW.

She has done Behaviour Economics from Harvard Business School, Post Graduate Diploma in Management (Human Resources), Institute of Management Technology, Ghaziabad and B.A. (Honours), Mathematic, University of Delhi

**Ms. Sanchi Pandey**

Ms. Sanchi Pandey is graduate and having Certifications Courses on Financial Planning, Banking & Investment Management. She is a seasoned finance professional with a with over 9 years of diverse experience into finance & taxation and has extensive knowledge of Management, Fund Raising, Companies Act, & Audit.

**BOARD'S REPORT**

To  
The Members  
Mufin Green Finance Limited

The Board of Directors are pleased to present the 8<sup>th</sup> (Eighth) Annual Report of the Company, together with the Audited Financial Statements for the Financial Year (FY) ended March 31, 2024.

**1. FINANCIAL SUMMARY**

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Total Revenue	9,843.74	3,461.74	9,843.74	-
Total Expenses	7,668.05	2,382.62	7,668.25	-
Profit Before Tax	2,123.40	1,089.12	2,123.20	-
Less:- Tax (including deferred tax)	517.01	267.45	517.01	-
Profit for the period	1,606.39	811.67	1,606.19	-
Other Comprehensive Income	2.03	(2.04)	2.03	-
Total comprehensive profit for the year	1,608.42	809.63	1,608.22	-
Basic and diluted EPS (In Rs.)	1.05	0.58	1.05	-

**2. STATE OF COMPANY AFFAIRS & OPERATIONS**

Mufin Green Finance has built a sustainable foundation to accelerate its growth. Its customer-centric products, transparency in operations, relentless focus on customer convenience and investment in technology has helped accelerate its operations. Mufin Green Finance is in the business of fostering the financial inclusion of unbanked and underserved customers through its various E-Vehicle Loans.

Its income during the year grew by 183.65% to ₹ 97.80 Crores in FY24 from ₹ 34.48 Crores in FY23. Profit After Tax (PAT) increased by 117% to ₹ 16.08 Crores in FY24 from ₹7.41 Crores in FY23, an increase of AUM by 138.57% to ₹ 624.13 Crores in FY24 from ₹ 261.61 Crores in FY23. The Net Worth increased by 56.78% from ₹150.35 Crores in FY23 to ₹ 235.73 Crores in FY24. As a prudent risk management practice. GNPA has declined to 1.70% in FY24 as compared to 2.61% in FY23.

A detailed analysis of the operational performance and state of affairs of the Company has been discussed in detail in the Management Discussion and Analysis Report and Corporate Overview section of this Annual Report.

**3. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no change in the nature of business of your Company during the year under review.

**4. TRANSFER TO RESERVES**

There has been no transfer to general reserves during the year. As required by Reserve Bank of India, the Company made a transfer of Rs. 321.28 lakhs to statutory reserves constituting 20% of the net profits made during the year under review.

**5. DIVIDEND**

After careful assessment of the available profit during the financial year ended 31st March, 2024, your Director's have not recommended any dividend for the financial year ended 31st March, 2024.

## 6. CAPITAL STRUCTURE

### Authorised Share Capital

During the year under review Authorized Share Capital of the Company has been increased from Rs. 7,00,00,000 (Rupees Seven Crore only) comprising of 7,00,00,000 (Seven Crores) Equity Shares of Rs. 1 (Rupees One) each to Rs. 50,00,00,000 (Rupees Fifty Crores only) comprising of 50,00,00,000 (Fifty Crores) Equity Shares of Rs. 1 (Rupees One) each.

### Paid up Share Capital

During the year under review, the Company has allotted 11,17,73,448 Equity Shares of face value of Rs. 1 each as per the details mentioned below:

S. No.	Number of Shares	Type of issue	Issue price (In Rs.)
1.	10,06,63,448	Bonus Issue	NA
2.	1,01,80,000	Preferential Issue	55
3.	9,30,000	Preferential Issue	63.30

Accordingly, paid-up capital stand increased to 16,21,05,172 Equity Shares.

## 7. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

During the year under review, Company has following subsidiaries companies:

1. Mufin Green Leasing Private Limited- Wholly Owned Subsidiary
2. Mufin Green Infra Limited- Subsidiary

## 8. NON-CONVERTIBLE DEBENTURES

During the year under review, your Company has issued 750 Secured, Rated, Redeemable, Non-Convertible Debentures ("NCD"), having face value of Rs. 1,00,000 each aggregating to 7.50 Crore on a private placement basis. Non-Convertible Debentures amounting Rs. 6.25 Crore were outstanding as on 31st March, 2024.

## 9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointment, Re-appointment and Resignation

Mrs. Srishti Agarwal will retire at the ensuing Annual General Meeting (AGM) and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment to the members in the ensuing AGM.

During the period under review, there were change in Directors of the Company, details of the same are as follows:

Sl. No.	Name	Designation	Date of Change	Appointment/Cessation
1.	Mrs. Srishti Agarwal	Non-Executive Non-Independent Director	11.08.2023	Appointment
2.	Mrs. Neha Agarwal	Non-Executive Non-	03.08.2023	Cessation

		Independent Director		
2.	Mr. Abhinav Tambi	Independent Director	23.08.2023	Cessation

#### Retirement of director by rotation

Mrs. Srishti Agarwal (DIN 10229578), non-executive non-independent director of the Company will retire by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. The Nomination and Remuneration Committee in its meeting held on September 05, 2024 has recommended to the Board of Directors and Members, reappointment of Mrs. Srishti Agarwal as director of the company retiring by rotation. Her profile is given in the Notice of the ensuing AGM, forming part of this Annual Report.

#### Declaration by Independent Directors

All Independent Directors have given declaration that they meet the criteria of independence with relevant integrity, expertise, experience and proficiency as provided under Section 149 read with Schedule IV of the Act and Regulation 16 of the SEBI Listing Regulations and have also complied with the code of conduct of Directors and Senior Management. They have also given declaration that their names were included in the data bank of Independent Directors being maintained with 'Indian Institute of Corporate Affairs' under Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

#### Policies on appointment of Directors

The management of the Company is immensely benefitted from the guidance, support and mature advice from members of the Board of Directors who are also members of various committees. The Board consists of directors possessing diverse skill, rich experience to enhance quality of its performance. The Company has adopted a Policy on Board Diversity formulated by the Nomination and Remuneration Committee.

#### Annual Performance Evaluation of the Board

The Board, the Committees of the Board and independent directors continuously strive for efficient functioning of Board and its committees and better corporate governance practices. A formal performance evaluation was carried out at the meeting of the Board of Directors held on May 28, 2024 where the Board made an annual evaluation of its own performance, the performance of directors individually as well as the evaluation of the working of its various Committees for the Financial Year 2023-24 on the basis of a structured questionnaire on performance criteria. The Board expressed its satisfaction with the evaluation process. The observations made during the evaluation process were noted and based on the outcome of the evaluation and feedback of the Directors, the Board and the management agreed on various action points to be implemented in subsequent meetings.

The evaluation process endorsed cohesiveness amongst directors, the openness of the management in sharing the information with the Board and placing various proposals for the Board's consideration and approval.

The Independent Directors met on March 25, 2024 without the presence of other directors or members of Management. All the Independent Directors were present at the meeting. In the meeting, the independent directors reviewed performance of Non-Independent Directors, the Board as a whole and Chairman. They assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. The Independent Directors expressed satisfaction over the performance and effectiveness of the Board, individual Non-Independent Directors.

#### Women Directors

In terms of the provisions of Section 149 of the Companies Act, 2013, and Regulation 17(1)(a) of the SEBI (LODR) Regulations, 2015, the Company shall have at least one Woman Director on the Board. Your Company has Ms. Srishti Agarwal (DIN: 10229578) as the Woman Director on the Board of the Company.

### Meetings of the Board

During the year, nine (9) meetings of the Board of Directors were held. The details of Board/Committee Meetings and the attendance of Directors are provided in the Corporate Governance Report, attached to this Report.

### 10. DEPOSIT UNDER CHAPTER V OF THE COMPANIES ACT, 2013

Your Company has not accepted any public deposits during the year under review and shall not accept any deposits from the public without obtaining prior approval of the RBI. Further, your Company being an NBFC, disclosure requirements under Chapter V of the Act read with Rule 8(5)(v) and 8(5)(vi) of the Companies (Accounts) Rules, 2014 are not applicable to your Company.

### 11. AUDITORS' & AUDIT REPORTS

#### Statutory Auditors

As per Section 139 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, the members of our Company in its 7th AGM of the Company approved the appointment of M/s Tattvam & Co., Chartered Accountants (Firm Registration No. 015048N), Delhi as Statutory Auditors of the Company, for a term of 3 (three) consecutive years from the conclusion of the 07th Annual General Meeting till the conclusion of the 10th Annual General Meeting.

The reports of Statutory Auditors on Financial Statements for the FY 2023-24 forms part of the Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Auditors' Reports.

#### Secretarial Auditor

In terms of the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Abhay Kumar, Practising Company Secretary, to undertake the Secretarial Audit of the Company for the FY ended March 31, 2024. The Secretarial Auditors in their Secretarial Audit Report have reported that The Company has received notice for non-compliance of Regulation 295(1) of ICDR Regulations regarding delay in implementation of bonus issue by 1 (one) day.

BSE has imposed a fine of Rs. 20,000 against the non-compliance, which was paid by the Company as per the mail dated July 24, 2023. The Secretarial Audit Report is attached as **Annexure-1** to this report. The Board has re-appointed Mr. Abhay Kumar, Company Secretary in Practice, as Secretarial Auditors of the Company for FY 2024-25.

#### Internal Auditors

The Board has re-appointed M/s. J. Mandal & Co. LLP (FRN: 0302100E/N500422), Chartered Accountants, Delhi as the Internal Auditors of the Company in its Board Meeting held on 28th May, 2024 for the Financial Year 2024-25. The Internal Audit report is submitted every quarter before the Audit Committee by the Internal Auditors.

### 12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the FY i.e. March 31, 2024 and of the profit and loss of the Company for the year ended March 31, 2024;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and



detecting fraud and other irregularities;

- the Directors have prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- Based on the framework of internal financial controls for financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditor and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the FY 2023-24; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **13. INTERNAL FINANCIAL CONTROLS**

Internal Financial Controls laid down by the Company is a systematic set of controls and procedures to ensure orderly and efficient conduct of its 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. Internal financial controls not only require the system to be designed effectively but also to be tested for operating effectiveness periodically.

The Board is of the opinion that internal financial controls with reference to the financial statements were tested and reported adequate and operating effectively. The internal financial controls are commensurate with the size, scale and complexity of operations.

### **14. RESERVE BANK OF INDIA GUIDELINES**

As on 31st March, 2024, the Company falls in the middle layer on group level as per the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. The Company continues to comply with all the applicable directions, regulations, guidelines, etc. prescribed by RBI from time to time.

### **15. DETAILS OF FRAUDS REPORTED BY AUDITORS**

There were no frauds reported by the Statutory Auditors under the provisions of Section 143(12) of the Companies Act, 2013 and the Rules made there under.

### **16. DISCLOSURES OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

### **17. COMMITTEES OF BOARD**

The Company has the following committees of the Board of Directors as on March 31, 2024 and the details pertaining to such committees are mentioned in the Corporate Governance Report, which forms part of the Annual Report.

- Audit Committee
- Nomination and Remuneration Committee

- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

#### **18. NOMINATION AND REMUNERATION POLICY**

The Company's policy on appointment of Directors is available on the Company's website on [www.mufingreenfinance.com](http://www.mufingreenfinance.com).

The policy on remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report.

#### **19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Company had formulated a policy on Related Party Transactions ('RPTs'), dealing with the review and approval of RPTs. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/Board/Shareholders, reporting and disclosure requirements in compliance with the Companies Act, 2013 and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the transactions executed by the Company during the FY, with Related Parties, were on arm's length basis and in ordinary course of the business. All such Related Party Transactions were placed before the Audit Committee/Board for approval, wherever applicable. Also, the Company has obtained shareholders approval on the material Related Party Transaction in the previous Annual General Meeting.

During the FY, the Company has entered into contract/arrangement/transaction with related party, which is considered material in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same was approved by the Shareholders in the previous Annual General Meeting held on September 28, 2023. The policy for determining 'material' subsidiaries and the policy on materiality on Related Party Transactions and dealing with Related Party Transactions, as approved by the Board, may be accessed on the website of the Company i.e. [www.mufingreenfinance.com](http://www.mufingreenfinance.com). Your Directors draw attention of the members to Note No. 41 to the Financial Statements which sets out the Related Party disclosures. Since all Related Party Transactions entered into by the Company were on arm's length basis and in the ordinary course of the business and the Company had not entered into any material related Party contract as per the Companies Act, 2013, the Form AOC-2 is not required to be provided.

#### **20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Considering that the Company is a Non-Banking Financial Company which is not involved in any manufacturing or processing activities, the particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy and technology absorption are not applicable.

Further, there was Foreign Exchange outgo during the FY 2023-2024, details of which are as follows:

(Rs. In Lakhs)

Nature	For the year ended March 31, 2024	For the year ended March 31, 2023
Professional Fee	30.78	58.18
Sponsorship Fee	2.75	2.79
Travelling Expenses	14.70	2.93
Interest Expenses	11.76	-

## **21. PARTICULARS OF EMPLOYEES**

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 (12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure-2** which forms part of this Report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the FY 2023-24 there was no employee drawing remuneration in excess of the limits set out in the said rules.

## **22. ANNUAL RETURN**

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as at March 31, 2024 on its website at [www.mufingreenfinance.com](http://www.mufingreenfinance.com) By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's Report.

## **23. CORPORATE GOVERNANCE**

As a responsible corporate citizen, the Company is committed to maintain the highest standards of Corporate Governance and believes in adhering to the best corporate practices prevalent globally.

A detailed Report on Corporate Governance pursuant to the requirements of Regulation 34 read with Schedule V of the SEBI Listing Regulations, is attached to this Report as **Annexure-3**. A certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the SEBI Listing Regulations is attached to the Corporate Governance Report.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the year ended March 31, 2024. A certificate from the Managing Director confirming the same is attached to the Corporate Governance Report.

A certificate from the CEO and CFO confirming correctness of the financial statements, adequacy of internal control measures, etc. is also attached to the Corporate Governance Report.

## **24. MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a section forming part of this Annual Report and is annexed to this report as **Annexure 4**.

## **25. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The details of Vigil Mechanism (Whistle Blower Policy) adopted by the Company have been disclosed in the Corporate Governance Report and forms an integral part of this report.

## **26. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS**

The provisions of Section 186 of the Companies Act, 2013 pertaining to investment and lending activities is not applicable to the Company since the Company is Non-Banking Financial Company (NBFC) whose principal business is investment in securities and providing loan of all kinds.

### **27. MATERIAL CHANGES AND COMMITMENTS**

No material changes or commitment has occurred after the close of the FY 2023-24 till the date of this Report, which affects the financial position of the Company.

### **28. CORPORATE SOCIAL RESPONSIBILITY**

The Company's' approach towards Corporate Social Responsibility (CSR) is to interweave social responsibility of the Company into Company's mainstream business functions. CSR is an integrated part of the Company Policy.

The Company is committed to bring a tangible change in the lives of people living in the surroundings by giving them employment opportunities, as well as by their socioeconomical development. All CSR initiatives are being planned, executed and monitored by the Committee/ Board. The CSR programs are aligned with Govt. mandate at Local and State Level and as per the specific needs of the Community.

Some of the initiatives taken by the Company in field of socio economical development, education & health are –

- Promotion of education
- Promotion of Employment
- Animal Welfare

A Board level Committee of CSR has been constituted. The details of membership of the Committee & the meetings held are detailed in the Corporate Governance Report, forming part of this Report. The Corporate Social Responsibility Policy is available on the website of the Company at the [www.mufingreenfinance.com](http://www.mufingreenfinance.com).

The Annual Report on Corporate Social Responsibility activities is annexed to this report as **Annexure-5**.

### **29. COMPLIANCE WITH SECRETARIAL STANDARDS OF INSTITUTE OF COMPANY SECRETARIES OF INDIA**

The Company has complied with the Secretarial Standard-1 on 'Meetings of the Board of Directors' and Secretarial Standard-2 on 'General Meetings' issued by the Institute of Company Secretaries of India.

### **30. BOARD EVALUATION**

A statement on annual evaluation by the Board of its performance and performance of its committees as well as Individual Directors forms part of the Corporate Governance Report attached to this report.

### **31. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has a policy on prevention of sexual harassment at the workplace. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the FY 2023-24, there were no complaints received.

### **32. COST RECORDS AND AUDIT**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

### **33. INVESTOR SERVICES**

In its endeavor to improve investor services, your Company has taken the following initiatives:

- An Investors Section on the website of the Company [www.mufingrenfinance.com](http://www.mufingrenfinance.com) has been created.
- There is a dedicated e-mail id [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com) for sending communications to the Company Secretary.
- Disclosure made to the Stock Exchange are promptly uploaded on the website of the Company for information of the Investors.
- Members may lodge their requests, complaints and suggestions on this e-mail as well.

### **34. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)**

As a responsible corporate citizen, ESG (Environmental, Social, and Governance) is highly relevant for the company. It demonstrates our commitment to Environmental stewardship, social responsibility, and good governance.

In terms of Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Business Responsibility and Sustainability Report for the financial year under review is presented in a separate section forming part of the Annual Report. The detailed information on the initiatives taken by the Company from an environmental, social and governance perspective is provided in the Business Responsibility and Sustainability Report which forms part of this Report as **Annexure-6**.

### **35. FAIR PRACTICE CODE (FPC)**

The Company has in place, a Fair Practice Code approved by the Board in compliance with the guidelines issued by the RBI, to ensure better service and provide necessary information to customers to take informed decisions. The FPC is posted on the website of the Company at <https://www.mufingreenfinance.in>. The FPC is also reviewed by the Board at frequent intervals to ensure its level of adequacy and appropriateness.

### **36. CREDIT RATING**

During FY 2023-24, Credit Rating for the Company has been upgraded to BBB+ | Stable from Acuite Ratings Research from erstwhile BBB | Stable from Acuite Ratings Research.

### **37. ACKNOWLEDGMENTS**

The Directors thank the Shareholders, Banks and other Lenders, Customers, Vendors and other business associates for the confidence reposed in the Company and its management and look forward to their continued support. The Board places on record its appreciation for the dedication and commitment of the employees at all levels, which has continued to be our major strength. We look forward to their continued support in the future.

### **38. CAUTIONARY STATEMENT**

Statements in the Boards' Report and Management Discussion and Analysis, describing the Company's objectives, outlook, opportunities and expectations may constitute "Forward Looking Statements" within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied expectations or projections, among others. Several factors make a significant difference to the Company's operations including the government regulations, taxation and economic scenario affecting demand and supply, natural calamity and other such factors over which the Company does not have any direct control.

Place: New Delhi  
Dated: 05.09.2024

For and on behalf of the Board  
**Mufin Green Finance Limited**  
**Manoj Kumar Bhatt**  
Chairman  
DIN: 09452843

FORM NO. AOC-1

Statement containing salient features of the financial statements of Subsidiaries/associate companies/joint venture

(Pursuant to first proviso to sub section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**PART "A": Subsidiaries**

Name of Subsidiary	Mufin Green Leasing Private Limited	Mufin Green Infra Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2024	31.03.2024
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR
Share capital (Rs.)	10,00,000	10,00,000
Reserves & surplus	(20,482)	0.00
Total assets	9,79,518	13,50,000
Total Liabilities	9,79,518	13,50,000
Investments	Nil	Nil
Turnover	Nil	Nil
Profit before taxation	(20,482)	Nil
Provision for taxation	Nil	Nil
Profit after taxation	(20,482)	Nil
Proposed Dividend	NA	NA
% of shareholding	100%	65%

The following information shall be furnished:-

- Names of subsidiaries which are yet to commence operations – As stated above
- Names of subsidiaries which have been liquidated or sold during the year- NA

For and on behalf of the Board  
**Mufin Green Finance Limited**

**Manoj Kumar Bhatt**  
Chairman  
DIN: 09452843

Place: New Delhi  
Dated: 05.09.2024

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2024

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

The Members  
MUFIN GREEN FINANCE LIMITED  
CIN: L65990RJ2016PLC054921  
Registered Office: SP-147, RIICO Industrial Area  
Bhiwadi, Dist. Alwar  
Rajasthan- 301019

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **MUFIN GREEN FINANCE LIMITED** (hereinafter called the Company"). 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 our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 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:-

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

1. The Companies Act, 2013 ("the Act") and Rules made thereunder as amended/modified;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder;
4. 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;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - (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;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and (Issue and Listing of Debt Securities) Regulations, 2008, (**Not applicable to the Company during the audit period**);

- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client to the extent of securities issued;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)**;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not applicable to the Company during the audit period).** and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. We further report that, having to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the laws and Regulations applicable to the Company;

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We have also examined the compliances with the applicable clauses of the Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except in respect of matters specified below:-

The Company has received notice for non- compliance of Regulation 295(1) of ICDR Regulations regarding delay in implementation of Bonus Issue by 1 day.

BSE has imposed a fine of Rs. 20,000, which was paid by the Company as per the mail dated July 24, 2023.

We further report that:-

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

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

Majority of decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or committee of the Board, as the case may be.

There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

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

This report is to be read with our letter of even date which is annexed as "**Annexure-A**" and form an integral part of this report.

**For Abhay Kumar**  
Company secretary in Practice



**Abhay Kumar**  
**ACS NO.60309 | CP NO. 22630**  
**UDIN: A060309F001148077**  
**Peer Review Number: 2050/2022**

Dated: 05.09.2024  
Place: New Delhi

## Annexure-A

The Members  
MUFIN GREEN FINANCE LIMITED  
*(formerly known as APM Finvest Limited)*  
CIN: L65990RJ2016PLC054921  
Registered Office: SP-147, RIICO Industrial Area  
Bhiwadi, Dist. Alwar  
Rajasthan- 301019

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliances of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, rule and regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Abhay Kumar**  
**Company secretary in Practice**

**Abhay Kumar**  
**ACS NO.60309 | CP NO. 22630**  
**UDIN: A060309F001148077**  
**Peer Review Number: 2050/2022**

Dated: 05.09.2024  
Place: New Delhi

Annexure-2

Information under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the board's report for the year ended 31 March, 2024

Nature of Disclosure	Particulars		
a) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	<b>Name of the Director / Designation</b>	<b>% increase of Remuneration in 2023 as compared to 2024</b>	<b>Ration of Remuneration to Median Remuneration of employee</b>
	<b>Non-Executive Directors</b>		
	Mr. Manoj Kumar Bhatt Non-executive/Independent Director/Chairman	Nil	0.68:1
	Mr. Hemant Bhageria Non-executive/Independent Director	Nil	0.68:1
	Mr. Nitin Goel Non-executive/Independent Director	Nil	0.61:1
	Mr. Aishwarya Mani Kachhal Non-executive/Independent Director	Nil	Nil
	Mrs. Srishti Agarwal Non-executive	Nil	0.30:1
	<b>Executive Director</b>		
	Mr. Kapil Garg Executive Director/Managing Director	100%	43.39:1
b) Percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year	<b>Name of the Key Managerial Personnel / Designation</b>	<b>% increase in remuneration in 2024 as compared to 2023</b>	
	Mr. Pankaj Gupta, Chief Executive Officer	Nil	NA
	Mrs. Gunjan Jain, Chief Financial Officer	Nil	NA
	Mr. Mayank Pratap Singh, Company	Nil	NA

	Secretary		
c) Percentage increase in median remuneration of employees in the financial year	Nil		
d) Number of permanent employees on the rolls of company (as of 31 March, 2024)	481		
e) 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	<p>Average increase in salary of eligible employees other than managerial personnel is NIL.</p> <p>Remuneration of the Managing Director was increased during FY 2023-24 as in previous year he was not drawing any remuneration.</p>		
f) Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is in line with the remuneration policy of the company.		

For and on behalf of the Board  
Mufin Green Finance Limited

Place: New Delhi  
Date: 05.09.2024

Manoj Kumar Bhatt  
Chairman

MUFIN GREEN

## CORPORATE GOVERNANCE REPORT

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations” or “SEBI (LODR) Regulations, 2015”) is given herein below:

### 1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

The Company’s philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Details of Mufin Green board structure and the various committees that constitute the governance structure of the organization are covered in detail in this report.

### 2. BOARD OF DIRECTORS

#### (a) Composition:

The Board of the Company comprises of seven Directors out of which five are Non-Executive Independent Directors, one is Non-Executive Director (woman Director) another is Executive Director (Managing Director) who is Promoter of the Company.

The maximum tenure of Independent Directors is upto five consecutive years from the date of their appointment. However, they can be re-appointed for another term of five consecutive years. The date of appointment and tenure of the existing Independent Directors are given below:-

S. No.	Name of Independent Director	Date of appointment	Date of completion of tenure
1.	Mr. Manoj Kumar Bhatt	March 09, 2022	March 08, 2027
2.	Mr. Nitin Goel	March 09, 2022	March 08, 2027
3.	Mr. Hemant Bhageria	March 09, 2022	March 08, 2027
4.	Mr. Aishwarya Mani Kachhal*	February 17, 2023	February 16, 2028
5.	Ms. Sanchi Pandey**	August 12, 2024	August 11, 2029

\*Mr. Aishwarya Mani Kachhal was resigned with effect from May 13, 2024

\*\* Ms. Sanchi Pandey was appointed as Independent Director with effect from August 12, 2024

The letters of appointment have been issued to the Independent Directors and the terms and conditions thereof are posted on the Company’s website i.e. <https://mufingreenfinance.com/investor-zone/> .

The Board of Directors along with its committees provides effective leadership and strategic guidance to the Company’s management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures.

#### (b) Key Functions of the Board:

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of the Company are:

- Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring implementation & corporate performance and overseeing major capital expenditures, acquisitions and divestments;

- Monitoring the effectiveness of the Company's governance, policies & practices and making changes as needed;
- Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning;
- Aligning Key Managerial Personnel and Board remuneration with the long-term interests of the Company and its shareholders;
- Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions;
- Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the laws & regulations and relevant standards in force;
- Overseeing the process of disclosure and communications;
- Monitoring and reviewing Board's Evaluation framework.
- Compliance with applicable laws on the Company.
- Benchmarking and adopting best practices among NBFCs, and other leading organization.

**(c) Meetings of the Board:**

Meetings of the Board are generally held at the Corporate Office of the Company. During the financial year 2023-24, the Board met nine times as per the details mentioned below:-

S. No.	Date of Board Meeting
1.	May 25, 2023
2.	August 11, 2023
3.	August 29, 2023
4.	September 28, 2023
5.	November 09, 2023
6.	December 08, 2023
7.	February 03, 2024
8.	February 14, 2024
9.	March 12, 2024

The Company has held a minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed prescribed limit of 120 days which is in compliance with the provisions of the Companies Act, 2013, Secretarial Standard-1 and Listing Regulations.

An annual calendar of meetings is prepared well in advance and shared with the Directors in the beginning of the year to enable them to plan their attendance at the meetings. Directors are expected to attend Board and Committee Meetings, spend the necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Concerned executives of the Company communicate the matters requiring approval of the Board to the Company Secretary, well in advance, so that these can be included in the agenda for the scheduled Board/Committee Meeting.

Agenda papers are sent to the Directors, well in advance, before the meetings. Draft Minutes of the Board and Committee meetings are circulated to the Directors for their comments thereon and, thereafter, noted by the Board/respective Committee in its next Meeting.

The composition of Board of Directors, their attendance at Board Meetings during the year 2023-2024 and at the last Annual General Meeting ('AGM') are given in table below:-

Name and Designation	DIN	Category	Attendance at the Meeting	
			Board Meeting	Last AGM
			Attended	Attended

Mr. Manoj Kumar Bhatt (Chairman)	09452843	Non-Executive Director (Independent Director)	9	Yes
Mr. Kapil Garg	01716987	Executive Director	9	Yes
Mr. Hemant Bhageria	06476292	Non-Executive - Independent Director	9	Yes
Mr. Nitin Goel	01737352	Non-Executive - Independent Director	8	Yes
Mr. Aishwarya Mani Kachhal#	08074112	Non-Executive - Independent Director	2	No
Mrs. Srishti Agarwal**	10229578	Non-Executive – Director	4	Yes
Mr. Abhinav Tambi*	00860844	Non-Executive - Independent Director	0	No
Mrs. Neha Agarwal*	03539327	Non-Executive Director	0	No

\* Mr. Abhinav Tambi was resigned from Board with effect from August 23, 2023.

\* Mrs. Neha Agarwal was resigned from Board with effect from August 03, 2023.

\*\* Mrs. Srishti Agarwal was appointed as Director (Non-Executive) with effect from August 11, 2023.

# Mr. Aishwarya Mani Kachhal has resigned w.e.f May 13, 2024.

#### (d) Other Directorships

The details of other Directorship and Committee Membership/Chairpersonship as at March 31, 2024 are as follows:-

Name of the Director	Directorship in Listed Entity and Category of Directorships	No. of other Directorships and Committee memberships and Chairmanships		
		Directorships	Chairman#	Member#
Mr. Kapil Garg	None	9	Nil	3
Mr. Manoj Kumar Bhatt	None	1	1	3
Mr. Abhinav Tambi*	None	Nil	Nil	Nil
Mr. Nitin Goel	None	Nil	1	2
Mrs. Neha Agarwal*	None	Nil	Nil	Nil
Mr. Hemant Bhageria	None	3	1	2
Mr. Aishwarya Mani Kachhal	None	Nil	Nil	Nil
Mrs. Srishti Agarwal**	None	Nil	Nil	Nil

\*Mrs. Neha Agarwal was resigned from Board with effect from August 03, 2023 and Mr. Abhinav Tambi was resigned from Board with effect from August 23, 2023.

\*\* Mrs. Srishti Agarwal was appointed as Director (Non-Executive) with effect from August 11, 2023.

Note: The Directorships, held by Directors, as mentioned above, do not include the directorships held in Section 8 Companies, Limited Liability Partnership and Mufin Green Finance Limited.

# Committees considered for the purpose are those prescribed under Regulation 26 of the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited companies including Mufin Green Finance Limited. Committee membership's details provided includes chairmanship of committees.

**(e) Disclosure of relationships between Directors inter-se:**

None of the Directors are related to each other.

**(f) Information given to the Board:**

The Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by key members of Senior Management on important matters from time to time.

The Board and Committees thereof have complete access to all relevant information. Such information is submitted either as part of the agenda papers of the meetings in advance or by way of presentations and discussion material during the meetings. Such information, inter-alia, includes the following:

- Annual operating plans, budgets and any updates;
- Capital budgets and any updates;
- Annual and Quarterly results of the Company and its operating divisions or business segments;
- Minutes of the meetings of the Audit Committee and other Committees of the Board of Directors;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Material default in financial obligations to and by the Company, or substantial nonpayment for goods sold by the Company;
- Issue which involves possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Minutes of Board Meetings of unlisted subsidiary company(s);
- Statement of significant transactions or arrangements made by unlisted subsidiary companies;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc;
- Quarterly statement showing status of investors complaints;
- Compliance Report pertaining to applicable laws and steps taken to rectify instance of non-compliance, if any; and
- Quarterly Compliance Report on Corporate Governance
- Changes in regulatory landscape including impact of the RBI Scale Based Regulations, and Company's preparedness;
- Capital expenditure and updates;
- Internal financial controls.

**(g) Board Process:**

The Company sends documents relating to Board and Committee meetings, including agenda papers and supplementary documents, to the Directors at least 7 days before the meetings.

Important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments/ divisions. Action Taken Report (ATR) on the decisions of the previous meeting(s) is placed at the next meeting of the Board/ Committee.

The Company has complied with the Secretarial Standard-1 on Meetings of the Board of Directors and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India.

**(h) Review of legal compliance reports:**

The Board periodically reviews compliance report with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

**(i) Directors and Officers liability insurance ('D&O policy'):**

The Company has in place a D&O policy which is renewed every year. It covers directors (including independent directors) of the Company. The Board is of the opinion that quantum and risk presently covered is adequate.

**(j) Code of Conduct:**

The SEBI Listing Regulations requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of Directors prescribed in the Act. The Company has a Board approved Code of Conduct for Board members and Senior Management of the Company. Based on the review, the Code of Conduct was revised in line with applicable regulations and approved by the Board. The updated Code has been placed on the Company's website and can be accessed at <https://mufingreenfinance.com/disclosures-under-regulation-46-of-listing-regulations/>. All the Board members and Senior Management personnel have affirmed compliance with the Code for the year ended 31 March 2024. A declaration to this effect signed by the Managing Director forms a part of this Annual Report.

**(k) Independent Directors Meeting:**

Independent Directors meeting held on March 25, 2024, without the attendance of Non-Independent Directors and members of the management of the Company. The Independent Directors, inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, also reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; for the Financial Year ended March 31, 2024. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**(l) Familiarisation Programme for Independent Directors:**

In Compliance with the Regulation 25 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company familiarises its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, Legal updates, etc. In this regard, the Company follows a structured familiarisation programme for the Independent Directors. The details related thereto are displayed on the Company's website <https://mufingreenfinance.com/investor-zone/>.

**(m) Maximum tenure of independent directors:**

In terms of the Act, independent directors shall hold office for a term of up to five consecutive years on the board of a company but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the board's report. The tenure of the independent directors is in accordance with the provisions



of the Act.

**(n) Chart or a matrix setting out the skills/expertise/competence of the Board of Directors**

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensure that the Company's Board is in compliance with the highest standards of corporate governance.

In the table below, the specific areas of focus or expertise of Individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Director s	Area of Expertise					
	Industrial Knowledg e and Experienc e	Leadershi p Qualities	Finan cials Exper tise	Corpora te Governa nce	Understand ing of relevant laws, rules, regulation and Policy	Risk Man age ment
Mr. Kapil Garg	✓	✓	✓	✓	✓	✓
Mrs. Neha Agarwal*	✓	✓	✓	✓	✓	✓
Mr. Manoj Kumar Bhatt	✓	✓	✓	✓	✓	-
Mr. Hemant Bhageria	✓	✓	✓	✓	✓	✓
Mr. Nitin Goel	✓	-	✓	✓	✓	-
Mr. Abhinav Tambi*	✓	✓	✓	✓	✓	-
Mr. Aishwarya Mani Kachhal	✓	✓	✓	✓	✓	-
Mrs. Srishti Agarwal*	✓	✓	✓	✓	✓	-

\*Mrs. Neha Agarwal was resigned from Board with effect from August 03, 2023 and Mr. Abhinav Tambi was resigned from Board with effect from August 23, 2023.

\*\* Mrs. Srishti Agarwal was appointed as Director (Non-Executive) with effect from August 11, 2023.

**(o) Confirmation of Independence:**

The Independent Directors of your Company have confirmed that (a) they meet the criteria of Independence as prescribed under Section 149 of the Act and Regulation 16 of the Listing Regulations, (b) they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence (c) their name were included in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs under Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, in the opinion of the Board, the Independent Directors fulfil the conditions

prescribed under the Listing Regulations and are independent of the management of the Company.

**(p) Number of shares held by Board of Directors as on March 31, 2024:**

Details of the shareholding held by Board of Directors as on March 31, 2024 are given in the table below:

Name of Directors	Number of Shares	% of shareholding
Mr. Kapil Garg	5,40,000	0.33
Mrs. Neha Agarwal*	Nil	Nil
Mr. Manoj Kumar Bhatt	Nil	Nil
Mr. Hemant Bhageria	Nil	Nil
Mr. Nitin Goel	Nil	Nil
Mr. Abhinav Tambi*	Nil	Nil
Mr. Aishwarya Mani Kachhal	Nil	Nil
Mrs. Srishti Agarwal**	Nil	Nil

\*Mrs. Neha Agarwal was resigned from Board with effect from August 03, 2023 and Mr. Abhinav Tambi was resigned from Board with effect from August 23, 2023.

\*\* Mrs. Srishti Agarwal was appointed as Director (Non-Executive) with effect from August 11, 2023.

**(q) Whistle Blower Policy/Vigil Mechanism:**

The Company has a Whistle Blower Policy encompassing Vigil Mechanism pursuant to the requirements of the section 177(9) of the Act and regulation 22 of the SEBI Listing Regulations and meeting the requirements under applicable RBI regulations. This mechanism enables directors, employees and value chain partners to report confidentially to the Management, without fear of victimisation, any unacceptable and/or unethical behaviour, suspected or actual fraud, violation of the Company's Code of Conduct or ethics policy and instances of leak or suspected leak of unpublished price sensitive information which are detrimental to the organisation's interest. It provides safeguards against victimisation of directors/employees/value chain partners who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases. It also allows them to share their inputs or raise their concerns anonymously at the dedicated link provided for it. The policy has been appropriately communicated to the employees within the organisation and has also been hosted on the Company's website which can be accessed at <https://mufingreenfinance.com/investor-zone/>.

**3. Committees of the Board**

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth the purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. The Committees meet as often as required or as statutorily required. Committees that are constituted voluntarily for effective governance of the affairs of the Company may also include Company executives.

The minutes of meetings of the Committees of the Board are circulated quarterly to the Board for noting.

The Committees of the Board are:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

Recommendations made by these Committees have been accepted by the Board. The Company Secretary officiates as the Secretary of the Committees. Terms of reference, composition, quorum, meetings, attendance and other relevant details of these committees are as under:

**AUDIT COMMITTEE**

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and

strong internal controls. The Committee through regular interaction with external and internal auditors and review of financial statements ensures that the interests of stakeholders are properly protected.

All members of the Audit Committee are financially literate and a majority has accounting or financial management expertise.

**(i) Terms of reference:**

The Audit Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of Companies Act, 2013 (hereinafter referred as 'the Act') and Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations, 2015 which, inter-alia, includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration, terms of appointment of auditors of the Company including their replacement or removal;
3. Approval of payment to statutory auditors for any other permitted services rendered by the statutory auditors;
4. Reviewing and examining, with the management, the annual financial statements and auditor report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Draft Auditors' report including qualifications, if any;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing and monitoring, with the management, the statement of uses/ application of funds raised through an issue/public offers (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter;
7. Reviewing and monitoring with the management, independence and performance of statutory and internal auditors, adequacy of the internal control systems, and effectiveness of the audit processes;
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
9. Discussion with internal auditors on any significant findings and follow up thereon;
10. Reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
13. To review the functioning of the Whistle Blower Policy (Vigil Mechanism);
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
15. Approval or any subsequent modification of transactions of the Company with related parties;
16. Scrutiny of inter-corporate loans and investments;

17. Valuation of undertakings or assets of the Company, wherever it is necessary;
18. Evaluation of internal financial controls and risk management system;
19. Review of Management discussion and analysis of financial condition and results of operations;
20. Review of Management letters / letters of internal control weaknesses issued by the statutory auditors;
21. Review of Internal audit reports relating to internal control weaknesses;
22. Review of Financial statement, in particular, investments made by the subsidiary company(s);
23. Recommend appointment and remuneration of Cost Auditors;
24. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operating effectively;
25. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

#### (ii) Composition

As on March 31, 2024, the Committee comprises of Mr. Hemant Bhageria, Chairperson, Mr. Manoj Kumar Bhatt, Mr. Kapil Garg, Members.

#### Invitees:

The representatives of Statutory Auditors and Internal Auditors, Chief Financial Officer and other executives, as desired by the Committee, attend the meetings as invitees.

#### (iii) Meetings, Quorum and Attendance

Audit Committee meets at least four times in a year with a gap of not more than 120 days between two consecutive meetings. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least two Independent Directors.

During the year 2023-24, the Committee met five times i.e. on 25<sup>th</sup> May, 2023, 11<sup>th</sup> August, 2023 29<sup>th</sup> August, 2023, 09<sup>th</sup> November, 2023 and 14<sup>th</sup> February, 2024.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. Hemant Bhageria, Chairperson	5	5
Mr. Manoj Kumar Bhatt, Member	5	5
Mr. Kapil Garg, Member	5	5

#### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee, constituted under Section 178 of the Act and Regulation 19 with Part D of Schedule II to the SEBI Listing Regulations, 2015, functions according to its terms of reference that define its authority, responsibility and reporting functions which, inter alia, include the following:

#### (i) Terms of reference:

The role of Committee is:

1. To identify persons who are qualified to become Director in accordance with the criteria laid down and recommend to the Board, their appointment/ removal;
2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment / removal;
3. Specify manner for effective evaluation of performance of Board of Directors and its committees and review its implementation and compliance.
4. Extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
5. To formulate the criteria for determining qualifications, positive attributes and independence of a Director;
6. To devise a policy on Board diversity;

7. To formulate and recommend to the Board policies relating to the remuneration for:
  - a. Directors;
  - b. Key Managerial Personnel; and
  - c. Other Employees of the Company;
8. To recommend remuneration payable to Managing Directors and Whole-time Directors;
9. To review and recommend nature of services rendered by any Director in other capacity and requisite qualification thereof;
10. To recommend the board, all remuneration, in whatever form, payable to senior management.”
11. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

**(ii) Composition:**

As on March 31, 2024, the Committee comprises of Mr. Nitin Goel, Chairperson, Mr. Hemant Bhageria, Mr. Manoj Kumar Bhatt, Members.

**(iii) Meetings, Quorum, Attendance:**

The Committee shall meet at least once in a year. During the year 2023-24 the Committee met Four times i.e. on 11<sup>th</sup> August, 2023, 29<sup>th</sup> August, 2023, 29<sup>th</sup> December, 2023 and 14<sup>th</sup> February, 2024. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher, including at least one Independent Director.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. Nitin Goel, Chairperson	3	3
Mr. Hemant Bhageria, Member	4	4
Mr. Manoj Kumar Bhatt, Member	4	4

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee oversees various activities that lead to improve and effective shareholder services like review of adherence to the service standards adopted for shareholder services, measures taken for reducing the timelines for inter alia, redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate share certificates, dematerialisation/ rematerialisation of shares and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the SEBI Listing Regulations, 2015. Additionally, the Board has authorised the Company Secretary to exercise the powers of approving transfer/ transmission of shares. Normally, transfers/ transmissions are approved once in a fortnight.

**(i) Terms of reference:**

The role of Committee is:

1. To resolve the grievances of the security holders' complaints like non-transfer of securities, non-receipt of annual report, non-receipt of dividends/interest, issue of new /duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/warrants/ annual reports/statutory notices by the shareholders of the Company; and
6. The Committee shall perform all such other functions as may be prescribed under The Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and/or any other law for the time being in force, including any statutory amendments, modifications made there under.

**(ii) Composition:**

As on March 31, 2024, the Committee comprises of Mr. Hemant Bhageria, Chairperson, Mr. Nitin Goel, Mr. Kapil Garg, Members.

**Compliance Officer**

Mr. Mayank Pratap Singh, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of SEBI Listing Regulations.

**(i) Meetings, Quorum, Attendance**

The Committee shall meet at least once in a year. During the year 2023-24 the Committee met twice i.e. on 25<sup>th</sup> May, 2023 and 14<sup>th</sup> February, 2024. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. Hemant Bhageria, Chairperson	2	2
Mr. Nitin Goel, Member	2	1
Mr. Kapil Garg, Member	2	2

**(ii) Investors' Grievances/Complaints**

During the year 2023-24, the Company received seven complaints and all were resolved. Accordingly, no complaint was pending as on March 31, 2024.

**(iii) Transfers, Transmissions etc. approved**

During the year 2023-24, the Company received 35 cases (involving 24,740 equity shares) for share transfer/transmission, all cases were transferred/transmitted.

The Company had 22,133 shareholders as on March 31, 2024.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee ("CSR") has been constituted pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

**(i) The terms of reference**

The role of Committee is:

1. Formulation of CSR policy indicating the activities to be undertaken by the Company as per regulatory requirements and recommending the same to the Board;
2. Recommending to the Board the annual action plan and the amount to be spent on CSR activities;
3. Reviewing and approving, the CSR projects/ programs to be undertaken by the Company either directly or through Foundations or through implementation partners as deemed suitable, during the financial year and specifying modalities for its execution and implementation schedules for the same, in terms of the CSR Policy of the Company;
4. Monitoring the implementation of the CSR policy;
5. Monitoring and reporting mechanism for the projects or programmes;
6. Reviewing the need for impact assessment, if any, for the projects undertaken by the Company and undertaking the same if needed;
7. Reviewing implementation of the action plan; and

8. Carrying out / performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

**(ii) Composition:**

As on March 31, 2024, the Committee comprises of Mr. Manoj Kumar Bhatt, Chairperson, Mr. Nitin Goel, Mr. Kapil Garg, Members.

**(iii) Meetings, Quorum, Attendance**

The Committee shall meet at least once in a year. During the year 2023-24 the Committee met once i.e. on 25<sup>th</sup> May, 2023. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. Manoj Kumar Bhatt, Chairperson	1	1
Mr. Nitin Goel, Member	1	0
Mr. Kapil Garg, Member	1	1

**4. PERFORMANCE EVALUATION AND ITS CRITERIA**

Pursuant to the provisions of the Companies Act and the SEBI Listing Regulations, 2015, the Board has carried out annual evaluation of its performance, its Committees, Chairperson and Directors through structured questionnaire.

Performance of the Board was evaluated by each Director on the parameters such as its role and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner, regular evaluation of progress towards strategic goals and operational performance, adoption of good governance practices and adequacy and length of meetings, etc. Independent Directors also carried out evaluation of the Board performance.

Board Committees were evaluated by the respective Committee members on the parameters such as its role and responsibilities, effectiveness of the Committee vis-a-vis assigned role, appropriateness of Committee composition, timely receipt of information by the Committee, effectiveness of communication by the Committee with the Board, Senior Management and Key Managerial Personnel.

Performance of the Chairperson was evaluated by the Independent Directors after taking into account the views of Executive and Non-executive Directors, on the parameters such as demonstration of effective leadership, contribution to the Board's work, relationship and communications with the Board and shareholders, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/ her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and, its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board members, Senior Management and Key Managerial Personnel, etc. Nomination and Remuneration Committee also carried out the performance evaluation of the individual Directors. The performance evaluation of the Non – Independent Directors was also carried out by the Independent Directors.

Outcome of the evaluation was submitted to the Chairman of the Company. The Chairman briefed the outcome of the performance evaluation to the Board.

**5. REMUNERATION OF DIRECTORS**

**(a) Remuneration to Executive Directors**

Details of the remuneration paid to Executive Directors of the Company during FY 2023-24 are mentioned below:-

(Rs. In Lakhs)

Name of Director	Basic Salary	Benefits/Allowances	Pension/PF	Commission	Total
Kapil Garg	51,55,200	34,36,800	0	0	85,92,000

**(b) Remuneration to Non-Executive Directors**

Mr. Manoj Kumar Bhatt, Mr. Hemant Bhageria, Mr. Nitin Goel, Mr. Aishwarya Mani Kachhal and Mrs. Srishti Agarwal, Non-Executive Director, are entitled to receive sitting fees for attending Board and Committee Meetings only.

The details of sitting fees to the Non- Executive Directors for year ended March 31, 2024 are as follows:

(Amount in Rs.)

Name of Director	Board Meetings	Committee Meetings	Total
Mr. Manoj Kumar Bhatt	90,000	45,000	1,35,000
Mr. Hemant Bhageria	90,000	45,000	1,35,000
Mr. Nitin Goel	80,000	40,000	1,20,000
Mr. Aishwarya Mani Kachhal	Nil	Nil	Nil
Mrs. Srishti Agarwal*	60,000	Nil	60,000

\* Mrs. Srishti Agarwal was appointed as Director (Non-Executive) with effect from August 11, 2023.

Other than holding equity shares and payment of sitting fees, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the year.

**(c) Criteria for making payment to Non-Executive Directors:**

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at Board/Committee meetings. They are remunerated by way of sitting fees for attending the meetings and through commission, if any, approved by the Board and members of the Company. The criteria have been defined in the Nomination and Remuneration Policy of the Company. The criteria is also displayed on Company's website <https://mufingreenfinance.com/>.

**(d) Details of Service Contracts, Notice Period, etc. of all the Directors for the financial year 2023-24:**

Appointment of Executive Director and Managing Director is contractual and Services of the Executive Director and Managing Director may be terminated by either party, giving the other party three months' notice. There is no separate provision for payment of severance pay.

**6. GENERAL BODY MEETINGS**

**(a) The details of the last three Annual General Meetings (AGM) of the Company are as follows:**

Financial Year	Date	Time	Location



2022-2023 (7 <sup>th</sup> AGM)	September 28, 2023	3:00 PM	Meeting conducted through Video conferencing / other Audio visual means facility pursuant to the MCA Circular
2021-2022 (6 <sup>th</sup> AGM)	September 28, 2022	02.30 PM	Meeting conducted through Video conferencing / other Audio visual means facility pursuant to the MCA Circular
2020-2021 (5 <sup>th</sup> AGM)	September 30, 2021	02:30 PM	Meeting conducted through Video conferencing / other Audio visual means facility pursuant to the MCA Circular

**(b) Special resolution passed during last three AGMs:**

The details of the Special Resolution passed during last three AGM are mentioned below:-

AGM	Special Resolution Passed
07 <sup>th</sup> AGM	To Consider and approve appointment of Mr. Aishwarya Mani Kachhal (DIN 08074112) as an Independent Director of the Company, To Approve Termination of Earlier Employee Stock Option Plan (ESOP) Scheme and To Approve Mufin Green Finance Employee Stock Option Plan, 2023 (“MGFL ESOP SCHEME 2023”)
06 <sup>th</sup> AGM	To increase borrowing powers of the board and authorization limit to secure the borrowings under Section 180(1)(c) and 180(1)(a) of the Companies, Act, 2013
05 <sup>th</sup> AGM	Nil

**(c) Whether any Special Resolution(s) passed through Postal Ballot during Financial Year 2023-24**

The details of the special resolution passed through Postal Ballot during the financial year 2023-24 are mentioned below:-

Particulars of Resolution	Type of Resolution	No. of Votes polled	No. of Votes in favour	No. of Votes in against	No. of Invalid Votes
To Issue of Bonus Equity Shares	Special Resolution	80326	80228	98	Nil
To ratification of revision and increase in remuneration payable to Mr. Kapil Garg, Managing Director of the Company	Special Resolution	80496	80228	268	Nil

**(d) Whether any Special Resolution(s) are proposed to be passed through Postal Ballot**

No resolution is proposed to be passed by way of Postal Ballot at the ensuing Annual General Meeting.

**(e) Procedure for Postal Ballot**

- The notices containing the proposed resolutions and explanatory statements thereto are sent to the registered postal/email addresses of all shareholders of the Company along with a Postal Ballot Form and a

postage pre-paid business reply envelope containing the address of the Scrutinizer appointed by the Board for carrying out postal ballot process.

- The Postal Ballot Forms/e-voting received within 30 days of dispatch are considered by the Scrutinizer.
- The Scrutinizer submits his report to the Chairman of the Company or a person authorized by him, who on the basis of the report announces the results.
- The Company has entered into an agreement with National Securities Depository Limited (NSDL) for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the proposals of the Company.

## 7. **MEANS OF COMMUNICATION**

- Financial Results:** The quarterly, half yearly and annual financial results are regularly submitted to the Stock Exchange and also posted on the website of the Company i.e. <https://mufingreenfinance.com>.
- Newspaper Advertisement:** The quarterly, half yearly and annual financial results published in the leading newspapers i.e. 'The Indian Express' and regional newspapers like 'Sandhya Jyoti Darpan' in compliance with Listing Regulations.
- Website:** Various sections of the Company's website keep the investors updated on material developments of the Company by providing key and timely information like details of directors, financial results, annual reports, shareholding pattern etc. The website of the company is <https://mufingreenfinance.com>.
- Annual Report is emailed to such members whose email ids are registered with the Company/ Depositories.
- The Company believes in sharing all material information that may directly or indirectly affect the financial and operational performance of the Company and consequently the share price.

## 8. **CODES AND POLICIES**

The Company has established the following salient codes and policies:

### (a) **Code of Conduct for Directors and Senior Management:**

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration signed to this effect by Shri Kapil Garg, Managing Director is enclosed as **Annexure-A**. The Code of Conduct is posted on the Company's website i.e. <https://mufingreenfinance.com>.

### (b) **Code of Conduct for Insider Trading:**

The Company has formulated and implemented a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by its Designated Persons. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code.

The Company has also implemented Policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code. Report on dealing in the shares of the Company by the Designated Persons is placed before the Chairman of the Audit Committee and the Board.

### (c) **Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information (UPSI)**

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of UPSI with a view to facilitate prompt, uniform and universal dissemination of UPSI. Pursuant to the Insider Trading Regulations the Code also includes the Policy for Determination of Legitimate Purposes. The Code is posted on the Company's website <https://mufingreenfinance.com>.

**(d) Policy for Determining Materiality of Events and Information**

The Company has adopted a Policy for Determining Materiality of Events and Information for the purpose of making disclosure to the Stock Exchange. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchange. The Policy is displayed on Company's website <https://mufingreenfinance.com>.

**(e) Policy for Preservation of Documents**

The Company has a Policy for Preservation of Documents. The Policy facilitates preservation of documents in compliance with the laws applicable to various functions and departments of the Company.

**(f) Archival Policy**

The Company has adopted an Archival Policy, that lays down the process and manner of archiving the disclosures made to the Stock Exchange under the SEBI Listing Regulations. The Policy provides that such disclosures shall be hosted on the website of the Company for a period of five years from the date of disclosure to the Stock Exchange. The Policy also lays down the manner of archiving these disclosures after the period of 5 years. The Policy has been posted on the Company's website <https://mufingreenfinance.com>.

**(g) Policy for Determining Material Subsidiaries**

This policy is displayed on the Company's website. The web link for the same is <https://mufingreenfinance.com>.

**(h) Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions**

This policy is displayed on the Company's website. The web-link for the same is <https://mufingreenfinance.com>.

**(i) Whistle Blower Policy**

The Company has a robust Whistle Blower Policy to make the workplace at the Company conducive to open communication regarding business practices. It enables the Directors and full time employees to voice their concerns or disclose or report fraud, unethical behaviour, violation of the Code of Conduct, questionable accounting practices, grave misconduct, etc. without fear of retaliation/ unlawful victimization/ discrimination which is a sine qua non for an ethical organization.

The Whistle Blower Policy has been posted on the Company's website <https://mufingreenfinance.com>. The Audit Committee periodically reviews the functioning of the Policy. During the year, no Director or full-time employee was denied access to the Audit Committee.

**(j) Nomination and Remuneration Policy**

The Company has a Policy on appointment and remuneration of Directors, Key Managerial Personnel ('KMP') and Senior Management / other employees ('Employees') of the Company.

The Policy aims to ensure that the persons appointed as Directors, KMP and Employees possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the

composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully. The Policy contains, inter alia, provisions pertaining to qualification, attributes and process of their appointment and removal as well as components of remuneration. The Policy is displayed on the Company's website and the web-link for the same is <https://mufingreenfinance.com>.

## 9. DISCLOSURES

- (a) The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee, Board of Directors and shareholders are taken wherever required in accordance with the Policy. The Related Party Transaction policy is disseminated on the website of the Company and the details of Related party transactions are given at Note No. 41 of Notes to the Financial Statements in the Annual Report.
- (b) Detailed notes on risk management are included in the Management Discussion Analysis section.
- (c) The Company has complied with the requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation 2 of Regulation 46 of SEBI Listing Regulations, 2015, as amended from time to time.
- (d) Details of total fees paid to Statutory Auditors are provided in Note No. 31.1 to the financial Statements forming part of Annual Report.
- (e) Details relating to Proceeds raise by Company during the financial year 2023-24:

The Company discloses to the Audit Committee, the uses / application of proceeds / funds raised from rights issue, preferential issue as part of the quarterly review of financial results whenever applicable

- (f) The Company has a policy on prevention of sexual harassment at the workplace. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the FY 2023-24, there were no complaints received.

## 10. GENERAL SHAREHOLDERS' INFORMATION

### (a) **Date, Time and venue for 8<sup>th</sup> Annual General Meeting:**

As per Notice of 8th Annual General Meeting.

### (b) **Financial Year and Financial Calendar:**

The Company observes April 01 to March 31 of the following year as its Financial Year. Our tentative calendar for declaration of results for the financial year 2024-25 are as given below. In addition, the Board may meet on other dates as and when required.

Item	Tentative Dates*
First Quarter Results	August 14, 2024
Second Quarter Results	November 14, 2024
Third Quarter Results	February 13, 2025
Audited Annual Results for the year	May 25, 2025

\* As approved by the Board. However, these dates are subject to change.

### (c) **Book Closure and Dividend Payment Dates**

Book Closure date is as per Notice of 8th Annual General Meeting. Further, no dividend has been recommended for the year ended March 31, 2024.

**(d) Listing**

The name of the Stock Exchange at which the securities of the Company are listed and the respective scrip code are as under:

Name of the Stock Exchange	Security Listed	Scrip Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	Equity Shares	542774
National Stock Exchange of India Limited Exchange Plaza, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051	Equity Shares	Mufin

Listing fees for the financial year 2023-24 and 2024-25 have been paid to the Stock Exchange where the shares of the Company are listed.

**(e) Market Price Data and Performance of the Company's equity shares**

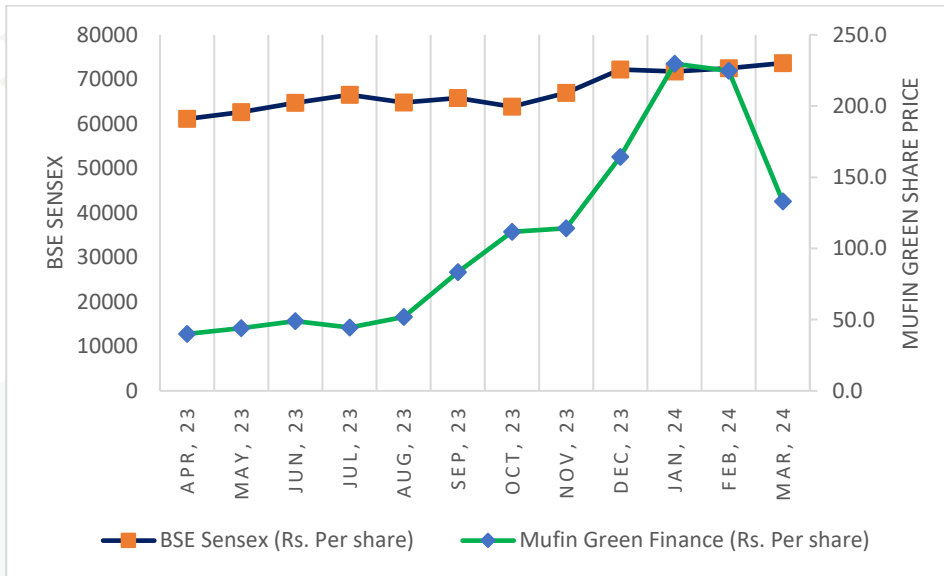
Monthly high/low of market price of the Company's equity shares (of Rs. '1' each) traded on the Stock Exchange (BSE) during the year 2023-24 is given hereinafter:

Months	BSE Share Prices (In ₹)		NSE Share Prices (In ₹)	
	High	Low	High	Low
April, 23	84.95	39.03	-	-
May, 23	45.67	38.02	-	-
June, 23	49.33	40.50	-	-
July, 23	51.33	42.20	-	-
August, 23	55.90	35.00	-	-
September, 23	83.34	48.00	-	-
October, 23	111.76	80.70	-	-
November, 23	136.60	109.00	115.45	112.00
December, 23	184.05	108.10	175.60	162.05
January, 24	241.00	156.05	240.80	226.00
February, 24	273.10	203.80	237.70	222.80
March, 24	232.95	130.35	141.00	133.35

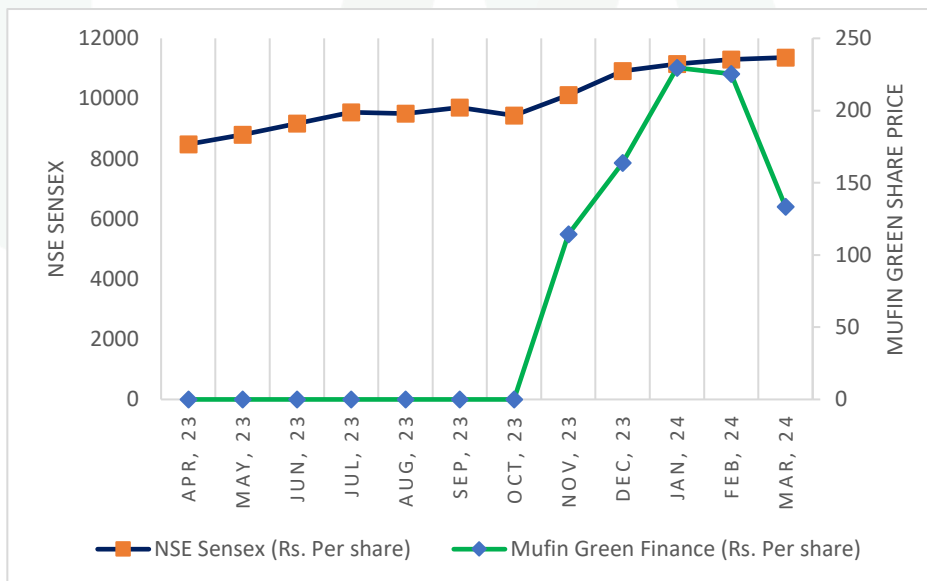
**(f) Performance of the Company's equity shares in comparison to BSE and NSE Sensex**

Months	BSE Sensex Closing	NIFTY Total	MGFL Close Proce (BSE)	MGFL Close Price (NSE)
Apr, 23	61112.44	8480.35	40.00	-
May, 23	62622.24	8794.00	44.10	-
Jun, 23	64718.56	9174.80	48.90	-
Jul, 23	66527.67	9541.55	44.40	-
Aug, 23	64831.41	9496.65	51.84	-
Sep, 23	65828.41	9702.50	83.34	-
Oct, 23	63874.93	9435.35	111.76	-
Nov, 23	66988.44	10113.40	114.10	114.30
Dec, 23	72240.26	10910.40	164.30	163.80
Jan, 24	71752.11	11150.10	229.70	229.65
Feb, 24	72500.30	11300.30	224.75	225.45
Mar, 24	73651.35	11363.90	132.95	133.35

The below chart is based on the monthly closing price of the equity shares of the Company on BSE and monthly closing BSE Sensex.



The below chart is based on the monthly closing price of the equity shares of the Company on NSE and monthly closing NIFTY Total.



**(g) Compliance Officer**

Mr. Mayank Pratap Singh, Company Secretary, is the Compliance Officer appointed by the Board. He can be contacted for any investor related matter relating to the Company. The contact no. is 011-43094300 and e-mail id is "[apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com)".

**(h) Registrar and Share Transfer Agent**

For share related matters, members are requested to correspond with the Company's Registrar and Share Transfer Agent – Skyline Financial Services Private Limited quoting their Folio No. / DP ID & Client ID at the following address:

Skyline Financial Services Private Limited,  
D-153A , 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110020  
Tel: +011-40450193-97, E-mail: [admin@skylinerta.com](mailto:admin@skylinerta.com), [info@skylinerta.com](mailto:info@skylinerta.com)

**(i) Share Transfer System**

Shareholders' requests for transfer / transmission of equity shares and other related matters are handled by Registrar and Transfer Agent and are effected within stipulated timelines, if all the documents are valid and in order.

Further, SEBI has, vide its circular dated 25th January, 2022, mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate share certificates, sub-division, consolidation, transmission, etc. to enhance ease of dealing in securities markets by investors. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website.

In view of the aforesaid, Members who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialisation.

The Company obtains yearly certificate from a Company Secretary in Practice confirming the issue of share certificates for transfer, sub-division, consolidation etc., and submits a copy thereof to the Stock Exchange in terms of Regulation 40(9) of SEBI Listing Regulations, 2015. Further, the Compliance Certificate under Regulation 7(3) of the SEBI Listing Regulations, 2015 confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also submitted to the Stock Exchange on yearly basis

**(j) Information for Physical Shareholders**

Pursuant to SEBI Circular dated 3rd November, 2021 read with SEBI Circulars dated 14th December, 2021 and 25th January, 2022 on Common and Simplified Norms for processing Investor's Service, shareholders holding shares in physical form, to furnish the following documents mandatorily to Company/ our Registrar & Share Transfer Agent (RTA) on urgent basis, failing which all such physical folios shall stand frozen with effect from April 1, 2023, by the RTA of the Company. The shareholders with frozen folio shall not be eligible to lodge grievance or avail service request from the RTA and further shall not be eligible for receipt of dividend in physical mode:

- (i.) Valid PAN including of all Joint Shareholders duly linked with Aadhaar and KYC details (Form ISR-1)
- (ii.) Bank Account details (Bank Name, Branch, Bank Account No, IFSC Code and MICR code) (Form ISR-1)
- (iii.) Address with Pin code, Email id and Mobile Number (Form ISR-1)
- (iv.) Specimen Signature (Form ISR-2)
- (v.) Registration of Nominee (Form No. SH-13) or Declaration for opting-out of Nomination (Form ISR-3)

Soft copy of the above forms are available on the website of the Company as well as website of the Registrar and Share transfer agent of the Company.

Further all the shareholders who have not dematerialized their shares, are also advised to get their shares converted into Demat/electronic form to get inherent benefits of dematerialization.

**(k) Credit Ratings**

Rating Agency	Facilities	Rating/Outlook
Acuite Ratings & Research Limited	Bank Facilities and Debentures	Acuite BBB Stable

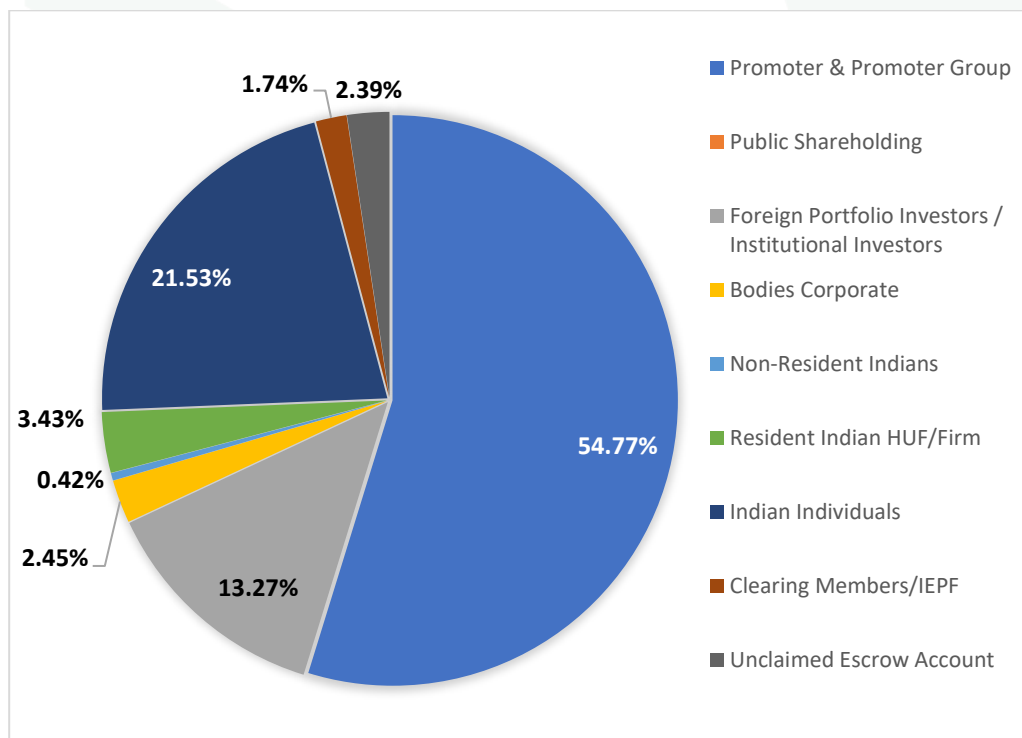
(I) Distribution of shareholding as on March 31, 2024

No. of Shares	Shareholders		Shareholding	
	Number	% of Total	Number	% of Total
Upto 500	16,960	77.24	22,71,562	1.40
501 to 1000	1,904	8.38	14,90,163	0.92
1001 to 2000	1,361	5.99	20,37,349	1.26
2001 to 3000	612	2.69	16,57,076	1.02
3001 to 4000	181	0.80	6,54,685	0.40
4001 to 5000	187	0.82	8,62,978	0.53
5001 to 10000	427	1.88	30,26,014	1.87
10000 and above	501	2.20	15,01,05,345	92.60
<b>Total</b>	<b>22,133</b>	<b>100.00</b>	<b>16,21,05,172</b>	<b>100.00</b>

(i) Category wise

S. No.	Category	No. of Shares	Shareholding as a % of total number of shares
A	<b>Promoter &amp; Promoter Group</b>	8,87,85,612	54.77
B	<b>Public Shareholding</b>		
1	Foreign Portfolio Investors / Institutional Investors	2,15,10,881	13.27
2	Bodies Corporate	39,70,584	2.45
3	Non-Resident Indians	6,87,399	0.42
4	Resident Indian HUF/Firm	55,67,691	3.43
5	Indian Individuals	3,48,93,261	21.53
6	Clearing Members/IEPF	28,21,680	1.74
7	Unclaimed Escrow Account	38,68,064	2.39
	<b>Total</b>	<b>16,21,05,172</b>	<b>100.00</b>

Graphical Presentation of Shareholding





**(m) Unclaimed Dividends**

Pursuant to the provision of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, mandates that Companies transfer dividend that has remained unclaimed/unencashed for a period of 7 years from the date of transfer to the Company's unpaid accounts are be transferred to the Investor Education and Protection Fund (IEPF). Further, the Rules mandate that the shares on which dividend has not been claimed / encashed for seven consecutive years or more be transferred to the IEPF.

Following are the dates of dividend declared and the corresponding dates when unclaimed dividends are due for transfer to IEPF.

Financial Year	Type of Dividend	Date of Declaration	Due date of transfer to IEPF
2023-24	Final Dividend	September 28, 2022	October 26, 2029

**(n) Information pursuant to Regulation 36(3) of the SEBI Listing Regulations, 2015**

Information pertaining to particulars of Director to be appointed / re-appointed at the forthcoming Annual General Meeting has been included in the Notice convening the Annual General Meeting.

**(o) Certification of Non-Disqualification of Directors from Company Secretary in Practice**

The Company has obtained a certificate from a Practicing Company Secretary, Mr. Abhay Kumar, as per the provisions of Schedule V(C) of the Listing Regulations, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached as **Annexure-C**

**(p) Compliance Certificate from the Practicing Company Secretary**

The Company has obtained a Certificate from Company Secretary in Practice confirming compliance of conditions of Corporate Governance as stipulated in Schedule V(E) of the Listing Regulations. The Certificate is attached as **Annexure-D**.

**(q) (i) Dematerialization of Shares**

The shares of the Company fall under the category of confirming delivery in dematerialized mode by all categories of investors. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 4,83,16,562 equity shares constituting 99.81 % of total issued Share Capital of the Company were in dematerialized form as on March 31, 2024. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE08KJ01020.

**(ii) Liquidity**

The Equity Shares of the Company are frequently traded on the BSE Limited and National Stock Exchange of India Limited.

**(r) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs or any convertible instruments in the past and hence, as on March 31, 2024, the Company does not have any outstanding GDRs / ADRs or any convertible instruments, but company issued 2,55,00,000 convertible warrants into Equity shares to Promoters and Non-Promoters allottees out of which 1,53,20,000 outstanding for conversion.

**(s) Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

**(t) Registered Office**

SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar, Rajasthan-301019

**(u) Address for Correspondence**

Mufin Green Finance Limited  
201, 2<sup>nd</sup> Floor, Best Sky Tower, Netaji Subhash Place Delhi-110034  
Tel: 011-43094300  
Email:- [apmfinestltd@gmail.com](mailto:apmfinestltd@gmail.com)  
Website:- [mufingreenfinance.com](http://mufingreenfinance.com)

**(v) Corporate Identification Number (CIN)**

L65990RJ2016PLC054921

**11. COMPLIANCE WITH THE REGULATIONS RELATED TO CORPORATE GOVERNANCE IN THE SEBI LISTING REGULATIONS, 2015**

**(a) Mandatory Requirements**

The Company has complied with mandatory requirements relating to corporate governance as prescribed in Listing Regulations.

**(b) Extent to which Discretionary Requirements have been adopted:**

The status of adoption of non-mandatory/discretionary requirements as specified in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is given below:

**(i) The Board**

The Chairman is Non-Executive Independent Director.

**(ii) Shareholders' Rights**

As the quarterly and half-yearly performance are published in the newspapers and are posted on the Company's website, the same are not being sent separately to each household of the shareholders.

**(iii) Modified Opinion(s) in Audit Report**

The Company's financial statement for the financial year ended March 31, 2024 does not contain any modified opinion.

**(iv) Reporting of Internal Auditor**

Internal Auditor reports to the Audit Committee.

**CEO/CFO Certification**

In compliance with Regulation 17(8) read with Schedule II(B) of the Listing Regulations 2015, a declaration by CEO and CFO is obtained which, inter-alia, certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose.

For and on behalf of the Board  
**Mufin Green Finance Limited**

Place: New Delhi  
Dated: 05.09.2024

**Manoj Kumar Bhatt**  
Chairman  
DIN: 09452843

#### Annexure-A

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

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company for the year ended March 31, 2024.

For and on behalf of the Board

Place : New Delhi  
Date : 05.09.2024

**Kapil Garg**  
Managing Director

#### Annexure-B

#### CERTIFICATE OF CEO/CFO

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

This is to certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year 2023-24 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, wherever applicable, to the auditors and the Audit committee:
  - i. No significant changes in internal control over financial reporting during the year;
  - ii. No significant changes in accounting policies during the year; and

- iii. No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board

Place:- New Delhi  
Date:- 28.05.2024

**Gunjan Jain**  
Chief Financial Officer

**Pankaj Gupta**  
Chief Executive Officer

Annexure-C

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,

The Members  
MUFIN GREEN FINANCE LIMITED  
CIN: L65990RJ2016PLC054921  
SP-147, RIICO Industrial Area, Bhiwadi, Dist.  
Alwar, Rajasthan-301019

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MUFIN GREEN FINANCE LIMITED having CIN: L65990RJ2016PLC054921 and having Registered Office: SP-147, RIICO INDUSTRIAL AREA BHIWADI RAJASTHAN 301019 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company, Our, responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Abhay Kumar**  
**Company Secretary in Practice**

**Abhay Kumar**  
**M. No.: 60309 | CP. No.: 22630**  
**UDIN: A060309F001148088**  
**Peer Review Cert. No.: 2050/2022**

Dated: 05.09.2024  
Place: New Delhi

Annexure-D

COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

To,

The Members  
MUFIN GREEN FINANCE LIMITED  
CIN: L65990RJ2016PLC054921  
SP-147, RIICO Industrial Area, Bhiwadi, Dist.  
Alwar, Rajasthan-301019

1. We have examined the compliance of the conditions of Corporate Governance by MUFIN GREEN FINANCE LIMITED for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
2. The Compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the SEBI Listing Regulations.
3. Pursuant to the requirements of the SEBI Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our examination was limited to the review of the procedures and implementation thereof, as adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. In our opinion based on the procedures performed by us and to the best of our information and according to the explanations given to us, and the representation made by the Management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
6. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**For Abhay Kumar**  
**Company Secretary in Practice**

**Abhay Kumar**  
**M. No.: 60309 | CP. No.: 22630**  
**UDIN: A060309F001148209**  
**Peer Review Cert. No.: 2050/2022**

Dated: 05.09.2024  
Place: New Delhi

MUFIN GREEN

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**  
[Schedule V – Regulation 34(3) of SEBI (LODR) Regulations, 2015]

**Introduction**

Management Discussion and Analysis mainly comprise of the statements which, inter-alia, involve predictions based on perceptions and may, therefore, be prone to uncertainties. It is the sum total of the Company's expectations, beliefs, estimates and projections which are forward looking within the meaning of applicable laws and regulations. The actual results could differ materially from those expressed herein specifically or impliedly.

**OVERVIEW OF INDIAN ECONOMY FY 2023-24**

The Indian economy in 2023-24 has demonstrated impressive resilience and growth, fueled by strategic efforts from both the Reserve Bank of India (RBI) and the Ministry of Finance. This period has seen notable advancements in economic policy, fiscal management, and structural reforms aimed at sustaining growth momentum and enhancing macroeconomic stability. The economy is expected to grow by 7% in 2024-25. This growth is primarily driven by strong investment demand, backed by healthier corporate balance sheets and a robust banking sector. The government's focus on capital expenditure has further stimulated economic activity, especially in infrastructure development. The RBI's accommodative monetary policy has struck a balance between promoting growth and controlling inflation. Meanwhile, the Ministry of Finance has prioritized fiscal consolidation while ensuring sufficient public investment to sustain growth. The Union Budget for FY25 lays out a clear plan for reducing the fiscal deficit, capitalizing on strong revenue collections and disciplined expenditure management. The fiscal deficit target is set at 5.9% of GDP, with a goal to reduce it to 4.5% by 2025-26. This fiscal discipline is supported by strong tax revenues and strategic disinvestment initiatives.

Inflation management has been a key priority, with the RBI effectively moderating headline inflation, which is anticipated to boost consumption demand, especially in rural areas. Retail inflation dropped to 3.5% in July 2024, marking its lowest level since September 2019, largely due to a decline in food prices. The central bank has taken a cautious stance on interest rates, ensuring that monetary policy fosters growth without triggering inflationary pressures.

India's external sector remains strong, with ample foreign exchange reserves providing a buffer against global economic uncertainties. The RBI's interventions have helped stabilize the rupee, maintaining favorable interest rate differentials that continue to attract foreign investment. The current account deficit is expected to stay manageable, supported by robust export performance and steady remittances.

The government has remained committed to structural reforms aimed at improving economic efficiency and competitiveness. Key areas of focus include labor market reforms, ease of doing business initiatives, and advancing digital transformation. The Digital India program has gained significant traction, with increased adoption of digital payments and e-governance services. These reforms are designed to promote a more inclusive and sustainable growth model.

Despite the optimistic outlook, the Indian economy faces several challenges. Geopolitical tensions, global financial market volatility, and unpredictable weather patterns pose risks to both growth and inflation. The rapid adoption of artificial intelligence and machine learning technologies offers significant opportunities but also presents challenges that require careful management to maximize benefits while mitigating associated risks. Furthermore, recurring climate shocks underscore the need to prioritize sustainable development and climate resilience.

Looking ahead, the Indian economy is well-positioned to maintain its growth trajectory, bolstered by strong domestic demand, strategic policy interventions, and a resilient external sector. The emphasis on infrastructure development, fiscal discipline, and structural reforms lays a strong foundation for long-term economic prosperity. However, continued vigilance and adaptive policy measures will be crucial in navigating the evolving global and domestic landscape. The government's commitment to inclusive growth, digital transformation, and environmental sustainability will be key to driving India's economic success in the coming years.

Source: RBI, Ministry of Finance, Deloitte

## a) INDUSTRY STRUCTURE AND DEVELOPMENTS

NBFCs have become important constituents of India's financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs continue to leverage their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. The Indian Non-Banking Financial Company (NBFC) sector underwent significant evolution and regulatory changes in the fiscal year 2023-24. The Reserve Bank of India (RBI) has played a crucial role in shaping a robust regulatory framework to ensure financial stability and resilience within the sector. The RBI's efforts have been essential in addressing the challenges faced by NBFCs and fostering sustainable growth.

In October 2023, the RBI introduced the Scale-Based Regulation (SBR) Directions, marking a pivotal shift in the regulatory landscape for NBFCs. This new framework consolidates various existing regulations into a more streamlined structure, replacing the previous classification of 'systemically important' NBFCs, which was based on an asset threshold of INR 500 Crores. Under the new regulations, NBFCs are categorized into different layers according to their asset size, scale of activity, and risk profile. This approach ensures that regulatory requirements are tailored to the size and complexity of each NBFC's operations, with the top 15 NBFCs now required to list on stock exchanges to enhance transparency and governance.

Given the increasing importance of NBFCs, the RBI, in the last few years, has increased its regulatory oversight over the sector. Multiple guidelines such as (i) vigil over asset-liability management practices, (ii) maintaining liquidity ratios, (iii) increased reporting requirements, and (iv) scale-based regulation, have led to NBFCs adopting practices in line with banks. The regulatory vigil is based on four key cornerstones of: (i) responsible financial innovation, (ii) accountable conduct, (iii) responsible governance, and (iv) centrality of the customer.

We believe that NBFCs with superior capital adequacy, better margins, frugal cost management prudent risk management and those incorporating above four key cornerstones in their business models will continue to deliver sustainable growth in the foreseeable future.

## b) OPPORTUNITIES & THREATS

- Growing working population and expanding middle class and poor class are expected to remain the key demand drivers.
- India is the fifth-largest automobile market globally by 2025, 4 million EVs is expected to be sold each year and 10 million by 2030.
- We look forward to seeing a strong track record in disbursing income-generating EV Loans worth INR 5000 Crore in the next five years.
- India electric vehicle market size to hit USD 113.99 billion by 2029 at a CAGR of 66.52% during the forecast period. The market is growing incredibly well due to the adoption of electric micro-mobility vehicles worldwide.

## c) SEGMENT-WISE PERFORMANCE

The Company has only one line of business, i.e., Financing and Investment Activities during the year under review, hence no segment wise information is required. The Company has no activity outside India. Therefore, there is no geographical segment.

## d) OUTLOOK

The operating environment for NBFCs in 2023-24 has been characterized by a focus on digital transformation and financial inclusion. The RBI has encouraged NBFCs to adopt technology-driven solutions to improve operational efficiency and customer service. This includes the introduction of a "Public Tech Platform for Frictionless Credit," which aims to enhance digital infrastructure and facilitate easier access to credit. Such initiatives are part of a broader strategy to promote financial inclusion by reaching underserved segments, including micro, small, and medium enterprises.

Despite these advancements, the NBFC sector faces challenges related to liquidity and funding. The RBI has imposed stricter norms on unsecured lending portfolios due to the rapid growth in personal loans and credit cards, increasing the risk weights by 25 basis points to 125 percent on retail loans. This regulatory change

necessitates higher capital allocation for underwriting unsecured loans, thereby pressuring capital levels. Additionally, the RBI has restricted banks' lending to NBFCs by increasing risk weights, aiming to safeguard banks' balance sheets against aggressive lending practices.

Performance-wise, as of March 2024, NBFCs reported a Capital to Risk (Weighted) Assets Ratio (CRAR) of 26.6%, a Gross Non-Performing Assets (GNPA) ratio of 4.0%, and a Return on Assets (RoA) of 3.3%. These indicators suggest a stable financial position, although the sector continues to navigate challenges related to consolidation, capital raising, and profitability pressures. The RBI's regulatory focus in the coming year will likely include a closer examination of licensing requirements and supervisory actions against non-compliant NBFCs, ensuring that the sector remains resilient and capable of supporting India's economic growth.

**e) RISKS & CONCERNS**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company risk management framework. Company is exposed to specific risks that are particular to its business and the environment within which it operates including economic cycle, market risk, interest rate risk, liquidity risk, regulatory & compliance risk and credit risks. Managing risk effectively also helps in achieving the desired outcome, while fixing responsibility and accountability. The Company is especially focused on improving sensitivity to assessment of risks and improving methods of computation of risk weights.

**f) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has appointed M/s J Mandal & Co., Chartered Accountants, a third-party agency as its Internal Auditors, who conduct internal audit for various activities. The Company has developed adequate internal control system commensurate to its size and business. Personnel of the Internal Auditor conduct periodic audits in all the areas to ensure that the Company's control mechanism is properly followed and all statutory requirements are duly complied with. The reports of Internal Auditors are submitted to the Audit Committee which further reviews the adequacy of Internal Control System.

**g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATING PERFORMANCE**

The operating performance of the Company has been discussed in the Directors Report under the head financial summary and state of Company affairs/operations. The Profit/(Loss) Before Tax for the year 2023-24 was Rs. 2123.41 lakhs as against 1,010.70 lakhs in the year 2022-23. This has been an impressive performance over the year, bolstered by streamlined processes and a more robust team. Your directors are expecting to maintain the good performance of the Company in coming years as the company has expended its business in the current financial year.

Mufin Green Finance also improved its asset quality, reducing its Gross Non-Performing Assets (GNPA) from 2.61% in FY23 to 1.70% in FY24, while Net Non-Performing Assets (NNPA) decreased from 1.98% to 1.45% over the same period. The Company has a judicious balanced portfolio of Debt and Equity which has given good returns during the year. The Portfolio is constantly reviewed and adjusted as per market trends and expectations.

**h) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company attaches importance to the dignity of employee irrespective of position and highly values the cultural diversities of employees. Human Resource is valued as an extremely important and strategic resource and your Company believes in employee empowerment across the entire organization in order to achieve organizational effectiveness. As on March 31, 2024, the Company had 481 employees.



**i) LONG TERM AND SHORT TERM STRATEGY**

Your Company is continuously reviewing the evolving situation and playing a responsible role in minimising the adverse impact of the pandemic on its businesses and the stakeholders' interests. Company continued to focus on sustainability of performance with steady margins, stable asset quality and focused growth by increasing the proportion of our existing good profile customer.

Your Company will continue to allocate its capital between Equity and Debt. Management will evaluate and select investments based on high quality governance, sustainability and strength of the investee company's balance sheets.

**j) SIGNIFICANT CHANGES IN FINANCIAL RATIOS**

During the year, the significant changes in the financial ratios of the Company, which are 25% or more as compared to the previous year are summarized below:-

Financial Ratios	FY 2023-24	FY 2022-23	Change in %	Reason for Change
Debtors Turnover Ratio	Not Applicable	Not Applicable	-	-
Inventory Turnover (RM)	Not Applicable	Not Applicable	-	-
Interest Coverage Ratio	1.61	3.70	(56.41)%	Decreased mainly due to increase in debt raised during the current year.
Current Ratio	Not Applicable	Not Applicable	-	-
Debt equity Ratio	2.22	0.92	140.78%	Improved due to borrowings raised during the year.
Operating Profit Margin (%)	0.73	0.60	21.14%	Improved due to expansion of business in EV segment and stability in operating expenses.
Net Profit margin (%)	0.16	0.21	(23.50)%	On account of high finance cost due to increase in borrowings.
Return on Net worth (%)	8.08%	6.36%	27.02%	Improved due to expansion of business in EV segment and stability in operating expenses.

**k) CAUTIONARY STATEMENT**

Estimates and expectations stated in this Management Discussion and Analysis may be "forward-looking statement" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied.

For and on behalf of the Board  
**Mufin Green Finance Limited**

**Manoj Kumar Bhatt**  
Chairman  
DIN: 09452843

Place: New Delhi  
Dated: 05.09.2024

**Annexure-5**

**Annual Report on Corporate Social Responsibility (CSR) Activities as Per Section 135 of the Companies Act, 2013 & Rules made thereunder**

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

The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society. The Company carried out / implemented its CSR activities / projects through NGOs. The CSR Policy has been uploaded on the website of the Company at <https://mufingreenfinance.com/>

**2. Composition of the CSR Committee:**

Sr. No.	Name of Director	Designation/Nature of Directorship	No. of meetings of CSR Committee held during the tenure	No. of meetings of CSR Committee attended during tenure
1.	Mr. Manoj Kumar Bhatt	Director/Independent	1	1
2.	Mr. Nitin Goel	Director/Independent	1	1
3.	Mr. Kapil Garg	Managing Director /Executive	1	1

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

The Composition of CSR Committee and CSR Policy are available on the Company's website [www.mufingreenfinance.com](http://www.mufingreenfinance.com).

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)**

Not applicable during the year under review.

5. (a) Average net profit of the company as per section 135(5): Rs. 10,52,16,271/-  
 (b) Two percent of average net profit of the company as per section 135(5): Rs. 21,04,305/-  
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
 (d) Amount required to be set-off for the financial year, if any: Nil  
 (e) Total CSR obligation for the financial year [(b)+ (c)- (d)]: Rs. 21,04,305/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 21,15,166/-  
 (b) Amount spent in Administrative Overheads: Nil  
 (c) Amount spent on Impact Assessment, if applicable: Nil  
 (d) Total amount spent for the Financial Year [(a)+ (b)+ (c)]: Rs. 21,15,166/-  
 (e) CSR amount spent or unspent for the Financial Year: - Rs. 21,15,166/-

Total Amount Spent for the Financial Year	Amount unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
21,15,166	NA		NA		

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

**7. Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
S . N o .	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
1	FY-1	Not Applicable						
2	FY-2							
3	FY-2							

8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135: Not Applicable

For and on behalf of the Board  
Mufin Green Finance Limited

Place: New Delhi  
Dated: 05.09.2024

Manoj Kumar Bhatt  
Chairman-CSR Committee

Kapil Garg  
Executive Director

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING FORMAT**

**SECTION A: GENERAL DISCLOSURES**

**I. Details of the listed entity**

1	Corporate Identity Number (CIN) of the Listed Entity	L65990RJ2016PLC054921
2	Name of the Listed Entity	Mufin Green Finance Limited
3	Year of incorporation	2016
4	Registered office address	SP-147, RIICO Industrial Area, Bhiwadi, Rajasthan-301019
5	Corporate address	201, 2nd Floor, Best Sky Tower, Netaji Subhash Place, Delhi-110034
6	E-mail	<a href="mailto:compliance@mufinfinance.com">compliance@mufinfinance.com</a>
7	Telephone	011-43094300
8	Website	<a href="http://www.mufingreenfinance.com">www.mufingreenfinance.com</a>
9	Financial year for which reporting is being done	FY-2023-24
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE)
11	Paid-up Capital	₹ 16,21,05,172
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mayank Pratap Singh Telephone Number- 011-43094300 Email: <a href="mailto:compliance@mufinfinance.com">compliance@mufinfinance.com</a>
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made in this report are on a standalone basis.
	Name of Assurance Provider	NA
	Type of Assurance obtained	NA

**II. Products/Services**

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial Services	Other Financial activities	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Non-Banking Finance Company engaged in lending and allied activities	65923	100%

### III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	1	1
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	19
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Company is not engaged in any exporting activities.

c. A brief on types of customers

We primarily serve two types of customers i.e. retail and wholesale. Our majority of the customers are individuals belonging to Tier-2 and Tier-3 cities and wholesale customers includes fleet operators and entities involved in the business of Electric Vehicles.

### IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	481	421	87.5 %	60	12.5%
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total employees (D + E)</b>	481	421	87.5 %	60	12.5%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total differently abled employees (D + E)</b>	-	-	-	-	-

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	06	01	16.67 %
Key Management Personnel	03	01	33.33 %

20. Turnover rate for permanent employees and workers

	FY 23-24 (Turnover rate in current FY)			FY 22-23 (Turnover rate in previous FY)			FY 21-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	38%	34%	37%	38%	33%	37%	NA	NA	NA
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Hindon Mercantile Limited	Holding	54.44	No
2	Mufin Green Leasing Private Limited	Subsidiary	100	No
3	Mufin Green Infra Limited	Subsidiary	65	No

VI. CSR Details

22.

- (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **YES**
- (ii) Turnover (in Rs.): 97,79,69,883
- (iii) Net worth (in Rs.): 244,09,95,535

## VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24			FY 2022-23		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	7	-	-	1	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	-	-	-	-	-	-
Value Chain Partners	Yes	-	-	-	-	-	-

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Customer Experience	Risk	Given that MGFL provides financial products and services to thousands of customers, any undesirable customer experience could result in loss of customers or even reputational loss.	Listening to customers and driving continuous transformation to provide them a frictionless experience is what MGFL has always strived for. Ethics, transparency, and accountability are deeply ingrained and practiced in daily operations, including in dealing with customers.	<u>Negative</u> Loss of reputation can result in loss of customer thereby adversely impacting businesses of MGFL.
2.	Financial Inclusion	Opportunity	The reach of financial products and services is still shallow in India, especially in the mass segment and semi-urban / rural parts of India.	MGFL's customer reach is achieved through dealer networks, adaptation of innovative technology solutions to provide a seamless customer journey through its digital platforms and customized product offering. MGFL has a customer base of more than 21000 unbanked customers in FY2023 and 40,000 in FY2024.	<u>Positive</u> MGFL has created deep distribution in Tier-2 and 3 cities across the country thereby taking financial solutions closer to the society.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	<a href="https://mufingreenfinance.com/investor-zone/">https://mufingreenfinance.com/investor-zone/</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	The Company strives to influence its partners in the value chain to participate in the responsible and sustainable business conduct depending upon their means and resources.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All policies have been developed based on industry practices, as per the regulatory requirements and through appropriate consultation with relevant stakeholders.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Environment restoration - migration to electric vehicles, solar installations etc.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Company has served 19 states for financing electric vehicles across the country.								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	I am pleased to present the BRS report of Mufin Green Finance Limited, committed to drive positive change in the society and environment. The range of solutions offered by the company includes Electric Vehicle and Infrastructure Finance. The company recognises that it has the dual responsibility of ensuring sustainable finance and protect the environment in its day-to-day activities. Additionally, the company has transitioned itself to digital processes to reduce paper wastage. Water-saving measures have also been adopted to optimise the usage of water. MGFL is fully dedicated to promote Environmental, Social and Governance (ESG) practices. The company has incorporated ESG principles into its operations and are committed in creating a sustainable future for all.								



8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Kapil Garg Designation- Managing Director	
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes The Company has an executive level ESG Committee consisting of senior management personnel of the Company to monitor various aspects of social, environmental and governance responsibilities of the Company.	
10. Details of review of NGBRCs of the Company:		
<b>Subject for Review</b>	<b>Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee</b>	<b>Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</b>
	P1 P2 P3 P4 P5 P6 P7 P8 P9	P1 P2 P3 P4 P5 P6 P7 P8 P9
Performance against above policies and follow up action	As a practice, all the policies of the Company are reviewed periodically or on a need basis by department heads, business heads, senior management personnel/ respective committees and placed before the BoD as and when required. During this assessment, the efficacy of these policies is also reviewed and necessary changes to policies and procedures are implemented.	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the extant regulations, as applicable	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Evaluation is a continuous process and is done internally.	
12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: Not applicable as all principles are covered by respective policies.		

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	On an ongoing basis, the Company carries out familiarization programs for its directors, as required under the SEBI Listing Regulations and on an ongoing basis keep the Directors and KMPs abreast on matters relating to the industry, business models, risk metrics, mitigation and management, governing regulations, ESG, information technology including cyber security, their roles, rights and responsibilities and major developments and updates on the Company, etc.		100%
Key Managerial Personnel			
Employees other than BoD and KMPs	MGFL invests significant time and resources in the training and development of its employees, to help them stay ahead of latest trends and technology. Further, for certain relevant topics periodical awareness programs are carried out through emails, posters / banners (physical and digital) and other modes of internal communication. Such training / awareness programs are on array of topics, such as Code of Conduct, Ethics, Cyber Security, Data Privacy, ESG Awareness, Fraud Prevention, Functional Trainings, Health and Safety, Insider Trading, Prevention of Sexual Harassment, Skill Upgradation, etc.		100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institution	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL				
Settlement					

Compounding				
	<b>Non-Monetary</b>			
	<b>NGRBC Principle</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred? (Yes/No)</b>
Imprisonment	<b>NIL</b>			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NIL	NIL

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes - The Anti-Bribery and Anti-Corruption (ABAC) Policy of Mufin emphasizes a zero-tolerance approach to bribery and corruption, ensuring that all business activities are conducted with integrity, fairness, and professionalism. The policy applies to all individuals associated with the company and provides guidance on identifying and managing bribery and corruption risks. It also outlines the responsibilities of the Board, Audit Committee, and Compliance Officer in monitoring and enforcing compliance, as well as the procedures for reporting and investigating any violations.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	<b>FY2023-24</b>	<b>FY2022-23</b>
<b>Directors</b>	Nil	Nil
<b>KMPs</b>	Nil	Nil
<b>Employees</b>	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	<b>FY 2023-24</b>		<b>FY 2022-23</b>	
	<b>Number</b>	<b>Remarks</b>	<b>Number</b>	<b>Remarks</b>
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No corrective actions pertaining to above mentioned parameters was necessitated by MGFL during the year under review.

## Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year

MGFL strives to influence its value chain partners to participate in the responsible and sustainable business conduct depending upon their means and resources. MGFL carries out awareness / training programmes for its value chain partners (especially agents and other intermediaries), depending on the business needs, stakeholder feedback and regulatory requirements covering various topics.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

Yes, MGFL has process in place to avoid/ manage conflict of interest involving members of the board. Compliance with Company policies includes the following:-

During the term, the Director will comply with the Code of Conduct & Ethics, the Code for Prevention of Insider Trading and the Anti-Bribery policies adopted by the Company and such other policies / requirements as the Board of Directors may from time-to-time devise / specify.

Unless specifically authorised by the Company, the Director shall not disclose Company and business information to external constituents such as the media, the financial community, employees etc.

He / She will keep confidential all information received by him / her with regard to the Company and its holding and affiliate companies. This duty of confidentiality will continue to apply even after he / she has ceased to be a Director of the Company.

The weblink of code of conduct policy is as follows: <https://mufingreenfinance.com/investor-zone/>

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## Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

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### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	NIL	NIL	NIL
Capex	NIL	NIL	NIL

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)  
MGFL provides financial products and services, and thus neither has a sizeable consumption of any raw material nor produces any tangible goods. Its activities are limited to providing financial solutions to serve the needs of the people; hence we do not currently maintain records for sustainable sourcing.

b. If yes, what percentage of inputs were sourced sustainably?  
Refer above

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Given the nature of the business, MGFL provides financial services to its customers and does not manufacture any products, hence we do not currently maintain records for hazardous and other waste generation. However, recycled tissue papers are used at its corporate offices.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Given the nature of the business, the above is not applicable.

### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

MGFL provides varied financial products and services to its customers. The broad lifecycle of these businesses has been summarised below:

#### Loan:

**Sourcing:** Mufin Green Finance Limited (formerly known as APM Finvest Limited) operates through OEM's Dealers Network, where customer walk-ins to buy a vehicle and Mufin Green Finance Relationship Officer connect with the end customer to sell the loan product to him as per his/her requirement. Presently the company is operating from 1000+ active dealership location across 19 states. Company has an excellent team of experienced relationship officers who move in the field and source business from multiple dealers in the same or nearby vicinity. Our RO's also identify the new dealership opening the near vicinity where they are operating at better efficiency in the same market.

**Underwriting:** The key factors considered before taking a loan decision are:

- Place of the customer – only applicants who are permanent residents of that place or are having a substantially long stay are considered or with the permanent residents as guarantor or co-borrower.
- Market credibility – feedback of the referral, FI executive and marketing executive regarding conduct of the applicant is considered for taking the lending decision.
- Guarantor details – As Guarantor is compulsory in each case
- Active Bank Account – As company disburse loan amount through account payee cheques only
- Assets of the applicant – Generally applicants with own residence and/or agriculture land are preferred.

**Servicing:** After granting of loan, there can be various reasons for which a customer may need servicing. Collecting instalments is one of the critical part of customer servicing. However, there can be many more instances when a customer can reach out such as requesting change in personal information, adding / changing nominees, grievance redressal etc. We believe in enhancing customer experience and have a number of digital tools where the customer can self-service or in the alternate, can also reach out at our offices, write to / call us etc.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

None other than those identified in S. No. 24 of Section A above.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Given the nature of the business, MGFL provides financial services to its customers and does not manufacture any products, hence we do not currently maintain records for recycled/ reused material consumed.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not Applicable

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

MGFL provides financial services and thus the above is not applicable.

### Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

#### Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	242	242	100%	NA	-	-	-	242	100%	-	-
Female	60	60	100%	NA	-	60	100%	-	-	-	-
<b>Total</b>	<b>302</b>	<b>302</b>	<b>100%</b>	<b>NA</b>	<b>-</b>	<b>60</b>	<b>19.86%</b>	<b>242</b>	<b>80.14%</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent Employees</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

- b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent Workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	-	YES	100%	-	YES
Gratuity	100%	-	YES	100%	-	YES
ESI	100%	-	YES	100%	-	YES
Others (please specify)	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes premises/offices of the entity accessible to differently abled employees

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes

MGFL has adopted Equal employment opportunity and non-discrimination policy in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016 and provides a framework which is committed towards the empowerment of persons with disabilities.

<https://mufingreenfinance.com/investor-zone/>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	1	100%	-	-
Female	3	100%	-	-
<b>Total</b>	<b>4</b>	<b>100%</b>	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	-
Other than Permanent Workers	-
Permanent Employees	Yes, <a href="mailto:hr@mufinfinance.com">hr@mufinfinance.com</a>
Other than Permanent Employees	-

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

MGFL employees are not part of any employee association.

8. Details of training given to employees:

Category	FY 2023-24			FY 2022-23		
	Total (A)	On Skill Upgradation		Total (C)	On Skill Upgradation	
		No. (B)	% (B/A)		No. (D)	%(D/C)
<b>Permanent Employees</b>						
Male	421	100	23.75%	197	45	22.84%
Female	60	40	66.67%	34	20	58.82%
<b>Total</b>	<b>481</b>	<b>140</b>	<b>29.11%</b>	<b>231</b>	<b>65</b>	<b>28.14%</b>

**For Health and Safety:** MGFL trains its employees on safety protocols — it conducts periodic trainings on fire safety and evacuation drills for employees. Periodical awareness programs are carried out through emails, posters / banners (physical and digital) and other modes of internal communication.

9. Details of performance and career development reviews of employees:

Performance appraisal was conducted during the year for all the eligible employees as per policies.

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

MGFL is committed to provide a safe and healthy workplace by minimizing the risk of accidents, injury and exposure to health risks and it complies with applicable laws and regulations with respect to safety at workplace. MGFL has taken an initiative to frame a comprehensive policy with respect to health and safety management system. MGFL trains its employees on safety protocols — it conducts periodic trainings on fire safety and evacuation drills for employees. Various facilities are available at corporate office such as proper ventilation, hygiene & sanitation, emergency exits, first aid box, etc.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Given the nature of business, this is not directly applicable. However, hazard identification is a continuous process and conducted by the identified employees.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. The Code of Ethics provides for requisite enabling mechanism by guiding on the focal point of contact on various aspects including the principles of health and safety.

- d. Do the employees of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. MGFL has insured its employees under group health insurance.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
Total recordable work-related injuries		NIL	NIL
No. of fatalities		NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)		NIL	NIL



12. Describe the measures taken by the entity to ensure a safe and healthy workplace:  
Refer 10(a) above

13. Number of Complaints on the following made by employees:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending Resolution at the end of the year	Remarks	Filed during the year	Pending Resolution at the end of the year	Remarks
<b>Working Conditions</b>	NIL	NIL	NA	NIL	NIL	NA
<b>Health &amp; Safety</b>	NIL	NIL	NA	NIL	NIL	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	NIL
Working Conditions	NIL

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No corrective actions pertaining to above mentioned parameters was necessitated by MGFL during the year under review.

### Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of Employees (Y/N).

No

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

MGFL strives to influence its partners in the value chain to participate in the responsible and sustainable business conduct depending upon their means and resources. Having said that, there are multiple measures to ensure that statutory dues have been deducted and deposited by them which include contractual commitments, review / audit of value chain partners, seeking confirmations of compliance, etc, which depend on the nature of product/services rendered.

3. Provide the number of employees having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	No. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

	% of Value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	MGFL expects its value chain partners to follow extant regulations, including health & safety practices and working conditions.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

In absence of any significant risks / concerns, no corrective action plan has been necessitated.

## Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

### Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Individual or group concerned or interested with or impacted by the activities of the businesses and vice-versa or adds value to the business chain, now or in the future are identified as key stakeholder by the Company.

Based on the this the key stakeholders identified by the Company are its customers, investors, lenders, government, shareholders, regulators, value chain partners, employees and the society.

MGFL understands the impact of its policies, decisions, products & services and associated operations on the stakeholders. In line with its policies, practices and processes, MGFL engages with its stakeholders and strives to resolve differences with them in a just, fair, equitable and consistent manner and if warranted takes corrective measures. The Company also engages with relevant stakeholders for enhancing the sustainable and responsible business practices

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether Identified as Vulnerable and Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder and Investor	No	Multiple channels – physical and digital including investor presentations, press releases and communications through stock exchanges,	Frequent and need based	To inform about the performance, major developments and other relevant updates regarding the Company.

		participation in investor conferences, etc.		
<b>Customer</b>	No	Multiple channels – physical and digital	Frequent and need based	Servicing throughout the lifecycle of the customer and address queries / grievances that the customer may have
<b>Government and Regulators</b>	No	Multiple channels – physical and digital	Need based	To provide timely recommendations/ feedback on draft policies, representations before regulators and associations for advancement and improvement of financial services industry in India.
<b>Employees</b>	No	Multiple channels – physical and digital	Daily	To create a thriving, safe and inclusive workplace. for its employees and providing merit-based opportunities for professional development and growth.
<b>Value Chain Partners</b>	No	Multiple channels – physical and digital including in-person meetings, emails, performance discussions, company policy/process communication, periodical meets/conferences, etc.	Frequent and need based	To enhance the access and understanding of relevant and financial products and services of the Company.
<b>Society</b>	Yes	Multiple channels – physical and digital.	Frequent and need based	To promote social welfare activities for inclusive growth, fair and equitable development and well-being of society through our business functioning

## Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company to the extent considered necessary and permitted by regulations, ensures transparent communication and access to relevant information about its decisions that impact relevant stakeholders, keeping in mind the need to protect confidential competitive plans and information.

Engagement with stakeholders is a continuous process, as part of MGFLs business activities. Such engagement is generally driven by the responsible business functions, with senior executives also participating based on the need of the engagement. The BoD are updated on various developments arising out of such engagement and they provide their guidance / inputs on such matters.

- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Continuous engagement with stakeholders helps in aligning expectations, thereby enabling MGFL to better serve its stakeholders. The Company personnel interact with various stakeholders to understand the involvement and relevance of ESG topics, their impact and expectations from the Company. Based on such interactions, MGFL has over the last year enhanced its reporting on business responsibility and has also started certain new initiatives. The Company believes that it is still learning the evolving aspects of ESG and lays significant importance to such interactions.

- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company through its CSR policy has taken up at the various initiatives and activities, for the benefit of different segments of the society, with focus on the marginalized, poor, needy, deprived, and under-privileged.

## Principle 5: Businesses should respect and promote human rights

### Essential Indicators

- Employees who have been provided training on human rights issues and policy(ies) of the entity:

Any employee who works for MGFL must adhere to the commitment of MGFL to integrity and ensure following the principles laid down in Code of Ethics which amongst other things includes principles of mutual respect, privacy, equal opportunities and non-discrimination, health, safety and environment, sexual harassment. Our commitment to employees' rights is enshrined in the Employee Manual- which sets out what employees can reasonably expect from the company (Employee Rights) and the responsibilities and qualities that are expected from them while performing their duties (Employee Responsibilities). It also lays down the principles of equal opportunity and non-discrimination, anti-corruption and bribery, prohibition of forced and child labour, transparency, safe healthful and harassment-free workplace, amongst others. MGFL runs ESG awareness programs for its employees to create awareness on ESG initiatives (including human rights) for its employees through use of social media as well as internal communication channels-Intranets, bulletins etc.

- Details of minimum wages paid to employees, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
<i>Male</i>	421	-	-	421	100%	197	-	-	197	100%
<i>Female</i>	60	-	-	60	100%	34	-	-	34	100%
<b>Other than Permanent</b>										
<i>Male</i>	-	-	-	-	-	-	-	-	-	-
<i>Female</i>	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median Remuneration	Number	Median Remuneration
BoD- Non-Executive Directors	5	1,35,000	1	60,000
KMPs (excluding BoD)	2	10,41,600	1	18,00,000
Employees other than BoD and KMPs	418	1,98,000	59	3,24,000

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

While MGFL aims to not have a situation that leads to any grievance; should such a situation arise, MGFL has a well-defined grievance redressal mechanism for its employees. A formal grievance mechanism is available to all employees, to report or raise their concerns confidentially and anonymously, without fear of any retaliation. MGFL regards respect for human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed. MGFL believes that every workplace shall be free from violence, harassment, intimidation and/or any other unsafe or disruptive conditions, either due to external or internal threats.

Accordingly, MGFL has aimed to provide reasonable safeguards for the benefit of employees at the workplace, while having due regard for their privacy and dignity. MGFL also has zero tolerance towards and prohibits all forms of slavery, coerced labour, child labour, human trafficking, violence or physical, sexual, psychological or verbal abuse. As a matter of policy, MGFL does not hire any employee or engage with any agent or vendor against their free will.

6. Number of Complaints on the following made by employees:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending Resolution at the end of the year	Remarks	Filed during the year	Pending Resolution at the end of the year	Remarks
Sexual Harassment	NIL	NIL	NA	NIL	NIL	NA
Discrimination at Work Place	NIL	NIL	NA	NIL	NIL	NA
Child Labour	NIL	NIL	NA	NIL	NIL	NA
Forced Labour/Involuntary Labour	NIL	NIL	NA	NIL	NIL	NA
Wages	NIL	NIL	NA	NIL	NIL	NA
Other human rights related issues	NIL	NIL	NA	NIL	NIL	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

A formal grievance mechanism is available to all employees to report or raise their concerns confidentially and anonymously, without fear of retaliation, along with mechanism to consult on ethical issues through the explicit means provided by Code of Ethics, Employee Manual, Whistle Blower and Vigil Mechanism policies. MGFL prohibits retaliation against any employee who reports in good faith any suspected or potential violation of the Code of Ethics of the Company which includes aspects of discrimination and harassment.

It is the duty of every employee to report instances of possible Code of Ethics violations that they are aware of. At MGFL, sharing a possible concern about the code honestly and in good faith, even if it turns out to be unfounded – is never an excuse for any kind of retaliation.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

MGFL appreciates the inherent, universal, indivisible, inalienable and interdependent nature of human rights. MGFL strives to percolate these values, through its policies, at all levels in the organization.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
<b>Sexual Harassment</b>	MGFL is in compliance with the laws, as applicable.
<b>Discrimination at Work Place</b>	
<b>Child Labour</b>	
<b>Forced/Involuntary Labour</b>	
<b>Wages</b>	
<b>Others- Please Specify</b>	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above

No corrective actions pertaining to Question 9 was necessitated by MGFL during the year under review.

**Leadership Indicators**

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

There have been no significant human rights grievances / complaints warranting modification / introduction of business processes.

2. Details of the scope and coverage of any Human rights due diligence conducted.

Not Applicable

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

As a principle the Company through Employee Manual prohibits discrimination against any person with disability in any matter related to employment. Further, MGFL has Equal Employment Opportunity and Non-Discrimination Policy which endeavours to take action to ensure that a conducive environment is provided to employee/persons with disabilities to perform their role and excel in the same. The said policy takes into consideration the requirements of Right of Person with Disabilities Act, 2016 and Transgender persons (Protection of Rights) Act 2019.

4. Details on assessment of value chain partners:

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
<b>Sexual Harassment</b>	MGFL expects and strives to influence its value chain partners to adhere to the same values, principles and business ethics upheld by MGFL in all their dealings. No specific assessment in respect of value chain partners has been carried out, other than certain elements covered in annual review of processes and controls of select sample of value chain partners by the Company.
<b>Discrimination at Work Place</b>	
<b>Child Labour</b>	
<b>Forced/Involuntary Labour</b>	
<b>Wages</b>	
<b>Others- Please Specify</b>	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above

No corrective actions pertaining to Question 4 was necessitated by the Company during the year under review.

**Principle 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total electricity consumption (A)	905.76 (GJ)	693.36 (GJ)
Total fuel consumption (B)	140.49 (GJ)	129.49 (GJ)
Energy consumption through other sources (C)	-	-
<b>Total energy consumption (A+B+C)</b>	1046.25 (GJ)	822.85 (GJ)
Energy intensity per rupee of turnover (Total Energy Consumption/ Turnover in Rupees)	0.00	0.00
Energy Intensity (Optional)	-	-

*Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency. - The entity has not conducted any independent assessment/ evaluation/assurance by an external agency.*

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

MGFLs usage of water is restricted to human consumption purposes only. Given that office of MGFL is present in shared premises, total freshwater consumption is not accounted. Efforts have been made to ensure that water is consumed judiciously in the office premises. Water consumption in FY2023-24 was 45.78 kiloliters.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Not Applicable

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	-	-
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	-	-
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>		-	-
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity		-	-

*Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency. - The entity has not conducted any independent assessment/ evaluation/assurance by an external agency.*

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

MGFL has undertaken various projects on environmental sustainability such as:

- Reducing paper consumption: It has been an endeavour of MGFL over last many years to keep reducing paper consumption across all its business operations.
- Environmental Policy: During the year, MGFL is committed not to extend fund through its lending business for specified lines of businesses and specific activities.
- Recycled tissue papers: Usage of recycled tissue papers at its corporate offices.



8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (in Kg)
E-waste	248.7

*Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency. - The entity has not conducted any independent assessment/ evaluation/assurance by an external agency.*

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Given the nature of the business, there is no usage of hazardous and toxic chemicals by MGFL.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

No

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Based on the nature of business, MGFL is in compliance with applicable environmental norms.

### Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	NA	NA
Total fuel consumption (B)	NA	NA
Energy consumption through other sources (C)	NA	NA
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	-	-
Total fuel consumption (E)	-	-

Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	-	-

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency. - The entity has not conducted any independent assessment/ evaluation/assurance by an external agency.

2. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY2-22-23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency. - The entity has not conducted any independent assessment/ evaluation/assurance by an external agency.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- a. Name of the area
- b. Nature of operations
- c. Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		

(i) Surface water		
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	-	-
<b>Total volume of water consumption (in kilolitres)</b>		
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	-	-
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

*Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency. - The entity has not conducted any independent assessment/ evaluation/assurance by an external agency.*

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	-	-

<b>Total Scope 3 emissions per rupee of turnover</b>		-	-
<b>Total Scope 3 emission intensity (optional)</b> – the relevant metric may be selected by the entity		-	-

*Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency. - The entity has not conducted any independent assessment/ evaluation/assurance by an external agency.*

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Please refer to response provided at Q. 3, 7 and 9 of the essential indicators above.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

<https://mufingreenfinance.com/investor-zone/>

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Given the nature of the business, there has been no adverse impact to the environment.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

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**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

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**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.

None

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

None

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

No corrective action was necessitated by the Group during the year under review

## Leadership Indicators

### 1. Details of public policy positions advocated by the entity:

MGFL keenly participates in putting forward its views on the setting of new industry standards or regulatory developments pertaining to the NBFC sector. While making recommendations, MGFL attempts to balance the interest of various stakeholders.

It maintains regular engagement with the Government agencies and regulators and stands committed to providing timely and accurate information, suggestions and recommendations, feedback on draft policies, etc. as and when required. This also enables MGFL to understand their areas of focus and concerns. MGFL engages in public and regulatory policy development process by providing suggestions on draft notifications, and interactions with various bodies / regulators on matters significant to industry and society at large. MGFL also makes recommendations to various regulators in the larger interest of the industry. All interactions with the Government and regulators are done by authorised officials of the respective company.

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## Principle 8: Businesses should promote inclusive growth and equitable development

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### Essential Indicators

#### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

No project was required to be assessed for their impact during the year under the regulatory requirement. However, MGFL uses social sector experts and independent professionals to conduct social and financial assessments of the projects. MGFL has taken Sustainable Development Goals Alignment Rating. These assessments help in early identification and mitigation of risks to the concerned projects.

#### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable

#### 3. Describe the mechanisms to receive and redress grievances of the community.

MGFL has various mechanisms to receive and redress grievances of various stakeholders. Details of such mechanisms and policies is detailed CSR policy disclosed on the website.

#### 4. Input material sourced from suppliers:

Not Applicable

## Leadership Indicators

### 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

### 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

None

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)  
(b) From which marginalised /vulnerable groups do you procure?  
(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

No corrective actions pertaining to above mentioned parameters was necessitated by MGFL during the year under review.

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	<b>Education</b>		
	Education Facilities	250	100%
2.	<b>Livelihood</b>		
	Empowering for Employment	50	100%
3.	<b>Animal Welfare</b>	NA	

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## Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

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### Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Timely and appropriate customer grievance redressal is imperative. In fact, we aim to reduce the grievances learning from our experiences, through root cause analysis. MGFL's dealings with its customers are professional, fair and transparent. MGFL has a robust customer services governance framework.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Transparency and fairness in dealings with customers is followed across MGFL. None of the products withhold any relevant information needed by the customers to make informed decisions.

3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending Resolution at the end of the year	Remarks	Received during the year	Pending Resolution at the end of the year	Remarks
<b>Date Privacy</b>	NIL	NIL	NA	NIL	NIL	NA
<b>Advertising</b>	NIL	NIL	NA	NIL	NIL	NA
<b>Cyber Security</b>	NIL	NIL	NA	NIL	NIL	NA
<b>Restrictive Trade Practices</b>	NIL	NIL	NA	NIL	NIL	NA
<b>Unfair Trade Practices</b>	NIL	NIL	NA	NIL	NIL	NA
<b>Others</b>	NIL	NIL	NA	NIL	NIL	NA

4. Details of instances of product recalls on account of safety issues.

Not Applicable.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

MGFL has adopted an information security framework to establish, implement, monitor and constantly improve its information security posture. We focus on privacy of customer information and data security. The Company has Data Privacy Policy in place and same is available on the website of the Company. The Company also complies with the applicable regulatory framework and guidelines (viz. RBI's Master Direction – Information Technology Framework for the NBFC Sector.

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

No penalties/regulatory action has been levied or taken on the above-mentioned parameters.

### Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

MGFL envisages to be an omnipresent financial company that will enable our existing and new customer to engage, transact and be serviced online to offline and vice versa. Information relating to various financial services provided by the MGFL is available on the website, <https://mufingreenfinance.com/investor-zone/>.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

As a responsible corporate citizen, it is imperative to not just do business with customers, but also educate them and make them more aware of what could be good or bad for them, frauds, addressing their questions on financial products, etc.

The Company has a mechanism to inform customers on usage of products offered. Continuous and contextual communication across the customer lifecycle through - press releases, company website and blogs, social media campaigns, use of video content, etc. have helped us to educate and create awareness amongst our customers and society at large.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Tech-led seamless customer experiences have been the hallmark of our businesses. Each business is unique and so is its approach towards enhancing customer experience. But the core objectives that tie them together stay the same – simplification of processes, ease of use and quick and appropriate response. The importance of information security, cyber security and fraud controls cannot be over-emphasised in this technological age. The need for robust control over these areas find a dominant place in our information technology framework. These controls obviate disruptions and security threats endangering loss of customer data and disruption in business operations. MGFL has business continuity strategy and framework in place. Business Continuity Plan (BCP) envisages the likely disruptive events, their probability and impact on business operations which is assessed through business impact analysis. During the year, there were no major disruptions of critical services of MGFL.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable) If yes, provide details in brief.

Transparency and fairness in dealings with customers is followed across MGFL. None of the products withhold any relevant information needed by the customers to make informed decisions. MGFL through their charters, policies, etc. communicate the customer rights, company commitments, grievance redressal mechanism and ombudsman scheme, as applicable which emphasise our commitment to fair practices by maintaining transparency in products and services offered.

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. MGFL has adopted a mechanism to gauge customer experience including collections processes. The survey is conducted its outcome is given due importance in the Company's planning process.

6. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact - None

b. Percentage of data breaches involving personally identifiable information of customers- None. MGFL has not witnessed any instances of data breaches during the year.



## Independent Auditor's Report

To the Members of Mufin Green Finance Limited

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

#### Opinion

We have audited the accompanying standalone financial statements of Mufin Green Finance Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2024, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year ended on that date and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#	Key Audit Matter	Auditor's Response
1	<b>Allowances for Expected Credit Losses ("ECL"):</b> As at 31 March 2024, the carrying value of loan assets measured at amortised cost, aggregated ₹61929.57 lakhs (net of allowance of expected credit loss ₹484.49 lakhs) constituting approximately 66.9% of the Group's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets carried at	We have examined the policies approved by the respective Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the respective Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost.

<p>amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the Standalone Financial Statements. The elements of estimating ECL which involved increased level of audit focus are the following:</p> <ul style="list-style-type: none"> <li>• Qualitative and quantitative factors used in staging the loan assets measured at amortised cost;</li> <li>• Basis used for estimating Probabilities of Default (“PD”), Loss Given Default (“LGD”) and Exposure at Default (“EAD”) at product level with past trends;</li> <li>• Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and</li> <li>• Adjustments to model driven ECL results to address emerging trends. (Refer Note 2.5.2.6 and 32.A to the Consolidated Financial Statements).</li> </ul>	<p>Additionally, we have confirmed that adjustments to the output of the ECL Model are consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the respective Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others:</p> <p>Testing the design and operating effectiveness of the following:</p> <ul style="list-style-type: none"> <li>• Completeness and accuracy of the Exposure at Default (“EAD”) and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the respective company’s Board of Directors including the appropriateness of the qualitative factors to be applied;</li> <li>• Completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and</li> <li>• Accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model.</li> </ul> <p>Test of details on a sample in respect of the following:</p> <ul style="list-style-type: none"> <li>• Accuracy and completeness of the input data such as period of default and other related information used in estimating the PD;</li> <li>• The mathematical accuracy of the ECL computation by using the same input data as used by the Group.</li> <li>• Completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed.</li> <li>• Evaluating the adequacy of the adjustments made to the output as per the ECL Model to ensure that the adjustment was in conformity with the policy approved by the Audit Committee of the Companies included in the Group.</li> </ul>
<p>2 <b>Information Technology and General Controls:</b> The Group is dependent on its Information Technology (“IT”) systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT</p>	<p>With the assistance of IT specialists, we obtained an understanding of the Group’s IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations.</p> <p>In particular:</p> <ul style="list-style-type: none"> <li>• We tested the design, implementation, and operating effectiveness of the Group’s general IT</li> </ul>

<p>systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter.</p>	<p>controls over the IT systems relevant to financial reporting. This included evaluation of Group's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit.</p> <ul style="list-style-type: none"> <li>• We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements.</li> </ul> <p>Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the Financial Statements.</p>
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#### Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone financial statements does not cover the other information identified above when it becomes available and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 this fact. We have nothing to report in this regard.

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

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability

to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

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

- 1) As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and 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(16) 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 as at 31 March 2024 having impact on its financial position.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
  - vi. The Reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, the company has used an accounting software maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.



**Mufin Green Finance Limited**  
**Annual Report 2023-24**

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 TATTVAM & Co.**

Chartered Accountants  
Firm's Registration No. 015048N

Sagar Arora  
*Partner*  
Membership No. 520999

UDIN: 24520999BKAJES9488  
Place: New Delhi  
Date: 28 May 2024

**MUFIN GREEN**

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the Members of Mufin Green Finance Limited on the standalone financial statements as of and for the year ended 31 March 2024)**

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a)
    - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
    - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) According to the information and explanation given to us, the Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year and no material discrepancies were noticed on such verification.
  - (c) Based on the information and explanation given to us, we report that, the title in respect of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under property, plant and equipment are held in the name of the Company as at the balance sheet date.
  - (d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, it has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year. Accordingly, reporting under clause 3(i)(d) of the order is not applicable to the company.
  - (e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the order is not applicable to the company.
- (ii)
  - (a) The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, the clause 3(ii)(a) of the Order is not applicable to the Company.
  - (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks and financial institutions on the basis of security of current assets during the year. In our opinion, the monthly/quarterly statements filed with banks and financial institutions are in agreement with the books of account.
- (iii) The Company being a Non-Banking Finance Company having principal business to give loans and make investments,
  - (a) The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company.
  - (b) In our opinion and according to the information and explanations given to us, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest. There are no guarantees provided or security given by the Company during the year.
  - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of



interest has been stipulated by the Company and repayments of principal or receipts of interest have been regular as per stipulations except in certain cases. Considering that the Company is a non-banking financial company engaged in the business of granting loans to retail customers for small vehicles etc., it is not practicable to furnish an itemised list of the loan accounts having outstanding overdue amount of principal and/or interest owing to the Voluminous nature of data. Further, in cases where there are delays or defaults in repayment of principal and/or interest, the Company has recognised necessary provisions in accordance with the principles of Indian Accounting standards (Ind AS) and the guidelines/norms issued by the Reserve Bank of India for Income Recognition and Asset Classification (which has been disclosed by the company in Note 33 and 47 to the financial statements including the irregular loan accounts).

- (d) The total amount overdue for more than 90 days as at March 31, 2024 in respect of loans or advances in the nature of loans given by the company, aggregate to Rs.664.47 lakhs. According to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.
- (e) The principal business of the Company is to give loans and hence reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and on the basis of the records examined by us, the Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, reporting under clause 3(iii)(f) of the order is not applicable to the company.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 (the "Act") in respect of loans granted, investments made and guarantees provided, as applicable.
- v. In our opinion and according to the information and explanations given to us, the Company being Non-banking finance company registered with RBI, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 & the Companies (Acceptance of deposits) Rules, 2014, as amended, are not applicable. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Hence reporting under paragraph 3 (vi) of the Order is not applicable.
- vii. In respect of statutory dues:
  - a) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise and other material statutory dues applicable to it with the appropriate authorities except for slight delays.

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

- b) There are no statutory dues referred in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.

- viii. According to the information and explanation given to us and on the basis of the records examined by us, the Company does not have any transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. According to the information and explanation given to us and on the basis of the records examined by us,
- (a) the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
  - (b) the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) the term loans were applied by the Company for the purposes for which the loans were obtained during the year.
  - (d) the funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - (e) the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture during the year.
  - (f) 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. The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2024.
- x.
- (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
  - (b) During the year, the Company has issued equity shares on preferential basis by way of private placement. The shares were issued in compliance with section 42 and 62 of the Act. According to the information and explanation given to us and on the basis of our examination of the records, the funds have been used for the purpose they were raised.
- xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
  - (c) According to the information and explanation given to us, there was no whistle blower complaints received by company during the year.
- xii. In our opinion and according to the information and explanation given to us and on the basis of the records examined by us, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

- xiii. According to the information and explanation given to us and on the basis of the records examined by us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanation given to us and on the basis of the records examined by us, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company. .  
(b) According to the information and explanation given to us, the Company has a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934, to conduct the Non-Banking financial activities. .  
(c) The company is not a Core Investment Company (“CIC”) as defined in regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the order is not applicable.  
(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii. The company has not incurred any cash losses in the financial year and preceding financial year.
- xviii. There has been resignation of the statutory auditors of the Company during the year and no issues, objections or concerns were raised by the outgoing auditors.
- xix. According to the information and explanation given to us and on the basis of examination of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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. The Company has spent the amount towards Corporate Social Responsibility (CSR) as required under section 135(5) of the Act during the year. Accordingly, reporting under clause 3(xx) of the order is not applicable to the Company.



**For TATTVAM & Co.**  
Chartered Accountants  
Firm's Registration No. 015048N

Sagar Arora  
*Partner*  
Membership No. 520999

UDIN: 24520999BKAJES9488  
Place: New Delhi  
Date: 28 May 2024

MUFIN GREEN

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Mufin Green Finance Limited on the standalone financial statements as of and for the year ended 31 March 2024)

### **Report on the Internal Financial Controls with reference to Standalone Financials Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to standalone financial statements of **Mufin Green Finance Limited** (the "Company") as of 31 March 2024 in conjunction with our audit of the standalone 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 with reference to standalone financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

#### **Meaning of Internal Financial Controls with reference to standalone financial statements**

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with

authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For TATTVAM & Co.**

Chartered Accountants  
Firm's Registration No. 015048N

Sagar Arora  
*Partner*  
Membership No. 520999

UDIN: 24520999BKAJES9488  
Place: New Delhi  
Date: May 28, 2024

STANDALONE BALANCE SHEET AS AT 31 MARCH 2024

(Rs. in lakhs)

S.No.	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
	<b>ASSETS</b>			
<b>1)</b>	<b>Financial Assets</b>			
	a) Cash and cash equivalents	4	8,745.24	1,714.84
	b) Bank balances other than cash and cash equivalents	5	16,368.23	10,107.64
	c) Receivables			
	- Other Receivables	6	3.75	33.60
	d) Loans	7	61,929.57	25,853.45
	e) Investments	8	495.95	299.99
	f) Other financial assets	9	2,851.12	394.82
	<b>Total</b>		<b>90,393.86</b>	<b>38,404.34</b>
<b>2)</b>	<b>Non-Financial Assets</b>			
	a) Current tax assets (net)	10	278.24	74.15
	b) Deferred tax assets (net)	11	-	60.10
	c) Property, plant and equipment	12	45.83	42.58
	d) Intangible assets	13	120.57	29.52
	e) Right of use assets	13	716.08	243.05
	f) Other non-financial assets	14	1,003.94	693.55
	<b>Total</b>		<b>2,164.66</b>	<b>1,142.95</b>
	<b>Total Assets</b>		<b>92,558.52</b>	<b>39,547.29</b>
	<b>LIABILITIES AND EQUITY</b>			
<b>1)</b>	<b>Financial Liabilities</b>			
	a) Debt securities	15	6,461.36	5,827.19
	b) Borrowings (other than debt securities)	16	57,545.85	16,771.78
	c) Other financial liabilities	17	3,649.22	1,455.87
	<b>Total</b>		<b>67,656.43</b>	<b>24,054.84</b>
<b>2)</b>	<b>Non-Financial Liabilities</b>			
	a) Provisions	18	46.06	15.67
	b) Deferred tax liabilities (net)	11	317.26	-
	c) Other non-financial liabilities	19	128.82	108.64
	<b>Total</b>		<b>492.14</b>	<b>124.31</b>
<b>3)</b>	<b>Equity</b>			
	a) Equity share capital	20	1,621.05	503.32
	b) Other equity	21	22,788.90	14,864.82
	<b>Total</b>		<b>24,409.95</b>	<b>15,368.14</b>
	<b>Total Liabilities and Equity</b>		<b>92,558.52</b>	<b>39,547.29</b>

Accounting Policies and Notes forming part of the Standalone Financial Statements 1-53

As per on report of even date attached

For TATTVAM & Co.  
Chartered Accountants

Firm Registration No. 015048N

For and on behalf of Board of Directors

Sagar Arora  
Partner

Mayank Pratap Singh  
Company Secretary

Manoj Kumar Bhatt  
Director

Kapil Garg  
Managing Director

Membership No. 520999

Membership No. A46666

DIN: 09452843

DIN: 01716987

Place : New Delhi  
Date: May 28, 2024

Pankaj Gupta  
Chief Executive Office

Gunjan Jain  
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(Rs. in lakhs)

S.No.	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
	<b>Revenue from operations</b>			
	i) Interest income	22	9,760.35	3,437.48
	ii) Dividend income	23	-	0.26
	iii) Net gain on fair value changes	24	1.48	-
	iii) Net gain on sale of investments	24	7.98	5.36
	iv) Other operating revenue	25	9.89	4.76
I)	<b>Total Revenue from operations</b>		<b>9,779.70</b>	<b>3,447.86</b>
II)	Other income	26	64.04	13.88
III)	<b>Total Income (I+II)</b>		<b>9,843.74</b>	<b>3,461.74</b>
	<b>Expenses</b>			
	i) Finance costs	27	4,439.69	563.27
	ii) Impairment on financial instruments	28	316.62	258.23
	iii) Employee benefits expenses	29	1,694.83	881.51
	iv) Depreciation and amortization	30	229.03	183.52
	v) Other expenses	31	987.88	496.09
IV)	<b>Total Expenses</b>		<b>7,668.05</b>	<b>2,382.62</b>
V)	<b>Profit before exceptional items and tax (III-IV)</b>		<b>2,175.69</b>	<b>1,079.12</b>
VI)	Exceptional items	34	52.29	-
VII)	<b>Profit before tax (V-VI)</b>		<b>2,123.40</b>	<b>1,079.12</b>
VIII)	<b>Tax expense</b>	36		
	1) Current tax		142.96	342.54
	2) Deferred tax		376.68	(65.91)
	3) Tax related to earlier years		(2.63)	(9.18)
IX)	<b>Profit for the year (VII-VIII)</b>		<b>1,606.39</b>	<b>811.67</b>
X)	<b>Other Comprehensive Income</b>			
	A) i) Items that will not be reclassified to profit or loss		2.71	(2.73)
	ii) Income tax relating to items that will not be reclassified to profit & loss	36	(0.68)	0.69
	Sub Total (A)		2.03	(2.04)
	B) i) Items that will be reclassified to profit or loss		-	-
	ii) Income tax relating to items that will be reclassified to profit & loss		-	-
	Sub Total (B)		-	-
	<b>Total Other Comprehensive Income (A+B)</b>		<b>2.03</b>	<b>(2.04)</b>
XI)	<b>Total Comprehensive Income for the year (IX+X)</b>		<b>1,608.42</b>	<b>809.63</b>
XII)	<b>Earnings per share (Face value of Rs. 1 each)</b>			
	Basic (Rs.)	42	1.05	0.58
	Diluted (Rs.)	42	1.05	0.58

Accounting Policies and Notes forming part of the Standalone Financial Statements 1-53

As per our report of even date attached  
For TATTVAM & Co.  
Chartered Accountants

For and on behalf of Board of Directors

Firm Registration No. 015048N

Sagar Arora  
Partner

Mayank Pratap Singh  
Company Secretary

Manoj Kumar Bhatt  
Director

Kapil Garg  
Managing Director

Membership No. 520999

Membership No. A46666

DIN: 09452843

DIN: 01716987

Place : New Delhi  
Date: May 28, 2024

Pankaj Gupta  
Chief Executive Office

Gunjan Jain  
Chief Financial Officer



STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

(Rs. in lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	2,123.40	1,079.12
Adjustment for:		
Depreciation and amortization	229.03	183.52
Impairment on financial instruments	316.62	258.23
Net gain on fair value changes	(1.48)	-
Net gain on sale of investments	(7.98)	(5.36)
Interest expenses on lease liabilities	36.59	9.03
Interest expense	4,403.10	554.24
Interest income	(9,019.08)	(3,234.74)
Liabilities written back	(2.24)	(13.26)
<b>Operating (loss) before working capital changes</b>	<b>(1,922.04)</b>	<b>(1,169.22)</b>
(Increase)/decrease in other receivables	33.77	(33.77)
(Increase)/decrease in loans (net)	(35,417.98)	(18,682.10)
Increase/(decrease) in other financial liabilities	1,714.59	1,196.46
(Increase)/decrease in bank balances other than cash and cash equivalents	(948.79)	(187.64)
Increase/(decrease) in provisions	33.10	12.77
Increase/(decrease) in other non-financial liabilities	20.28	95.96
(Increase)/decrease in other non-financial assets	(620.30)	(627.19)
(Increase)/decrease in other financial assets	(2,478.07)	320.30
Interest paid	(3,989.21)	(458.40)
Interest received	8,049.31	2,493.49
<b>Cash (used in) operating activities</b>	<b>(35,525.34)</b>	<b>(17,039.34)</b>
Direct tax paid (net)	(344.42)	(491.54)
<b>Net cash (used in) operating activities (A)</b>	<b>(35,869.76)</b>	<b>(17,530.88)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(37.63)	(17.04)
Purchase of intangible assets	(182.04)	(1.10)
Investment in subsidiary	(16.50)	-
Purchase of investments	(14,881.06)	(1,099.95)
Proceeds from Sale of Investments	14,711.05	2,005.27
(Increase) in term deposits with banks	(5,481.80)	(10,420.00)
Decrease in term deposits with bank	170.00	990.00
<b>Net cash (used in) investing activities (B)</b>	<b>(5,717.98)</b>	<b>(8,542.82)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of Equity Shares	6,040.52	4,500.00
Proceeds from issue of Share warrants	2,106.60	147.17
Share issue expenses	(713.73)	(206.22)
Proceeds from debt securities	732.83	5,747.87
Repayments of debt securities	(125.00)	-
Proceeds from term loans (other than debt securities)	48,798.40	10,275.22
Repayments of term loans (other than debt securities)	(9,462.35)	(1,940.00)
Proceeds of Overdraft Facilities from Banks (Net)	1,360.29	8,420.03
Payment of Dividend	-	(40.98)
Payment of lease liabilities	(119.42)	(38.00)

<b>Net cash generated from financing activities (C)</b>	<b>48,618.14</b>	<b>26,865.09</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>7,030.40</b>	<b>791.39</b>
Cash and cash equivalents at the beginning of the year	1,714.84	923.45
<b>Cash and cash equivalents at the end of the year</b>	<b>8,745.24</b>	<b>1,714.84</b>

**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024**

(Rs. in lakhs)

<b>Particulars</b>	<b>Year Ended March 31, 2024</b>	<b>Year Ended March 31, 2023</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	951.58	255.73
Term deposits with bank	-	500.05
<b>Balances with banks on current accounts</b>	<b>7,793.66</b>	<b>959.06</b>
<b>Total cash and cash equivalents (Refer Note 4)</b>	<b>8,745.24</b>	<b>1,714.84</b>

## Notes:

1. Standalone Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 - "Statement of Cash Flows".
2. The purchase and sale of investments have been considered as a part of 'Cash flow from investing activities' and income from investments has been considered as a part of 'Cash flow from operating activities'.

Accounting Policies and Notes forming part of the Standalone Financial Statements 1-53

As per our report of even date attached

For TATTVAM & Co.  
Chartered Accountants

Firm Registration No. 015048N

Sagar Arora  
Partner

Membership No. 520999

Mayank Pratap Singh  
Company Secretary

Membership No. A46666

Manoj Kumar Bhatt  
Director

DIN: 09452843

Kapil Garg  
Managing Director

DIN: 01716987

Pankaj Gupta  
Chief Executive Office

Gunjan Jain  
Chief Financial Officer

Place : New Delhi  
Date : May 28, 2024

**For and on behalf of Board of Directors**

MUFIN GREEN

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024**

**A. EQUITY SHARE CAPITAL**

Equity shares of Rs. 1 (April 01, 2023: Rs. 1) each Issued, Subscribed and Fully paid-up

Particulars	Number of Shares	Amount (Rs. in lakhs)
<b>As at April 01, 2022</b>	<b>2,16,11,360</b>	<b>432.23</b>
Add : Issued during the year	35,54,502	71.09
Add : Shares splitted during the year (Refer Note 20(a))	2,51,65,862	-
<b>As at March 31, 2023</b>	<b>5,03,31,724</b>	<b>503.32</b>
Add : Issued during the year	1,11,10,000	111.10
Add : Bonus shares issued during the year (Refer Note 20(g)(ii))	10,06,63,448	1,006.63
<b>As at March 31, 2024</b>	<b>16,21,05,172</b>	<b>1,621.05</b>

**B. OTHER EQUITY**

Particulars	Reserves and Surplus						Other Items of Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve	Reserve Fund u/s 45-IC of RBI Act, 1934	Securities Premium	Retained Earnings	General Reserve	Impairment Reserve			
Balance as at April 01, 2022	6,850.86	672.33	-	2,197.92	-	7.26	0.20	-	9,728.57
Profit for the year	-	-	-	811.67	-	-	-	-	811.67
Remeasurement of the defined benefits plan (net)	-	-	-	-	-	-	(2.04)	-	(2.04)
Transfer from Retained Earnings	-	162.33	-	-	-	-	-	-	162.33
Dividend Paid	-	-	-	(43.23)	-	-	-	-	(43.23)
On issue of Shares	-	-	4,222.68	-	-	-	-	-	4,222.68
Money received against share warrants	-	-	-	-	-	-	-	147.17	147.17
Transfer to Reserve Fund	-	-	-	(162.33)	-	-	-	-	(162.33)
Balance as at March 31, 2023	6,850.86	834.66	4,222.68	2,804.03	-	7.26	(1.84)	147.17	14,864.82
Profit for the year	-	-	-	1,606.39	-	-	-	-	1,606.39
Remeasurement of the defined benefits plan (net)	-	-	-	-	-	-	2.03	-	2.03
Transfer to General Reserve	(6,850.86)	-	-	-	6,850.86	-	-	-	-
Transfer from Retained Earnings	-	321.28	-	-	-	-	-	-	321.28
On issue of Shares	-	-	5,362.86	-	-	-	-	(147.17)	5,215.69
Issue of Bonus Shares	-	-	-	(1,006.63)	-	-	-	-	(1,006.63)

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024**

Particulars	Reserves and Surplus						Other Items of Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve	Reserve Fund u/s 45-IC of RBI Act, 1934	Securities Premium	Retained Earnings	General Reserve	Impairment Reserve			
Money received against share warrants	-	-	-	-	-	-	-	2,106.60	2,106.60
Transfer to Reserve Fund	-	-	-	(321.28)	-	-	-	-	(321.28)
Balance as at March 31, 2024	-	1,155.94	9,585.54	3,082.51	6,850.86	7.26	0.19	2,106.60	22,788.90

Accounting Policies and Notes forming part of the Standalone Financial Statements 1-53

As per our report of even date attached

For TATTVAM & Co.  
Chartered Accountants

Firm Registration No. 015048N

Sagar Arora  
Partner  
Membership No. 520999

Mayank Pratap Singh  
Company Secretary  
Membership No. A46666

Manoj Kumar Bhatt  
Director  
DIN: 09452843

Kapil Garg  
Managing Director  
DIN: 01716987

Place : New Delhi  
Date: May 28, 2024

Pankaj Gupta  
Chief Executive Office

Gunjan Jain  
Chief Financial Officer

**For and on behalf of Board of Directors**

Notes forming part of the standalone financial statements for the year ended 31 March 2024

**1. Corporate information**

Mufin Green Finance Limited (formerly APM Finvest Limited) (the Company) is incorporated under the provisions of the Companies Act, 2013 (“the Act”) and is registered under Section 45-IA of Reserve Bank of India Act, 1934 to carry on the business of a Non-Public Deposit Accepting Non-Banking Finance Company vide Certificate of Registration Number B-10.00247. The Company holds a valid Certificate of Registration (COR) from the Reserve Bank of India. The registered office of the company is located at SP-147, RIICO Industrial Area, Bhiwadi, District Alwar, Rajasthan-301019 and Corporate Office located at 201, 2<sup>nd</sup> Floor, Best Sky Tower, Netaji Subhash Place, Pitampura, New Delhi -110034. The Company is engaged in the business of Investment and Credit. The Company Equity shares are listed at Bombay Stock Exchange w.e.f. August 02, 2019 and National Stock Exchange w.e.f. November 06, 2023.

**2. Basis of Preparation and Material accounting policies**

**2.1 Statement of Compliance and Basis of Preparation and Presentation**

The Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the “Act”). The Standalone Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”. The Standalone Balance Sheet, Standalone Statement of Profit and Loss, Standalone Statement of Cash Flows and Standalone Statement of Change in Equity are together referred as the standalone financial statements of the Company.

The standalone financial statements of the Company are prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended under Section 133 of Act and relevant amendment rules issued thereafter (“Ind AS”).

The standalone financial statements are prepared and presented on going concern basis and the relevant provisions of Act and the guidelines and directives issued by the Reserve Bank of India (RBI) or any other authority, to the extent applicable.

Amounts in the standalone financial statements are presented in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Act. Per share data is presented in Indian Rupee to two decimal places. The Company presents its Standalone Balance Sheet in the order of liquidity. An analysis regarding maturity of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 40.

Accounting policies are consistently applied except where a newly-issued Ind AS initially adopted or a revision to an existing IND AS requires a change in the accounting policy.

**2.2 Functional and Presentation Currency**

The standalone financial statements are presented in Indian Rupees (Rs.) which is the functional and the presentation currency of the Company and all values are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

**2.3 Basis of Measurement**

The standalone financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair values.

A historical cost is a measure of value used for accounting in which the price of an asset on the Standalone Balance Sheet is based on its historical cost, it is generally fair value of consideration given in exchange for goods and services at the time of transaction or original cost when acquired by the Company.

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

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

disclosure purposes in the standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of IND AS 116 Leases.

Fair value measurements under IND AS are categorized into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on measurement date;
- Level 2 inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

### 2.4 Use of Estimates and Judgements

The preparation of the standalone financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the standalone financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognized prospectively. The Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Some of the areas involving significant estimation / judgement are determination of Expected Credit Loss, fair valuation of Investments, Repossessed assets, Income taxes and employee benefits.

### 2.5 Material Accounting Policies

#### 2.5.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

##### 2.5.1.1 Interest

Interest income on financial instruments is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognized in the standalone statement of profit and loss at initial recognition.

Interest income/expenses is calculated by applying the EIR to the gross carrying amount (principal not due) of non-credit impaired financial assets/liabilities (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). Further, in terms of RBI Guidelines, interest accrued on credit impaired assets is recognized as and when received.

##### 2.5.1.2 Dividend Income

Dividend income is recognized when the Company's right to receive dividend is established.

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

**2.5.1.3 Fee and Commission Income**

Fee and commission income include fees other than those that are an integral part of EIR. The Company recognizes the fee and commission income in accordance with the terms of the relevant contracts / agreement and when it is probable that the Company will collect the consideration.

**2.5.1.4 Net gain on fair value change**

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

**2.5.1.5 Other operational revenue**

Other operational revenue represents income earned from the activities incidental to the main business and is recognized when the right to receive the income is established as per the terms of the contract and Late payment interest, bouncing charges etc. are accounted on the receipt basis.

**2.5.1.6 Other Income**

Other Income represents income earned from the activities other than the main business is recognized when the right to receive the income is established as per the terms of the contract.

**2.5.2 Financial Instruments**

**2.5.2.1 Fair Valuation of Investments**

Some of the Company's Investments are measured at fair value. In determining the fair value of such Investments, the Company uses quoted prices (unadjusted) in active markets for identical assets or based on inputs which are observable either directly or indirectly. However, in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

**2.5.2.2 Recognition and Initial Measurement**

All financial assets and liabilities, with the exception of loans and borrowings are initially recognized on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument.

Loans are recognized when fund transfer is initiated or disbursement cheque is issued to the customer. The Company recognizes debt securities and borrowings (other than debt securities) when funds are received by the Company.

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

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

**2.5.2.3 Classification and Subsequent Measurement of Financial Assets and Liabilities**

**2.5.2.3.1 Financial Assets**

The Company classifies and measures all its financial assets based on the business model for managing the assets and the asset's contractual terms, either at:

- Amortized cost
- Fair Value through other comprehensive income
- Fair Value through Profit and Loss

**2.5.2.3.1.1 Amortized Cost**

The Company classifies and measures cash and bank balances, Loans, Trade receivable, certain debt investments and other financial assets at amortized cost if the following condition is met:

Financial Assets that are held within a business model whose objective is to hold financial assets in order to collect the contractual cash flows, and that have contractual cash flows that are Solely Payment of Principal and Interest (SPPI);

**2.5.2.3.1.2 Fair value through Other Comprehensive Income ("FVOCI")**

The Company classifies and measures certain debt instruments at FVOCI when the investments are held within a business model, the objective of which is achieved by both, collecting contractual cash flows and selling the financial instruments and the contractual terms of the financial instruments meet the Solely Payment of Principal and Interest on principal amount outstanding ('SPPI') test.

**2.5.2.3.1.3 Fair value through Profit and Loss ("FVOCI")**

Financial assets at FVTPL are:

- assets with contractual cash flows that are not SPPI; and/or
- assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- assets designated at FVTPL using the fair value option.

These assets are measured at fair value, with any gains/losses arising on remeasurement is recognized in the standalone statement of profit and loss.

**2.5.2.3.1.4 FVOCI- Equity Instruments**

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

If the Company elects to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income. This cumulative gain or loss is not reclassified to standalone statement of profit and loss on disposal of such instruments. Investments representing equity interest in subsidiary, joint venture and associate are carried at cost less any provision for impairment.

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

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

**2.5.2.4 Evaluation of Business Model**

Classification and measurement of financial instruments depends on the results of the Solely Payments of Principal and Interest on the principal amount outstanding ("SPPI") and the business model test (refer note 2.5.2.4.1). The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective.

The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons



## Notes forming part of the standalone financial statements for the year ended 31 March 2024

are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

### 2.5.2.4.1 Business Model Test

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company considers all relevant information and evidence available when making the business model assessment such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect a new business model. The Company reassesses its business model at each reporting period to determine whether the business model has changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business model.

### Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding

For an asset to be classified and measured at amortized cost or at FVOCI, its contractual terms should give rise to cash flows that meet SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI, such financial assets are either classified as fair value through profit and loss or fair value through other comprehensive income.

### 2.5.2.4.1.1 Subsequent Measurement and Gain and Losses

#### Financial Assets at Amortized Cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income as per EIR and impairment loss are recognized in standalone statement of profit and loss. Any gain or loss on derecognition is recognized in standalone statement of profit and loss.

#### Debt Instrument at FVOCI

These assets are subsequently measured at fair value. Interest income is recognized in standalone statement of profit and loss. Any gain or loss on subsequent measurement is recognized in OCI and on derecognition the cumulative gain or loss recognized in OCI will be recycled to standalone statement of profit and loss.

#### Equity Instrument at FVOCI

Gains and losses on equity instruments measured at FVOCI are recognized in other comprehensive income and never recycled to the standalone statement of profit and loss. Dividends are recognized in profit or loss as

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

dividend income when the right to receive payment has been established, except when the Company benefits from such proceeds as a recovery of whole or part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are fair valued at each reporting date and not subject to an impairment assessment.

**Financial Assets at FVTPL**

These assets are subsequently measured at fair value. Net gain or losses, including any interest or dividend income, are recognized in the standalone statement of profit and loss.

**2.5.2.4.1.2 Reclassifications**

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets.

**2.5.2.4.2 Financial Liabilities and Equity Instruments**

**2.5.2.4.2.1 Classification as Debt or Equity**

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

**2.5.2.4.2.2 Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the face value and proceeds received in excess of the face value are recognized as Securities Premium.

**2.5.2.4.2.3 Subsequent Measurement and Gain and Losses**

Financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in standalone statement of profit and loss. Any gain or loss on derecognition is recognized in standalone statement of profit and loss.

**2.5.2.5 Impairment and Write-off**

The Company recognizes loss allowances for Expected Credit Losses on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Other financial assets;
- Loan commitments

Equity instruments which are measured at fair value are not subject to an impairment loss.

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., loss allowance on default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- Lifetime ECL, i.e. lifetime ECL that results from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECL is measured at an amount equal to the 12-month ECL.

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

The Company has established a policy to perform an assessment at the end of each reporting period whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instruments.

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

**Stage 1:** When loans are first recognized, the Company recognizes an allowance based on 12 months ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2/3 to Stage 1.

**Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time expected credit losses.

**Stage 3:** When loans are considered credit-impaired, the Company records an allowance for the life time expected credit losses. Stage 3 loans also include facilities, where the credit risk has improved but considered as credit impaired assets as per regulatory guidelines.

For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition/impairment of the financial asset.

### 2.5.2.6 Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement.

In particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgments and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on a collective basis.
- Company's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.

The various inputs used and the process followed by the Company in measurement of ECL has been detailed below:

#### 2.5.2.6.1 Measurement of Expected Credit Losses

The Company calculates ECL based on probability-weighted scenarios to measure expected cash shortfalls, discounted at an approximation to the portfolio. A cash shortfall is a difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

When estimating ECL for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the Interest rate on the loan.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

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

Exposure at Default (EAD) is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired") either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

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

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

**2.5.2.6.2 Significant Increase in Credit Risk**

The Company monitors all financial assets, including loan commitments contracts issued that are subject to impairment requirements, to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company measures the loss allowance based on lifetime rather than 12-month ECL. The Company monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to impairment for a significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience that is available without undue cost or effort.

The quantitative factors that indicate a significant increase in credit risk are reflected in PD models on a timely basis. However, the Company still considers separately some qualitative factors to assess if credit risk has increased significantly. For corporate lending, there is a particular focus on assets that are included on a 'watchlist'. Given an exposure is on a watch list once, there is a concern that the credit worthiness of the specific counterparty has deteriorated. ECL assessment for watch list accounts is done on a case by case approach after considering the probability of weighted average in a different recovery scenario. For individual loans the Company considers the expectation of forbearance, payment holidays, and events such as unemployment, bankruptcy, divorce, or death.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the PD is more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

**2.5.2.6.3 Credit-Impaired Financial Assets**

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- restructuring of loans due to financial difficulty of the borrowers;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event. Instead the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortized cost are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funds.

A loan is considered credit-impaired when a concession is granted to the borrower due to deterioration in the borrower's financial condition. The definition of default includes unlikelihood to pay indicators and a back-stop if amounts are overdue for more than 90 days.

Notes forming part of the standalone financial statements for the year ended 31 March 2024

**2.5.2.6.4 Definition of Default**

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL.

The Company considers the following as constituting an event of default:

- the borrower is past due more than 90 days + Accounts Identified by the Company as NPA as per regulatory guidelines + Objective Evidence for impairment (Qualitative Overlay); or
- the borrower is unlikely to pay its credit obligations to the Company.

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the breach of covenants, which is not as relevant for individual lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

**2.5.2.6.5 Write-off**

Loans are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off/ may assign / sell loan exposure to ARC / Bank / a financial institution for a negotiated consideration. Balance loan outstanding after expected recovery from sale of vehicles, security deposit, settlement etc. are written off in the standalone statement of profit and Loss. Recoveries resulting from the Company's enforcement activities could result in impairment gains and same is adjusted in Impairment on financial instruments.

**2.5.2.7 Modification and Derecognition of Financial Assets**

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between the initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximize collection and minimize the risk of default. Loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction

in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Company assesses whether this modification results in derecognition. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

Qualitative factors, such as contractual cash flows after modification, are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants, if these do not clearly indicate a substantial modification, then; a quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original EIR. If there is a significant difference in present value, the Company deems the arrangement substantially different, leading to derecognition.

In the case where the financial asset is derecognized the loss allowances for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the revised terms may lead to a gain or loss on

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

derecognition. The new financial asset may have a loss allowance measured based on 12-month ECL except where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognized at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors the credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- The remaining lifetime PD estimated based on data at initial recognition and the original contractual terms;
- The remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification does not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition, the loss allowance is continued to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans is generally measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition, the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Company derecognizes a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in the standalone statement of profit and loss, with the exception of equity investment designated as measured at FVOCI, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to the standalone statement of profit and loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain/loss allocated to it that had been recognized in OCI is recognized in the standalone statement of profit and loss. A cumulative gain/loss that had been recognized in OCI is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVOCI, as the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to the standalone statement of profit and loss.

### 2.5.2.8 Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the standalone statement of profit and loss.

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

**2.5.2.9 Assets acquired under settlement**

Asset acquired under settlement are measured at the prevailing market price/fair valuation including cost of acquisition, whichever is lower, on periodic basis. Any profit or loss arising on the sale of assets acquired under settlement of claims is recognized in Standalone statement of profit and loss.

**2.5.3 Investments in subsidiaries**

Investment in subsidiaries are recognised at cost and are not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate financial statement'. Cost of investment represents amount paid for acquisition of the said investment.

The Company reviews the carrying amounts of its investments in subsidiaries at the end of each reporting period, to determine whether there is any indication that those investments have impaired. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss (if any) and provided for accordingly. Such impairment loss is reduced from the carrying value of investments

**2.5.4 Property, Plant and Equipment ("PPE")**

PPE held for use are stated in the Standalone Balance Sheet at cost less accumulated depreciation and accumulated impairment losses.

PPE is recognized when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Administrative and other general overhead expenses that are specifically attributable to acquisition of PPE are allocated and capitalized as a part of the cost of the PPE.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the standalone statement of profit and loss.

**2.5.5 Intangible Assets**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognized in the standalone statement of profit and loss when the asset is derecognized.

**2.5.6 Capital work-in-progress**

Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct cost and related incidental expenses.

**2.5.7 Depreciation and Amortization**

Depreciation is recognized using written down value method so as to write off the cost of the assets less their residual values over their estimated useful lives specified in Schedule II to the Act. Depreciation method is reviewed at each

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is recognized on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. The useful life of the property, plant and equipment determined by the Company is as follows:

Class of Assets	Useful Life
Computer/Laptop	3 years
Server	6 years
Office Equipment	5 years
Furniture & Fixtures	10 years

Intangible assets with finite useful lives are amortized on written down value basis over the estimated useful life. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives are tested for impairment by comparing its recoverable amount with its carrying amount annually and whenever there is an indication that the intangible asset may be impaired.

The useful life of Intangible Assets held by the Company is as follows:

Class of Assets	Useful Life
Computer Software	3 years

**2.5.8 Impairment of Assets other than Financial Instruments**

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE and intangible assets are tested for impairment so as to determine the impairment loss, if any.

**2.5.9 Employee Benefits**

**Short term Employee Benefits**

Employee benefits falling due within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

**Defined Contribution Plans**

Contributions to defined contribution schemes such as employees' state insurance, employee provident fund and employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the standalone statement of profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

**Post-employment Benefits**

The Company operates defined benefit plan in the form of gratuity and compensated absence. The liability or asset recognized in the Standalone Balance Sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash out flows, using market yields of government bonds that have tenure approximating the tenures of the related liability. The interest expenses are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest expense on the net defined benefit liability or asset is recognized in the standalone statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Items of Other Comprehensive Income. They are included in Other Equity in the



## Notes forming part of the standalone financial statements for the year ended 31 March 2024

Standalone Statement of Change in Equity and in the Standalone Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

### 2.5.10 Leases

#### The Company as Lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Standalone Balance Sheet and lease payments have been classified as financing cash flows.

#### The Company as Lessor

The Company as a lessor, classifies leases as either operating lease or finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognized in Standalone Balance Sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognized over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease.

A lease which is not classified as a finance lease is an operating lease. Accordingly, the Company recognizes lease payments as income on a straight-line basis in case of assets given on operating leases. The Company presents underlying assets subject to operating lease in its Standalone Balance Sheet under the respective class of asset.

### 2.5.11 Securities Premium

- (i) Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of shares issued under preferential allotment as equity shares by the company.
- (ii) The issue expenses of securities which qualify as equity instruments are adjusted against securities premium.

Notes forming part of the standalone financial statements for the year ended 31 March 2024

**2.5.12 Share-based payment arrangements**

The stock options to be granted to employees by the company under MGFL Employee Stock Option Plan 2023' ("ESOP 2023"/" Plan"), will be measured at the fair value of the options at the grant date.

The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis.

The amount recognized as expense in each year is arrived at based on the number of grants expected to vest.

**2.5.13 Dividends on Equity Shares**

The Company recognizes a liability to make cash distributions to equity shareholders of the Company when the dividend is authorized and the distribution is no longer at the discretion of the Company and a corresponding amount is recognized directly in equity. As per the corporate laws in India, an interim dividend is authorized when it is approved by the Board of Directors and final dividend is authorized when it is approved by the shareholders.

**2.5.14 Cash and Cash Equivalents**

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term deposits with banks (with an original maturity of three months or less from the date of placement) and cheques on hand. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

**2.5.15 Finance Costs**

Finance costs include interest expense calculated using the EIR on respective financial instruments and borrowings is measured at amortized cost, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

**2.5.16 Foreign Currencies**

- (i) Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.
- (ii) Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognized in the standalone statement of profit and Loss in the period in which they arise.

**2.5.17 Segments**

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation. Operating Segment are reported in a manner consistent with the internal reporting provided to accounting policies are in line with the internal reporting provided to the Chief Operating Decision maker.

**2.5.18 Earnings Per Share**

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**2.5.19 Taxes on Income**

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for certain tax positions.

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the standalone statement of profit and loss except when they relate to items that are recognized outside standalone statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside standalone statement of profit and loss.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and depreciation carry-forwards could be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date, and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The Company provides for current tax liabilities at the best estimate that is expected to be paid to the tax authorities where an outflow is probable.

**2.5.20 Goods and Services Tax Input Credit**

Goods and Services tax input credit is recognized in the books of account in the period in which the supply of goods or service received is recognized and when there is no uncertainty in availing/utilizing the credits.

**2.5.21 Provisions, Contingent Liabilities and Contingent Assets**

**(a) Provisions are recognized when:**

- (i) The Company has a present obligation (legal or constructive) as a result of a past event; and
- (ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

**(b) Contingent Liability is disclosed in case of:**

- (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
- (ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognized and measured as a provision.

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

**(c) Contingent Assets:**

- (i) Contingent assets are not recognized in the standalone financial statements.
- (ii) Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**2.5.22 Commitments**

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid;
- c) Funding related commitment; and
- d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

**2.5.23 Statement of Cash Flows**

Standalone Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses; and
- iii. All other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Standalone Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

**3. Recent Accounting Developments**

**3.1 Law enacted but not effective**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament's approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently, on November 13, 2020, draft rules were published and stakeholders' suggestions were invited. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**3.2 New Standards/ Amendments notified**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rule as issued from time to time. There is no such notification which is applicable from April 01, 2024.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

4. Cash and cash equivalents

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	951.58	255.73
Balances with banks in current accounts	7,793.66	959.06
Term deposit with bank having original maturity less than 3 months	-	500.05
	8,745.24	1,714.84

5. Bank balances other than cash and cash equivalents

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked Balance with Bank		
-Unclaimed Dividend account	5.48	5.49
-Current account (Refer note 5.1 and 5.2)	874.71	-
Term deposits with banks having original maturity of less than 3 months (Refer note 5.1)	1,968.61	-
Term deposits with banks having original maturity of more than 3 months (Refer note 5.2 and 5.3)	13,519.43	10,102.15
	16,368.23	10,107.64

5.1 Current account and term deposit includes Rs. 140 lakhs and Rs. 1,968.61 lakhs respectively towards deposits for acquisition of LKP Finance Limited as explained in note 34.

5.2 Current account and term deposit includes Rs. 734.71 lakhs and Rs. 209.39 lakhs respectively towards debt service coverage ratio as per terms of loans.

5.3 For term deposits under lien with bank (Refer note 16)

6. Other Receivables

(Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
- Undisputed Other Receivables - considered good	3.77	33.77
- Undisputed Other Receivables - considered doubtful	-	-
- Disputed Other Receivables - considered good	-	-
- Disputed Other Receivables - considered doubtful	-	-
	3.77	33.77
Less :- Impairment Loss Allowance (Expected Credit Loss)	(0.02)	(0.17)
	3.75	33.60

Ageing of Other Receivables

Particulars	Ageing schedule from due date of payment											
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
- Undisputed Other Receivables - considered good	3.77	-	-	-	-	3.77	33.77	-	-	-	-	33.77
- Undisputed Other Receivables - considered doubtful	-	-	-	-	-	-	-	-	-	-	-	-
- Disputed Other Receivables - considered good	-	-	-	-	-	-	-	-	-	-	-	-
- Disputed Other Receivables - considered doubtful	-	-	-	-	-	-	-	-	-	-	-	-
Less :- Impairment Loss Allowance (Expected Credit Loss)	(0.02)	-	-	-	-	(0.02)	(0.17)	-	-	-	-	(0.17)
	3.75	-	-	-	-	3.75	33.60	-	-	-	-	33.60

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

7. Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>		
<b>(A)</b>		
(i) Loans repayable on demand	-	-
(ii) Term Loans	48,600.93	22,407.13
(iii) Leasing	12,377.54	3,666.94
(iv) Others		
-Loans to related parties	1,418.68	-
-Staff loans	16.91	18.72
<b>Total gross loans</b>	<b>62,414.06</b>	<b>26,092.79</b>
Less: Impairment Loss Allowance	(484.49)	(239.34)
<b>Total net loans</b>	<b>61,929.57</b>	<b>25,853.45</b>
<b>(B)</b>		
(i) Secured by tangible assets (Refer note 1)	59,533.75	23,165.54
(ii) Unsecured	2,880.31	2,927.25
<b>Total gross loans</b>	<b>62,414.06</b>	<b>26,092.79</b>
Less: Impairment Loss Allowance	(484.49)	(239.34)
<b>Total net loans</b>	<b>61,929.57</b>	<b>25,853.45</b>
<b>(C)</b>		
<b>(I) Loans in India</b>		
(a) Public Sector	-	-
(b) Others	62,414.06	26,092.79
<b>(II) Loans outside India</b>	-	-
<b>Total gross loans</b>	<b>62,414.06</b>	<b>26,092.79</b>
Less: Impairment Loss Allowance	(484.49)	(239.34)
<b>Total net loans</b>	<b>61,929.57</b>	<b>25,853.45</b>
<b>(D)</b>		
(i) To Corporates	26,203.14	8,506.19
(ii) To other than corporates	36,210.92	17,586.60
<b>Total gross loans</b>	<b>62,414.06</b>	<b>26,092.79</b>
Less: Impairment Loss Allowance	(484.49)	(239.34)
<b>Total net loans</b>	<b>61,929.57</b>	<b>25,853.45</b>

Notes:

1. Term loans are secured by hypothecation of vehicles financed by the Company. Business loan/Term loan to corporate are secured by hypothecation of property plant and equipment, receivables etc. and further secured by personal guarantee of Directors, corporate guarantee and other collateral security.
2. Impairment Loss Allowance includes Nil (March 31, 2023 - Rs. 3.27 lakhs) against loan commitments pending disbursement.
3. Refer Note 33A for reconciliation of gross carrying amount of loans and expected credit loss thereon.
4. Refer to Note 15 and 16 for the charge created on loan assets in favour of the lenders of the Company.
5. For related party outstanding: Refer note 41.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

8. Investments

S. No.	Particulars	Face Value (Rs.)	As at March 31,2024		As at March 31,2023	
			Nos.	Amount	Nos.	Amount
<b>A</b>	<b>At cost</b>					
	<b>-Investment in Equity Shares - Subsidiaries (Unquoted)</b>					
	Mufin Green Leasing Private Limited	10.00	1,00,000.00	10.00	-	-
	Mufin Green Infra Limited	10.00	65,000.00	6.50	-	-
				16.50		-
<b>B</b>	<b>At fair value through profit or loss</b>					
<b>B1</b>	<b>- Investment in Mutual Fund</b>					
	SBI Arbitrage Opportunities Fund	10.00	14,56,841.00	451.45	-	-
	SBI Corporate Bond Fund	10.00	-	-	22,96,255.00	299.99
				451.45		299.99
<b>B2</b>	<b>-Investment in Equity Shares - Others (Unquoted)</b>					
	Antheia Electric Vehicles Private Limited	100.00	3,000.00	3.00	-	-
	Every Where Services Private Limited	10.00	386.00	25.00	-	-
				28.00		
<b>C</b>	<b>Investments in India</b>					
	(i) At Amortised cost			16.50		-
	(ii) At Fair value through profit or loss			479.45		299.99
				495.95		299.99
	<b>Investments outside India</b>			-		-

9. Other Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to Dealers	970.54	242.13
Advances to others*	551.03	4.22
Security Deposits	34.19	12.76
Other Recoverable	492.45	135.71
Other Receivables	811.82	-
Less: Impairment Loss Allowance	(8.91)	-
	2851.12	394.82

\*for related party outstanding: Refer note 41.

Refer Note 33C and 33D for reconciliation of gross carrying amount of Advances to Dealers and Other Receivables and expected credit loss thereon.

10. Current Tax Assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income tax (net)	278.24	74.15
	278.24	74.15

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

11. Deferred tax assets/(liabilities) (net) (Refer Note 36)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	355.58	206.14
Deferred tax liabilities	(672.84)	(146.04)
Deferred tax assets/(liabilities) (net)	(317.26)	60.10

12. Property, Plant and Equipment

Particulars	Computer, Server and Office Equipment	Land	Total
<b>Gross carrying Amount (at cost)</b>			
As at April 01,2022	69.22	-	69.22
Addition	16.05	1.00	17.05
Disposals/Adjustments	-	-	-
As at March 31,2023	85.27	1.00	86.27
Addition	37.63	-	37.63
Disposals/Adjustments	-	-	-
<b>As at March 31,2024</b>	<b>122.90</b>	<b>1.00</b>	<b>123.90</b>
<b>Accumulated Depreciation</b>			
As at April 01,2022	0.89	-	0.89
For the year	42.80	-	42.80
As at March 31,2023	43.69	-	43.69
For the year	34.38	-	34.38
<b>As at March 31,2024</b>	<b>78.07</b>	<b>-</b>	<b>78.07</b>
<b>Net carrying Amount</b>			
As at March 31,2023	41.58	1.00	42.58
As at March 31,2024	44.83	1.00	45.83

The land is mortgaged in favour of a lender as a security against loan.

13. Intangible Assets and Right of Use Assets

Particulars	Intangible Assets	Right of Use Assets
	Computer Software	Building
<b>Gross carrying Amount (at cost)</b>		
As at April 01,2022	134.85	-
Addition	1.10	279.26
Disposals/Adjustments	-	-
As at March 31,2023	135.95	279.26
Addition	182.04	576.69
Disposals/Adjustments	-	-
As at March 31,2024	317.99	855.95
<b>Accumulated Depreciation/Amortization</b>		
As at April 01,2022	1.92	-
For the year	104.51	36.21
Disposals/Adjustments	-	-
As at March 31,2023	106.43	36.21
For the year	90.99	103.66
Disposals/Adjustments	-	-
As at March 31,2024	197.42	139.87
<b>Net carrying Amount</b>		
As at March 31,2023	29.52	243.05
As at March 31,2024	120.57	716.08



Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

**14. Other Non-financial assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Government Authorities	518.97	246.26
Advances to others	330.23	95.97
Prepaid Expenses	154.74	351.32
	1,003.94	693.55

**15. Debt Securities**

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised Cost		
1,163,550 Redeemable non convertible debentures (NCD) of Rs. 500 each	5847.26	5827.19
750 Redeemable non convertible debentures (NCD) of Rs. 100,000 each	614.10	-
	6461.36	5827.19

**Notes:**

(i) 1,163,550 Redeemable non convertible debentures (NCD) of Rs. 500 each

(a) Details of debenture holders

Name	Numbers	Amount (Rs. In lakhs)
AAV SARL	581775	2908.88
Masala Investments SARL	581775	2908.88

(b) Interest payable @ 11.20% p.a., semi-annually on February 15 and August 15 each year subject to change as per change in rate of withholding tax. Date of maturity - February 15, 2029.

(c) The Debentures are secured by way of hypothecation of certain loans and other assets of the Company to the extent of their outstanding amounts under the NCD.

(ii) 750 Redeemable non convertible debentures (NCD) of Rs. 100,000 each

(a) Details of debenture holders

Name	Numbers	Amount (Rs. In lakhs)
Ambium Finserve Private Limited	750	750.00

(b) Repayable in 18 equated monthly instalment of Rs.41.67 lakhs per month including interest from 15.01.2024 to 15.06.2025 along with effective interest rate is 13.10% p.a.

(c) The Debentures are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

(iii) The above NCDs have been issued in Indian Rupee. The repayments of the principal and interest are also to be made in Indian Rupee.

(iv) Debt securities in India : Rs. 614.10 lakhs (March 31, 2023 : Nil), outside India : Rs. 5,847.26 lakhs (March 31, 2023 : Rs. 5,827.19 lakhs)

(v) The above amount is net of processing fee of Rs. 71.06 lakhs (March 31, 2023 - Rs. 68.41 lakhs) to be amortised in future.

(vi) Includes interest accrued but not due amounting to Rs. 89.67 lakhs as at March 31, 2024 (March 31, 2023 - Rs. 77.85 lakhs)

(vii) In terms of Rule 18(7)(b) of the Companies (Share Capital and Debentures) rules 2014, as amended, no debenture redemption reserve has been created by the Company under section 71(4) of the Companies Act, 2013 as the debentures have been issued through private placement.

(viii) On April 05, 2024, the Company issued and allotted 500 (Five Hundred) Secured, Listed, US Dollar Denominated Bonds of the Face Value of USD 10,000 (United States Dollar Ten Thousand Only) each, collectively aggregating to USD 50,00,000 (United States Dollar Five Million Only) to BOIC and IIF Funds of BlueOrchard Finance Limited. The said Bonds were listed on Global Securities Market - India International Exchange (INX) on April 11, 2024. The proceeds of the issue of the Bonds have been utilised as permitted by the RBI ECB Guidelines for onward lending and other activities.

**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024**

(ix) Acuite Ratings and Research Limited has reaffirmed ACUITE BBB (STABLE) rating for the Company's non convertible debentures of aggregate amount of Rs.6,000 lakhs and assigned ACUITE BBB (STABLE) rating for the Company's non convertible debentures of aggregate amount of Rs.9,000 lakhs vide their letter dated December 28,2023.

**16. Borrowings**

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised Cost		
<b>Secured loan</b>		
<b>Term Loans</b>		
- From banks	7926.64	4444.13
- From other party	38826.73	3907.62
<b>Working capital term loan</b>	496.40	-
<b>Overdraft facilities from banks</b>	9780.32	8420.03
<b>Unsecured foreign currency loan</b>		
- From other party	515.76	-
	<b>57545.85</b>	16771.78

**Notes:**

(i) Borrowings in India :- Rs.57,030.09 lakhs (March 31, 2023 : Rs.16,771.78 lakhs), outside India :- Rs.515.76 lakhs (March 31, 2023 : Nil)

(ii) Overdraft facilities of sanctioned limits of Rs.9,915 lakhs (March 31, 2023 - Rs.8,568 lakhs) in aggregate from Banks are secured by Term deposits of Rs.11,439.31 lakhs (March 31, 2023 - Rs.9,439.05 lakhs) with the respective banks, are repayable on demand and carrying interest rate as detailed below:

(a) State Bank of India (Limit - Rs.4,050 lakhs) Balance as at March 31,2024 - Rs.4,024.20 lakhs (March 31,2023 - Rs.4,047.88 lakhs)	Interest payable @ 7.75% p.a. on monthly basis.
(b) State Bank of India (Limit - Rs.4,275 lakhs) Balance as at March 31,2024 - Rs.4,257.19 lakhs (March 31,2023 - Rs.4,266.85 lakhs)	Interest payable @ 8.17% p.a. on monthly basis.
(c) HDFC Bank (Limit - Nil) Balance as at March 31,2024 - Nil (March 31,2023 - Rs.105.30 lakhs)	Interest payable @ 6.20% p.a. on monthly basis.
(d) Kotak Mahindra Bank (Limit - Rs.90 lakhs) Balance as at March 31,2024 - NIL (March 31,2023 - NIL)	Interest payable @ 6.75% p.a. on monthly basis.
(e) Yes Bank (Limit - Rs.1,500 lakhs) Balance as at March 31,2024 - Rs.1,498.93 lakhs (March 31,2023 - NIL)	Interest payable @ 8.00% p.a. on monthly basis.

(iii) Term Loans from banks

Terms	Security
(a) State Bank of India (Sanctioned Limit - Rs.1,500 lakhs) Balance as at March 31,2024 - Rs.535.13 lakhs (March 31,2023 - Rs.1,103.07 lakhs)	
Repayable in 36 equated monthly principal instalment of Rs.41.67 lakhs per month from 26.09.2022 to 26.08.2025 along with interest @ 1 year MCLR + 2.50, present effective rate is 11.15% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.162.86 lakhs

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(b) State Bank of India (Sanctioned Limit - Rs.3,500 lakhs) Balance as at March 31,2024 - Rs.2,470.76 lakhs (March 31,2023 - Rs.3,341.06 lakhs)	
Repayable in 48 equated monthly principal instalment of Rs.72.92 lakhs per month from 20.03.2023 to 20.02.2027 along with interest @ 6 month MCLR + 2.60, present effective rate is 11.15% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(c) ICICI Bank (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.898.52 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly principal instalment of Rs.41.67 lakhs per month from 29.02.2024 to 31.01.2026 along with interest @ 1 year MCLR + 1.30, present effective rate is 10.4% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.5.06 lakhs
(d) ESAF Small Finance Bank (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.810.27 lakhs (March 31,2023 - Nil)	
Repayable in 21 equated monthly instalment of Rs.53.52 lakhs per month including interest from 31.12.2023 to 31.08.2025 after moratorium period of 3 months along with interest @ REPO Rate + 6.50, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.51.41 lakhs
(e) (i) Capital Small Finance Bank (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.678.12 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly instalment of Rs.60.91 lakhs per month including interest from 30.09.2023 to 31.01.2025 and Rs. 57.21 lakhs on 28.02.2025 along with effective interest rate is 11.85% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.103.86 lakhs
(e) (ii) Capital Small Finance Bank (Sanctioned Limit - Rs.800 lakhs) Balance as at March 31,2024 - Rs.790.43 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly instalment of Rs.48.78 lakhs per month including interest from 21.04.2024 to 21.09.2025 along with effective interest rate is 12% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.80.05 lakhs
(f) AU Small Finance Bank (Sanctioned Limit - Rs.1,500 lakhs) Balance as at March 31,2024 - Rs.821.77 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly principal instalment of Rs.83.33 lakhs per month from 18.08.2023 to 18.01.2025 along with interest @ Repo + 5.75%, present effective rate is 12.25% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(g) Yes Bank (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.921.64 lakhs (March 31,2023 - Nil)																							
Repayable in 14 equated monthly principal instalment of Rs.71.43 lakhs per month from 09.03.2024 to 09.04.2025 along with interest RBI REPO Rate + 4%, present effective rate of 10.5% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).																						
(iv) Term Loans from other party																							
<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Terms</th> <th style="width: 50%;">Security</th> </tr> </thead> <tbody> <tr> <td colspan="2">(a) Indian Renewable Energy Development Agency Limited (IREDA) (Sanctioned Limit - Rs.5,000 lakhs) Balance as at March 31,2024 - Rs.4,392.41 lakhs (March 31,2023 - Rs.3,907.62 lakhs)</td> </tr> <tr> <td>Repayable in 20 equated quarterly principal instalment of Rs.250 lakhs per quarter from 31.03.2024 to 31.12.2028 along with interest @ Average cost of borrowing of IREDA + 338 bps. Present applicable interest rate is 10.96% p.a.</td> <td>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.539.67 lakhs.</td> </tr> <tr> <td colspan="2">(b) Indian Renewable Energy Development Agency Limited (IREDA) (Sanctioned Limit - Rs.9,648 lakhs) Balance as at March 31,2024 - Rs.8,411.36 lakhs (March 31,2023 - Nil)</td> </tr> <tr> <td>Repayable in 24 equated quarterly instalment of Rs. 27.13 lakhs on 30.06.2023, Rs. 16.73 lakhs on 30.09.2023, Rs. 129.72 lakhs on 31.12.2023, Rs. 308.94 lakhs on 31.03.2024, Rs.479.80 lakhs per quarter from 30.06.2024 to 31.03.2027, Rs. 433.16 lakhs per quarter from 30.06.2027 to 30.09.2028, Rs. 303.44 lakhs on 31.12.2028 and 56.57 lakhs on 31.03.2029 along with interest rate is 10.969% p.a.</td> <td>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by charge over DSRA equivalent to 2 quarter.</td> </tr> <tr> <td colspan="2">(c) Cholamandalam Investment and Finance Company Limited (Sanctioned Limit - Rs.300 lakhs) Balance as at March 31,2024 - Rs.182.44 lakhs (March 31,2023 - Nil)</td> </tr> <tr> <td>Repayable in 25 equated monthly instalment of Rs.14.16 lakhs per month including interest from 05.06.2023 to 05.06.2025 along with interest @ Chola Reference Rate + 4.53, present effective rate is 12.75% p.a.</td> <td>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).</td> </tr> <tr> <td colspan="2">(d) (i) IKF Finance Limited (Sanctioned Limit - Rs.1,500 lakhs) Balance as at March 31,2024 - Rs.916.53 lakhs (March 31,2023 - Nil)</td> </tr> <tr> <td>Repayable in 24 equated monthly principal instalment of Rs.62.50 lakhs per month from 03.07.2023 to 03.06.2025 along with effective interest rate is 13% p.a.</td> <td>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).</td> </tr> <tr> <td colspan="2">(d) (ii) IKF Finance Limited (Sanctioned Limit - Rs.700 lakhs) Balance as at March 31,2024 - Rs.684.88 lakhs (March 31,2023 - Nil)</td> </tr> <tr> <td>Repayable in 24 equated monthly instalment of Rs.29.17 lakhs per month from 03.05.2024 to 03.04.2026 along with effective interest rate is 13% p.a.</td> <td>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).</td> </tr> </tbody> </table>		Terms	Security	(a) Indian Renewable Energy Development Agency Limited (IREDA) (Sanctioned Limit - Rs.5,000 lakhs) Balance as at March 31,2024 - Rs.4,392.41 lakhs (March 31,2023 - Rs.3,907.62 lakhs)		Repayable in 20 equated quarterly principal instalment of Rs.250 lakhs per quarter from 31.03.2024 to 31.12.2028 along with interest @ Average cost of borrowing of IREDA + 338 bps. Present applicable interest rate is 10.96% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.539.67 lakhs.	(b) Indian Renewable Energy Development Agency Limited (IREDA) (Sanctioned Limit - Rs.9,648 lakhs) Balance as at March 31,2024 - Rs.8,411.36 lakhs (March 31,2023 - Nil)		Repayable in 24 equated quarterly instalment of Rs. 27.13 lakhs on 30.06.2023, Rs. 16.73 lakhs on 30.09.2023, Rs. 129.72 lakhs on 31.12.2023, Rs. 308.94 lakhs on 31.03.2024, Rs.479.80 lakhs per quarter from 30.06.2024 to 31.03.2027, Rs. 433.16 lakhs per quarter from 30.06.2027 to 30.09.2028, Rs. 303.44 lakhs on 31.12.2028 and 56.57 lakhs on 31.03.2029 along with interest rate is 10.969% p.a.	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(d) (ii) IKF Finance Limited (Sanctioned Limit - Rs.700 lakhs) Balance as at March 31,2024 - Rs.684.88 lakhs (March 31,2023 - Nil)		Repayable in 24 equated monthly instalment of Rs.29.17 lakhs per month from 03.05.2024 to 03.04.2026 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
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Repayable in 20 equated quarterly principal instalment of Rs.250 lakhs per quarter from 31.03.2024 to 31.12.2028 along with interest @ Average cost of borrowing of IREDA + 338 bps. Present applicable interest rate is 10.96% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.539.67 lakhs.																						
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Repayable in 24 equated quarterly instalment of Rs. 27.13 lakhs on 30.06.2023, Rs. 16.73 lakhs on 30.09.2023, Rs. 129.72 lakhs on 31.12.2023, Rs. 308.94 lakhs on 31.03.2024, Rs.479.80 lakhs per quarter from 30.06.2024 to 31.03.2027, Rs. 433.16 lakhs per quarter from 30.06.2027 to 30.09.2028, Rs. 303.44 lakhs on 31.12.2028 and 56.57 lakhs on 31.03.2029 along with interest rate is 10.969% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by charge over DSRA equivalent to 2 quarter.																						
(c) Cholamandalam Investment and Finance Company Limited (Sanctioned Limit - Rs.300 lakhs) Balance as at March 31,2024 - Rs.182.44 lakhs (March 31,2023 - Nil)																							
Repayable in 25 equated monthly instalment of Rs.14.16 lakhs per month including interest from 05.06.2023 to 05.06.2025 along with interest @ Chola Reference Rate + 4.53, present effective rate is 12.75% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).																						
(d) (i) IKF Finance Limited (Sanctioned Limit - Rs.1,500 lakhs) Balance as at March 31,2024 - Rs.916.53 lakhs (March 31,2023 - Nil)																							
Repayable in 24 equated monthly principal instalment of Rs.62.50 lakhs per month from 03.07.2023 to 03.06.2025 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).																						
(d) (ii) IKF Finance Limited (Sanctioned Limit - Rs.700 lakhs) Balance as at March 31,2024 - Rs.684.88 lakhs (March 31,2023 - Nil)																							
Repayable in 24 equated monthly instalment of Rs.29.17 lakhs per month from 03.05.2024 to 03.04.2026 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).																						

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(e) (i) STCI Finance Limited (Sanctioned Limit - Rs.1,500 lakhs) Balance as at March 31,2024 - Rs.919.11 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly principal instalment of Rs.62.50 lakhs per month from 30.07.2023 to 27.06.2025 along with effective interest rate is 12.75% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings and Personal Guarantee of Shri Kapil Garg (Managing Director).
(e) (ii) STCI Finance Limited (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.982.83 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.41.67 lakhs per month from 30.04.2024 to 20.03.2026 along with effective interest rate is 12.75% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings and Personal Guarantee of Shri Kapil Garg (Managing Director).
(f) (i) Northern Arc capital Limited (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.571.55 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly instalment of Rs.61.45 lakhs per month including interest from 07.08.2023 to 06.01.2025 along with interest at FBLR - 2.30, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(f) (ii) Northern Arc capital Limited (Sanctioned Limit - Rs.500 lakhs) Balance as at March 31,2024 - Rs.310.80 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly instalment of Rs.30.72 lakhs per month including interest from 05.09.2023 to 05.02.2025 along with interest at FBLR - 2.30, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(f) (iii) Northern Arc capital Limited (Sanctioned Limit - Rs.500 lakhs) Balance as at March 31,2024 - Rs.337.96 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly instalment of Rs.30.72 lakhs per month including interest from 05.10.2023 to 05.03.2025 along with interest at FBLR - 2.30, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(f) (iv) Northern Arc Capital Limited (Sanctioned Limit - Rs.3,400 lakhs) Balance as at March 31,2024 - Rs.2,798.79 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly instalment of Rs.208.92 lakhs per month including interest from 25.01.2024 to 25.06.2025 along with interest at FBLR - 2.85, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(g) (i) Hinduja Leyland Finance Limited (Sanctioned Limit - Rs.8,000 lakhs) Balance as at March 31,2024 - Rs.456.44 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly instalment of Rs.49.06 lakhs per month from 27.08.2023 to 27.01.2024 and Rs. 49.19 lakhs per month from 27.02.2024 to 27.01.2025 along with interest @ HBLR + 0.75, present effective rate is 13.25% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(g) (ii) Hinduja Leyland Finance Limited (Sanctioned Limit - Rs.7,000 lakhs) Balance as at March 31,2024 - Rs.510.82 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly instalment of Rs.42.93 lakhs per month from 30.11.2023 to 30.01.2024 and Rs. 43.07 lakhs per month from 29.02.2024 to 28.04.2025 along with interest @ HBLR + 0.75, present effective rate is 13.25% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(g) (iii) Hinduja Leyland Finance Limited (Sanctioned Limit - Rs.2,000 lakhs) Balance as at March 31,2024 - Rs.1,980.28 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.94.61 lakhs per month from 28.04.2024 to 28.03.2026 along with interest @ HBLR + 0.00, present effective rate is 12.50% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(h) (i) Ambit Finvest Private Limited (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.724.79 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.47.42 lakhs per month including interest from 05.09.2023 to 05.08.2025 along with interest @ AFPLR - 2.85, present effective rate is 12.75% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(h) (ii) Ambit Finvest Private Limited (Sanctioned Limit - Rs.650 lakhs) Balance as at March 31,2024 - Rs.594.53 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.30.90 lakhs per month including interest from 05.02.2024 to 05-01-2026 along with interest @ AFPLR - 2.60, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(i) Maanaveeya Financial Services Private Limited (Sanctioned Limit - Rs.2,000 lakhs) Balance as at March 31,2024 - Rs.1,687.07 lakhs (March 31,2023 - Nil)	
Repayable in 21 equated monthly principal instalment of Rs.95.20 lakhs per month from 21.01.2024 to 21.09.2025 after moratorium period of 3 months along with effective interest rate is 13.5% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.206.55 lakhs
(j) (i) Moneywise Financial Services Limited (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.796.38 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.47.55 lakhs per month including interest from 25.10.2023 to 25.10.2025 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(j) (ii) Moneywise Financial Services Limited (Sanctioned Limit - Rs.700 lakhs) Balance as at March 31,2024 - Rs.686.75 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.29.17 lakhs per month from 25.04.2024 to 25.03.2026 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(k) InCred Financial Services Limited (Sanctioned Limit - Rs.1,500 lakhs) Balance as at March 31,2024 - Rs.1,201.67 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.71.31 lakhs per month including interest from 10.11.2023 to 10.10.2025 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(l) Manappuram Finance Limited (Sanctioned Limit - Rs.700 lakhs) Balance as at March 31,2024 - Rs.532.49 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.33.21 lakhs per month including interest from 31.10.2023 to 30.09.2025 along with effective interest rate is 12.75% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
(m) (i) MAS Financial Services Limited (Sanctioned Limit - Rs.2,000 lakhs) Balance as at March 31,2024 - Rs.1,563.98 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.83.33 lakhs per month from 04.11.2023 to 05.10.2025 along with interest at MAS PLR - 3.55, present effective rate is 12.95% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.102.99 lakhs
(m) (ii) MAS Financial Services Limited (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.863.38 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.41.67 lakhs per month from 25.01.2024 to 25.12.2025 after moratorium period of 2 months along with interest at MAS PLR - 3.55, present effective rate is 12.95% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.51.26 lakhs
(m) (iii) MAS Financial Services Limited (Sanctioned Limit - Rs.1,500 lakhs) Balance as at March 31,2024 - Rs.1,485.22 lakhs (March 31,2023 - Nil)	
Repayable in 24 equated monthly instalment of Rs.62.50 lakhs per month from 10.04.2024 to 10.03.2026 along with interest at MAS PLR - 3.55, present effective rate is 12.95% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.75.24 lakhs
(n) Protium Finance Limited (Sanctioned Limit - Rs.700 lakhs) Balance as at March 31,2024 - Rs.550.79 lakhs (March 31,2023 - Nil)	
Repayable in 18 equated monthly instalment of Rs.42.98 lakhs per month including interest from 10.12.2023 to 10-05-2025 along with interest at Base Lending Rate + 12.90, present effective rate is 13.10% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

<p>(o) Kotak Mahindra Investments Limited (Sanctioned Limit - Rs.2,500 lakhs) Balance as at March 31,2024 - Rs.2,056.36 lakhs (March 31,2023 - Nil)</p>	
<p>Repayable in 18 equated monthly instalment of Rs.138.89 lakhs per month from 05.01.2024 to 05.10.2024 along with effective interest rate is 12% p.a. However, the company has made pre-payment of Rs. 1000.00 lakhs on 07.05.2024, resulting in change in tenure from 18 months to 10 months.</p>	<p>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.127.55 lakhs</p>
<p>(p) Muthoot Finance Limited (Sanctioned Limit - Rs.500 lakhs) Balance as at March 31,2024 - Rs.409.20 lakhs (March 31,2023 - Nil)</p>	
<p>Repayable in 18 equated monthly instalment of Rs.28.00 lakhs per month from 30.12.2023 to 30.05.2025 and Rs. 24.00 lakhs on 30.06.2025 along with effective interest rate is 13% p.a.</p>	<p>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).</p>
<p>(q) Western Capital Advisors Pvt. Ltd. (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.893.93 lakhs (March 31,2023 - Nil)</p>	
<p>Repayable in 21 equated monthly instalment of Rs.47.62 lakhs per month from 01.02.2024 to 01.10.2025 along with interest at WPLR - 2.50, present effective rate is 13% p.a.</p>	<p>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).</p>
<p>(r) Nabsamruddhi Finance Limited (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.944.51 lakhs (March 31,2023 - Nil)</p>	
<p>Repayable in 24 equated monthly instalment of Rs.47.66 lakhs per month including interest from 31.03.2024 to 28.02.2026 along with effective interest rate is 13.25% p.a.</p>	<p>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).</p>
<p>(s) Kissandhan Agri Financial Services Private Limited (Sanctioned Limit - Rs.500 lakhs) Balance as at March 31,2024 - Rs.379.48 lakhs (March 31,2023 - Nil)</p>	
<p>Repayable in 24 equated monthly instalment of Rs.23.83 lakhs per month including interest from 30.10.2023 to 30.09.2025 along with effective interest rate is 13.25% p.a.</p>	<p>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).</p>
<p>(v) Working capital term loan</p>	
<p>Capsave Finance Limited (Sanctioned Limit - Rs.1,000 lakhs) Balance as at March 31,2024 - Rs.496.40 lakhs (March 31,2023 - Nil)</p>	
<p>Repayable every 90 days from 01.02.2024 to 01-02-2025 along with effective interest rate is 12% p.a. Interest is due monthly on the last date of the month.</p>	<p>The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).</p>



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024**

(vi) Unsecured foreign currency loan from other party

Shell Foundation (Sanctioned Limit - Rs.800 lakhs (USD 1 million))  
Balance as at March 31,2024 - Rs.515.76 lakhs (USD 0.63 million) (March 31,2023 - Nil)

Repayable after 60 months in one bullet payment with interest payable semi-annually effective interest rate is 6.25% p.a.

Nil

(vii) The above amount is net of processing fee of Rs. 1,121.69 lakhs (March 31, 2023 - Rs. 208.25 lakhs) to be amortised in future.

(viii) Includes interest accrued but not due amounting to Rs. 169.97 lakhs as at March 31, 2024 (March 31, 2023 - Nil)

(ix) The Company has not made any default in repayments of loans and interest thereon to any lender during the year.

(x) The Company has utilized the proceeds of the borrowings taken from the banks/financial institution for the purposes for which they were taken during the year.

(xi) (i) List of pending disbursement of loans as at March 31, 2024

Lender	Sanctioned	Pending disbursement
Indian Renewable Energy Development Agency Limited (IREDA)	Rs.9,648 lakhs	Rs.482.40 lakhs
Capsave Finance Private Limited	Rs.1,000 lakhs	Rs.500.00 lakhs
Shell Foundation	Rs.800 lakhs	Rs.296.00 lakhs

(xi) (ii) List of pending disbursement of loans as at March 31, 2023

Lender	Sanctioned	Pending disbursement
Indian Renewable Energy Development Agency Limited (IREDA)	Rs.9,648 lakhs	Rs.9,648 lakhs
Indian Renewable Energy Development Agency Limited (IREDA)	Rs.5,000 lakhs	Rs.1,000 lakhs

(xii) Acuite Ratings and Research Limited has reaffirmed ACUITE BBB (STABLE) rating for the Company's long term instruments of aggregate amount of Rs.10,000 lakhs and assigned ACUITE BBB (STABLE) rating for the Company's long term instruments of aggregate amount of Rs.15,000 lakhs vide their letter dated December 28,2023.

**17. Other Financial Liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities (Refer Note 44)	726.11	245.09
Salary and Other benefits payable	192.43	104.57
Security Deposits	2,071.44	941.06
Liabilities for Expenses	34.25	31.72
Unclaimed Dividend	2.33	2.24
Other payable	622.66	131.19
	3,649.22	1,455.87

**18. Provisions**

Particulars	As at March 31, 2024	As at March 31, 2023
Provisions for Employee Benefits (Refer Note 35)		
- Gratuity	23.84	8.48
- Compensated Absence	22.22	7.19
	46.06	15.67

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

**19. Other Non-financial Liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	89.73	53.82
Advance from customers	39.09	54.82
	128.82	108.64

**20. Equity share Capital**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised share capital</b>		
500,000,000 (March 31, 2023: 70,000,000) equity shares of Re. 1 each (March 31, 2023 : Re. 1 each) (Refer Note (a) below)	5,000.00	700.00
	5,000.00	700.00
<b>Issued, Subscribed and Fully paid-up share capital</b>		
162,105,172 (March 31, 2023 - 50,331,724) equity shares of Re. 1 each (March 31, 2023 : Re. 1 each) (Refer Note (a) below)	1,621.05	503.32
	1,621.05	503.32

(a) The equity share of the Company has been splitted into 2 shares of face value of Re. 1 each w.e.f March 22, 2023 pursuant to the approval of the shareholders through postal ballot.

**(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At the beginning of the year</b>	5,03,31,724	2,16,11,360
Issued during the year	1,11,10,000	35,54,502
Bonus Shares issued during the year	10,06,63,448	-
Number of Shares splitted during the year	-	2,51,65,862
<b>At the end of the year</b>	16,21,05,172	5,03,31,724

**(c) Terms/ rights attached to Equity shares**

The company has one class of equity shares having a par value of Re. 1/- per share (March 31, 2023 : Re. 1/- per share). Each shareholder is entitled to one vote per share. All equity shareholders are having right to get dividend in proportion to paid up value at each equity share as and when declared. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all the preferential amounts, in proportion to their shareholding.

**(d) Details of shareholders holding more than 5 percent shares in the Company**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	% of total share	Nos.	% of total share
Hindon Mercantile Limited	8,82,45,612	54.44%	2,91,05,204	57.83%
Incofin India Progress Fund (Alternative Investment Fund)	2,13,27,012	13.16%	71,09,004	14.12%

**(e) Shares held by the promoters as defined in the Companies Act, 2013 at the end of the year**

Name of the promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Hindon Mercantile Limited	8,82,45,612	54.44%	2,91,05,204	57.83%	(3.39)%
Shri Kapil Garg	5,40,000	0.33%	1,80,000	0.36%	(0.03)%
	8,87,85,612	54.78%	2,92,85,204	58.19%	

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(f) Shares held by the Holding Company

Name	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Hindon Mercantile Limited	8,82,45,612	54.44%	2,91,05,204	57.83%
	8,82,45,612	54.44%	2,91,05,204	57.83%

(g) Equity Shares allotted for a consideration other than Cash

(i) The Company had issued 216,11,360 equity shares of face value of Rs. 2 each at par fully paid up on June 20, 2019 to the equity shareholders of APM Industries Limited (the demerged company) pursuant to a Scheme of Arrangement.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(ii) The Board of Directors have allotted 100,663,448 Equity shares of Re. 1 each as Bonus Shares by capitalization of the free reserves on July 11, 2023.

(h) The Authorized Share Capital of the Company has been increased from Rs. 700 lakhs to Rs. 2,000 lakhs comprising 2,000 lakhs Equity shares of Re. 1 each with effect from June 27, 2023 and further increased from Rs. 2,000 lakhs to Rs. 5,000 lakhs comprising 5,000 lakhs Equity shares of Re. 1 each with effect from October 21, 2023.

(i) (i) The Board of Directors in its meeting held on September 29, 2022 has allotted by way of private placement on preferential basis (i) 35,54,502 Equity Shares of the Company to Incofin India Progress Fund (Alternative Investment Fund), Non-Promoter at a price of Rs. 126.60 per share and (ii) 4,65,000 fully Convertible Warrants of Rs. 126.60 each to the Promoter [now convertible into 2 equity shares of face value of Re. 1/- each pursuant to the shareholders approval for Sub - division of every 1 (One) equity share of face value of Rs 2/- (Rupees Two only) each into 2 (Two) equity shares of the face value of Re 1/- (Rupee One only) each, with effect from the record date Saturday, 15th April, 2023]. The Company has allotted 9,30,000 Equity Shares of face value of Re.1 each fully paid up at an exercise price of Rs.63.30 per equity share (including premium of Rs.62.30 per equity share) to Hindon Mercantile Limited on March 20, 2024.

(ii) The Board of Directors in its meeting held on December 27, 2023 has allotted 2,55,00,000 share warrants of Rs. 55 each to non-promoters and promoters by way of private placement on preferential basis. Out of which, the Company allotted 1,01,80,000 Equity Shares of face value of Re.1 each fully paid up at an exercise price of Rs.55 per equity share (including premium of Rs.54 per equity share) to share warrant holders on various dates.

21. Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve	-	6,850.86
General Reserve	6,850.86	-
Reserve Fund u/s 45-IC of RBI Act,1934	1,155.94	834.66
Securities Premium	9,585.54	4,222.68
Retained Earnings	3,082.51	2,804.03
Impairment Reserve	7.26	7.26
Other Comprehensive Income	0.19	(1.84)
Money received against share warrants	2,106.60	147.17
	22,788.90	14,864.82

(Refer Statement of Changes in Equity also)

Nature of Reserve:

(a) **Capital Reserve** -Capital Reserves represents difference between the values of assets and liabilities transferred pursuant to the Scheme of Arrangement and equity shares allotted to the shareholders of APM Industries Limited (demerged company).

(b) **General Reserve** -General reserve is the accumulation of the portions of the net profits transferred by the Company in the past years. This reserve is available for distribution to the shareholders.

(c) **Reserve Fund u/s 45-IC of RBI Act, 1934** - The Company created a reserve fund pursuant to section 45 IC of the Reserve Bank of India Act, 1934 by transferring amount not less than 20% of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend declared. Withdrawal from this reserve is allowed only after obtaining permission from the RBI.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

**(d) Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium (net of issue expenses). The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

**(e) Retained earnings:** Retained earnings comprise of the profits of the Company earned till date net of distributions and other adjustments.

**(f) Impairment Reserve:** Impairment Reserve comprise the amount of difference between the loss allowance on loan assets as required under Ind AS-109 and the provision required as per prudential norms of Reserve Bank of India on Income Recognition, Asset Classification and Provisioning (IRACP) appropriated from the net profit in terms of RBI notification. No withdrawals are permitted from this reserve without prior permission of the RBI.

**(g) Other Comprehensive Income:** Other Comprehensive Income includes Remeasurement of the defined benefits plan (net)

**(h) Money received against share warrants:** The amount received represents the application money received against allotment of share warrants referred to note 20(i)(i) and note 20(i)(ii).

**22. Interest Income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- On Financial Assets measured at Amortised Cost		
Interest on Loans	8,882.66	3,234.74
Interest on Term Deposits with Banks	741.27	202.74
Interest on Investments	136.42	-
	9,760.35	3,437.48

**23. Dividend Income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend	-	0.26
	-	0.26

**24. Net Gain on Fair Value Changes**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fair value changes		
- Realised gain on sale of investments (net)	7.98	5.36
- Unrealised gain on investments (net)	1.48	-
Total Net gain on Fair Value changes	9.46	5.36

**25. Other Operating Revenue**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Service and other fees	9.89	4.76
	9.89	4.76

**26. Other Income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Security Deposit	15.78	0.61
Interest on Income tax refund	3.56	0.01
Liabilities no longer required, written back	2.24	13.26
Other Income	42.46	-
	64.04	13.88

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

**27. Finance Cost**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>On Financial Liability measured at Amortised Cost</b>		
Interest on debt securities	738.98	83.58
Interest on Borrowings other than debt securities	3,657.84	468.98
Interest on lease liabilities	36.59	9.03
Interest on Income tax	6.28	1.38
Others	-	0.30
	<b>4,439.69</b>	<b>563.27</b>

**28. Impairment on Financial Instruments**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>On Financial Instruments at Amortised Cost</b>		
-Loans	309.24	258.06
-Others	7.38	0.17
	<b>316.62</b>	<b>258.23</b>

**29. Employee Benefits Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and Wages	1,540.77	825.35
Contribution to Provident and other Funds (Refer Note35(a))	78.80	32.17
Gratuity and Compensated Absence	33.10	12.58
Recruitment Expenses	9.43	-
Staff Welfare	32.73	11.41
	<b>1,694.83</b>	<b>881.51</b>

**30. Depreciation and Amortization**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation	138.04	79.01
Amortization	90.99	104.51
	<b>229.03</b>	<b>183.52</b>

**31. Other Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Bank charges	54.99	36.62
Commission paid	135.18	23.88
IT Expenses	46.48	16.98
Travelling and conveyance expenses	177.65	44.31
Director Sitting fees	4.91	5.72
Advertisement	4.51	3.28
Business Promotion	48.74	16.20
Payment to Auditors (Refer Note 31.1)	10.43	6.70
CSR Expenses (Refer Note 31.2)	21.15	18.87
Donation	9.32	2.60
Fees and Subscription	30.56	12.09

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Listing fee and Processing fee	17.17	7.63
Office Maintenance Exp	70.41	42.73
Office Rent	3.61	-
Postage and telegram	14.33	11.24
Printing and stationary	18.27	20.59
Professional fee	265.04	204.08
Rates and Taxes	9.48	16.12
Sundry Balances written off	3.65	0.10
Miscellaneous expenses	42.00	6.35
	987.88	496.09

31.1 Payment to Auditors

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit fees	3.27	3.27
Limited Review fees	2.40	1.63
Certification fees	3.27	1.26
Tax Audit Fees	1.47	0.54
Out of pocket expenses	0.02	-
	10.43	6.70

31.2 Disclosures related to CSR Expenditure

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Amount required to be spent by the Company during the year	21.15	18.87
Amount of expenditure incurred	21.15	18.87
Excess/(shortfall) at the end of the year	-	-
Expenditure incurred during the year		
i) On Construction/acquisition of the assets	-	-
ii) On purposes other than (i) above	21.15	18.87
	21.15	18.87
Nature of CSR activities	Educational activities, Empowering for employment and animal welfare	

Notes forming part of the standalone financial statements for the year ended 31 March 2024

32. Contingent Liabilities and Commitments

- (a) **Contingent Liabilities** – Nil (March 31, 2023 – Nil)
- (b) **Commitments** –
- Estimated amount of contracts remaining to be executed on capital account not provided for – Nil (March 31, 2023 - Nil)
  - Other commitments – Nil (March 31, 2023 – Nil)

33. A. Reconciliation of Gross Carrying Amount of Loans and Expected Credit Loss on Loans

Reconciliation of Gross Carrying Amount of Loans

Particulars	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Gross Carrying Amount at the beginning of the year</b>	<b>26,092.79</b>	4,838.79
New Assets originated or purchased	<b>77,039.68</b>	30,622.84
Transfers to/ (from) Stage 1	<b>(5,831.07)</b>	(8,595.21)
Transfers to/ (from) Stage 2	<b>4,783.38</b>	7,979.74
Transfers to/ (from) Stage 3	<b>1,047.69</b>	615.47
Amount written off	<b>62.71</b>	30.82
Net Recovery	<b>(40,781.12)</b>	(9,399.66)
<b>Gross Carrying amount at the end of the year</b>	<b>62,414.06</b>	26,092.79

Reconciliation of Expected Credit Loss on Loans

Particulars	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Expected Credit Loss at the beginning of the year (A)</b>	<b>239.34</b>	12.10
New Assets originated or purchased (B)	<b>389.33</b>	155.85
Impact on Expected Credit Loss of Exposure transferred between stages during the year (C)	<b>227.61</b>	106.53
Increase/(decrease) in provision on financial assets (net of recovery) (D)	<b>(368.52)</b>	(38.41)
Amount written off (E)	<b>62.71</b>	30.82
Expected Credit Loss on Off Balance Sheet Item (F)	<b>(3.27)</b>	3.27
<b>Increase/(Decrease) in Expected Credit Loss during the year after adjustment of losses (G)=B+C+D+E+F</b>	<b>307.86</b>	258.06
<b>Expected Credit Loss at the end of the year (H)=A+G-E</b>	<b>484.49</b>	239.34

B. Reconciliation of Gross Carrying Amount of Other Receivables and Expected Credit Loss on Other Receivables

Reconciliation of Gross Carrying Amount of Other Receivables

Particulars	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Gross Carrying Amount at the beginning of the year</b>	<b>33.77</b>	-
New Assets originated	<b>3.77</b>	33.77
Transfers to/ (from) Stage 1	-	-
Transfers to/ (from) Stage 2	-	-
Transfers to/ (from) Stage 3	-	-
Net Recovery	<b>(33.77)</b>	-
<b>Gross Carrying amount at the end of the year</b>	<b>3.77</b>	33.77

Notes forming part of the standalone financial statements for the year ended 31 March 2024

**Reconciliation of Expected Credit Loss on Other Receivables**

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Expected Credit Loss at the beginning of the year</b>	<b>0.17</b>	-
On New Assets originated	<b>0.02</b>	0.17
Impact on Expected Credit Loss of Exposure transferred between stages during the year	-	-
Increase/(decrease) in provision on financial assets(net of recovery)	<b>(0.17)</b>	-
<b>Expected Credit Loss during the year (net of recovery)</b>	<b>(0.15)</b>	0.17
<b>Increase/(Decrease) in Expected Credit Loss during the year</b>	<b>(0.15)</b>	0.17
<b>Expected Credit Loss at the end of the year</b>	<b>0.02</b>	0.17

**C. Reconciliation of Gross Carrying Amount of Advances to Dealers and Expected Credit Loss on Advances to Dealers**

**Reconciliation of Gross Carrying Amount of Advances to Dealers**

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Gross Carrying Amount at the beginning of the year</b>	<b>242.13</b>	-
New Assets originated	<b>970.54</b>	242.13
Transfers to/ (from) Stage 1	-	-
Transfers to/ (from) Stage 2	-	-
Transfers to/ (from) Stage 3	-	-
Net Recovery	<b>(242.13)</b>	-
<b>Gross Carrying amount at the end of the year</b>	<b>970.54</b>	242.13

**Reconciliation of Expected Credit Loss on Advances to Dealers**

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Expected Credit Loss at the beginning of the year</b>	-	-
On New Assets originated	<b>4.85</b>	-
Impact on Expected Credit Loss of Exposure transferred between stages during the year	-	-
Increase/(decrease) in provision on financial assets (net of recovery)	-	-
<b>Expected Credit Loss during the year (net of recovery)</b>	<b>4.85</b>	-
<b>Increase/(Decrease) in Expected Credit Loss during the year</b>	<b>4.85</b>	-
<b>Expected Credit Loss at the end of the year</b>	<b>4.85</b>	-

**D. Reconciliation of Gross Carrying Amount of Other Receivables ((Other Financial Assets) and Expected Credit Loss on Other Receivables (Other Financial Assets)**

**Reconciliation of Gross Carrying Amount of Other Receivables (Other Financial Assets)**

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Gross Carrying Amount at the beginning of the year</b>	-	-
New Assets originated	<b>811.22</b>	-
Transfers to/ (from) Stage 1	-	-
Transfers to/ (from) Stage 2	-	-
Transfers to/ (from) Stage 3	-	-
Net Recovery	-	-
<b>Gross Carrying amount at the end of the year</b>	<b>811.22</b>	-



**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

**Reconciliation of Expected Credit Loss on Other Receivables (Other Financial Assets)**

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Expected Credit Loss at the beginning of the year</b>	-	-
On New Assets originated	<b>4.06</b>	-
Impact on Expected Credit Loss of Exposure transferred between stages during the year	-	-
Increase/(decrease) in provision on financial assets (net of recovery)	-	-
<b>Expected Credit Loss during the year (net of recovery)</b>	<b>4.06</b>	-
<b>Increase/(Decrease) in Expected Credit Loss during the year</b>	<b>4.06</b>	-
<b>Expected Credit Loss at the end of the year</b>	<b>4.06</b>	-

34. The Company and its Managing Director, Mr. Kapil Garg entered into a Share Purchase Agreement on February 03, 2024 with the promoters of LKP Finance Limited ("Target Company") to acquire 56,96,312 Equity shares representing 45.32% of paid-up Equity share capital of the Target Company for consideration of Rs.14,240.78 lakhs. In compliance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations"), Company has made an open offer for acquisition of equity shares from the shareholders of Target Company on February 15, 2024, which has been withdrawn on April 16, 2024 after return of application for approval of change in Control and Management by the Reserve Bank of India on April 03, 2024. The expenses related to this open offer have been shown as "Exceptional Items".

35. **Details of Employees Benefits as required by the Ind AS 12 "Employee Benefits"**

**a) Defined Contribution Plans**

The Company has recognized the following amounts in the standalone statement of profit and Loss:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to provident fund	<b>65.88</b>	26.28
Contribution to ESI	<b>12.92</b>	5.89
<b>Total</b>	<b>78.80</b>	32.17

**b) Post Retirement Benefit Plan**

**(i) Amount recognized in the Standalone Balance Sheet**

(Rs. in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
Present value of plan liabilities	<b>23.84</b>	<b>22.22</b>	8.48	7.19
Fair value of plan assets	-	-	-	-
<b>Deficit/(Surplus) of funded plans</b>	<b>23.84</b>	<b>22.22</b>	8.48	7.19
Unfunded plans	-	-	-	-
<b>Net plan liabilities/(assets)</b>	<b>23.84</b>	<b>22.22</b>	8.48	7.19

**(ii) Amount recognized in the Standalone Statement of Profit and Loss as Employee Benefit Expenses**

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
Current service cost	<b>17.44</b>	<b>16.40</b>	5.40	7.07
Past service cost	-	<b>0.53</b>	-	0.12
Interest cost	<b>0.63</b>	-	0.18	-
Expected return on plan assets	-	-	-	-
Actuarial (Gains)/Losses	<b>(2.71)</b>	<b>(1.91)</b>	2.73	-
<b>Total expenses</b>	<b>15.36</b>	<b>15.02</b>	8.31	7.19

Notes forming part of the standalone financial statements for the year ended 31 March 2024

(iii) Assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial Assumption</b>		
Discount rate	<b>7.25</b>	7.39
Salary Escalation Rate #	<b>5.00</b>	5.00
<b>Demographic Assumptions</b>		
Retirement age (Years)	<b>60</b>	60
Mortality rates inclusive of provision for disability – (Gratuity)	<b>100% of IALM (2012-14 )</b>	100% of IALM (2012-14 )
Attrition at ages		
- Up to 30 years	<b>5.00</b>	5.00
- From 31 to 44 years	<b>3.00</b>	3.00
- Above 44 years	<b>2.00</b>	2.00

# The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(iv) Sensitivity Analysis

(Rs. in lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Change in assumption	Increase impact on present value of plan liabilities	Decrease impact on present value of plan liabilities	Change in assumption	Increase impact on present value of plan liabilities	Decrease impact on present value of plan liabilities
<b>Gratuity</b>						
Discount rate	<b>0.50%</b>	<b>(1.77)</b>	<b>1.97</b>	0.50%	(0.67)	0.74
Salary Escalation Rate	<b>0.50%</b>	<b>2.01</b>	<b>(1.82)</b>	0.50%	0.76	(0.69)
<b>Compensated Absence</b>						
Discount Rate	<b>0.50%</b>	<b>(1.47)</b>	<b>1.60</b>	0.50%	(0.51)	0.54
Escalation Rate	<b>0.50%</b>	<b>1.64</b>	<b>(1.49)</b>	0.50%	0.56	(0.51)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the Standalone Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared with the previous period.

(v) The defined benefit obligations maturing after year ended March 31, 2024

(Rs. in lakhs)

Maturing within	As at March 31, 2024		As at March 31, 2023	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
0 – 1 year	<b>0.05</b>	<b>1.91</b>	0.02	0.28
1 – 2 years	<b>0.07</b>	<b>0.69</b>	0.01	6.91
2 – 3 years	<b>0.10</b>	<b>0.64</b>	0.02	-
3 – 4 years	<b>0.47</b>	<b>0.61</b>	0.09	-
4 – 5 years	<b>1.82</b>	<b>0.86</b>	0.24	-
5 – 6 years	<b>0.60</b>	<b>0.54</b>	0.26	-
6 year onwards	<b>20.72</b>	<b>16.95</b>	7.84	-

\* Amount less than one thousand

Notes forming part of the standalone financial statements for the year ended 31 March 2024

36. Income Tax Expense

a) Tax expense recognized in the Standalone Statement of Profit and Loss:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current tax</b>		
Current tax on taxable income for the year	142.96	342.54
<b>Total Current tax expense</b>	<b>142.96</b>	<b>342.54</b>
<b>Deferred tax</b>		
Deferred tax charge/(credit)	376.68	(65.91)
<b>Total deferred tax expense/(credit)</b>	<b>376.68</b>	<b>(65.91)</b>
<b>Tax expense for the year</b>	<b>519.64</b>	<b>276.63</b>
Tax related to earlier year	(2.63)	(9.18)
<b>Total tax expense recognized for the year</b>	<b>517.01</b>	<b>267.45</b>

b) A reconciliation of the tax expense to the amount computed by applying the statutory income tax rate to the profit before tax is summarized below:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Effective Tax Rate	25.168%	25.168%
Profit before tax	2,123.40	1,079.12
Current tax expense on profit before tax	534.42	271.60
Tax effect of the amounts which are not deductible/ (taxable) in calculation of current taxable income	(24.03)	(0.72)
Tax effects of the amounts which are permanently disallowed	9.25	5.75
Differential Tax on income taxable at different tax rate	-	-
<b>Tax Expense for the year</b>	<b>519.64</b>	<b>276.63</b>
Effect of earlier year tax adjustment	(2.63)	(9.18)
<b>Tax Expense recognised in the Standalone Statement of Profit and Loss</b>	<b>517.01</b>	<b>267.45</b>

c) Tax Assets and Liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax assets (net)	278.24	74.15

d) Deferred Tax Assets and Liabilities

(Rs. in lakhs)

Particulars	As at April 1, 2022 -Deferred tax Asset/ (Liabilities)	(Credit)/ charge in statement of profit and loss	(Credit)/ charge in other compreh ensive Income	As at March 31, 2023 -Deferred tax Assets/ (Liabilities)	(Credit)/ charge in statement of profit and loss	(Credit)/c harge in other comprehe nsive Income	As at March 31, 2024 -Deferred tax Asset/ (Liabilities)
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(9.58)	66.83	-	(76.41)	296.24	-	(372.65)
Unamortized Processing Fees Expenses	-	69.63	-	(69.63)	230.56	-	(300.19)
<b>Deferred Tax Liabilities (A)</b>	(9.58)	136.46	-	(146.04)	526.80	-	(672.84)
Provision for Employee Benefits	0.04	(3.21)	(0.69)	3.94	(8.33)	0.68	11.59

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

Unamortized Processing Fees Income	-	(116.72)	-	116.72	(65.44)	-	182.16
Allowance for Impairment Loss	3.04	(80.77)	-	83.81	(40.38)	-	124.19
Other Temporary differences	-	(1.67)	-	1.67	(35.97)	-	37.64
<b>Deferred tax Assets (B)</b>	3.08	(202.37)	(0.69)	206.14	(150.12)	0.68	355.58
<b>Deferred tax (Liabilities) / Assets (Net) (A+B)</b>	(6.50)	(65.91)	(0.69)	60.10	(376.68)	0.68	(317.26)

**37. Capital Management**

The primary objective of the Company's capital management is to maximize the shareholder value, safeguard the business continuity and to maintain strong capital base for investor, creditors and market confidence. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. Further, The Company actively manages the capital base to cover risks inherent in its business and ensure maintenance of capital adequacy requirement as prescribed by the RBI. As against the minimum capital requirement of 15% as prescribed by the regulator, the Company is well capitalized and the capital adequacy ratio of the Company as at March 31, 2024 stood at 36.53% (March 31, 2023 – 53.97%) (Refer note 50). The Company has complied in full with all its externally imposed capital requirements over the reporting period.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, future plans and the requirements of the financial covenants. The funding requirements are met through loans and operating cash flows generated. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio as given below:

Particulars	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Debt securities	6,461.36	5,827.19
Borrowings (other than debt securities)	57,545.85	16,771.78
Other financial liabilities	3,649.22	1,455.87
Less: Cash and cash equivalents	(8,745.24)	(1,714.84)
Net Debt (A)	58,911.19	22,340.00
Total Equity (B)	24,409.95	15,368.14
Capital and Net debt (C)=(A+B)	83,321.14	37,708.14
Gearing ratio (%) (A/C)	70.70%	59.24%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023

**38. Financial Risk Management**

The Company is mainly engaged in Investment and Finance Activities. The Company's principal financial liabilities comprise debt securities, borrowings (other than debt securities) and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include loans, term deposits with banks, Investments, cash and cash equivalents and receivables.

The risk management policies of the Company are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company is exposed to credit risk, market risk and liquidity risk. The Company's management oversees the management of these risks to ensure the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk objectives. The major risks are summarized below:

**38.1 Credit Risk**

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to financial loss. The Company is exposed to credit risk from its financing activities towards Loans to various customers. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

customer. Credit risk has always been managed by the company through credit approvals, establish credit limits and continuous monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business.

Financial assets are written off when there is no reasonable expectation of recovery, such as a borrower failing to engage in a repayment plan with the Company. Where loans/interest have been written off, the Company continues to engage in enforcement activity to attempt to recover the loans/receivable due. Where recoveries are made, these are recognized as income in the standalone statement of profit and loss.

The Company measures the expected credit loss of other receivables/loans based on historical trend, available external and internal credit risk factors such as financial condition, ageing of accounts receivable etc., regulatory norms, industry practices and the business environment in which the entity operates. Refer note 2.5.2.5 and 2.5.2.6 for Impairment and Write-off and Expected Credit Loss (ECL) policy of the Company.

As at March 31, 2024, the company did not consider there to be any significant concentration of credit risk, which had not been adequately provided for. The carrying amount of the financial assets recorded in the standalone financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

**38.2 Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and market price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, investments, borrowings and term deposits with banks.

**38.2.1 Interest Rate Risk**

The interest rate risk exposure is mainly from changes in the interest rates. The interest rates are disclosed in the respective notes to the standalone financial statements of the Company. The breakup of the financial assets and liabilities on the basis of interest and non-interest nature is as under:

<b>(Rs. in lakhs)</b>		
<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Financial assets</b>		
<b>Non-interest bearing</b>		
Cash and cash equivalents	<b>8,745.24</b>	1,214.79
Other receivables	<b>3.75</b>	33.60
<b>Investments</b>	<b>495.95</b>	299.99
Others Financial Assets	<b>2,851.12</b>	394.82
Bank balances other than cash and cash equivalents -Unclaimed Dividend account	<b>5.48</b>	5.49
Loans*	<b>1,077.82</b>	746.49
<b>Interest bearing</b>	-	500.05
Cash and cash equivalents – Term Deposit with Bank		
Bank balances other than cash and cash equivalents Other Bank Balances	<b>874.71</b>	- 9,439.05
Term Deposits – Fixed interest rate	<b>13,155.21</b>	663.10
Term Deposits – Floating interest rate	<b>2,332.83</b>	
Loans	<b>60,851.75</b>	25,106.96
<b>Financial liabilities</b>		
<b>Non-interest bearing</b>		
Trade Payables	-	-
Other Financial Liabilities	<b>3,649.22</b>	1,455.87
<b>Interest bearing</b>		
Debt securities	<b>6,461.36</b>	5,827.19
Borrowings (other than debt securities) Fixed interest rate	<b>24,458.29</b>	8,420.03
Floating interest rate	<b>33,087.56</b>	8,351.75

\*represents interest on loans Rs. 1,077.82 lakhs (March 31, 2023 - Rs. 746.49 lakhs)

**Sensitivity Analysis**

The table below summaries the impact of increase and decrease in rate of interest on the Company's Equity/ other assets and profit for the year. The analysis is based on the assumption that the interest rate has increased/decreased by 50 base point.

Notes forming part of the standalone financial statements for the year ended 31 March 2024

(a) Interest rate sensitivity – Debt securities

Particulars	(Rs. in lakhs)	
	F.Y. 2023-24	F.Y. 2022-23
50 bp increase would decrease the profit before tax by	(32.31)	(29.14)
50 bp decrease would Increase the profit before tax by	32.31	29.14

(b) Interest rate sensitivity – Borrowings (other than Debt Securities)

Particulars	(Rs. in lakhs)	
	F.Y. 2023-24	F.Y. 2022-23
50 bp increase would decrease the profit before tax by	(165.44)	(41.76)
50 bp decrease would Increase the profit before tax by	165.44	41.76

(c) Interest rate sensitivity - Loans

Particulars	(Rs. in lakhs)	
	F.Y. 2023-24	F.Y. 2022-23
50 bp increase would increase the profit before tax by	304.26	125.53
50 bp decrease would decrease the profit before tax by	(304.26)	(125.53)

(d) Interest rate sensitivity – Term Deposits with Banks

Particulars	(Rs. in lakhs)	
	F.Y. 2023-24	F.Y. 2022-23
50 bp increase would increase the profit before tax by	11.66	3.32
50 bp decrease would decrease the profit before tax by	(11.66)	(3.32)

38.2.2 Foreign Currency Risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company is exposed to foreign exchange risk arising from foreign currency borrowings [ECB]. Foreign currency risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency (INR).

Foreign Currency Risk Management

The Company's risk management committee is responsible to frame, implement and monitor the risk management plan of the Company. The committee carry out risk assessment with regard to foreign exchange variances and suggests risk minimization procedures and implement the same.

Foreign Currency Exposure

The Company's exposure to foreign currency at the end of the reporting period expressed in INR are as follows:

Financial Liabilities	F.Y. 2023-24	F.Y. 2022-23
Debt securities	5,904.01	5,895.60
Borrowings other than debt securities	515.76	-

Foreign Currency Risk Sensitivity Analysis

There is no risk of foreign fluctuation on the Company as the amount of loan is fixed in Indian rupees (INR) and hence, sensitive analysis is not given.

38.2.3 Market Price Risk

Market price risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices of equity shares and mutual funds units. In the case of the Company, market risk primarily impacts financial instruments such as Investment in Mutual Funds, Equity Shares etc. measured at fair value through profit or loss.

The Company exposure to market price risk arising from Investments held by the Company and is classified in the standalone financial statements at fair value through profit or loss. Categories of Investments held by the Company is given below:

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

	(Rs. in lakhs)	
Particulars	Mutual Funds	Others
<b>Market value as at March 31, 2024</b>	<b>451.45</b>	-
Market value as at March 31, 2023	299.99	-

**Sensitivity Analysis**

The table below summaries the impact of increase and decrease of the index on the Company's Equity/ other assets and profit for the year. The analysis is based on the assumption that the instrument index has increased by 5% or decreased by 5% with all other variables held constant.

	(Rs. in lakhs)	
Particulars	F.Y. 2023-24	F.Y. 2022-23
5% increase would increase the profit before tax by	<b>22.57</b>	15.00
5% decrease would decrease the profit before tax by	<b>(22.57)</b>	(15.00)

**38.3 Liquidity Risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Liquidity risk are managed through combination of strategies like managing tenors in line with asset liability management policy and adequate liquidity cover is maintained. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Senior management. Management monitors the Company liquidity position through rolling forecasts on the basis of expected cash flows.

The analysis of financial liabilities by remaining contractual maturities:

	(Rs. in lakhs)			
Particulars	Less than 1 year / On demand	1 to 5 years	> 5 years	Total
<b>Year ended March 31, 2024</b>				
Debt securities	589.67	5,942.75	-	6,532.42
Borrowings (other than Debt Securities) (including interest)	36,475.95	21,687.59	504.00	58,667.54
Other financial liabilities	1,073.24	2,767.48	-	3,840.72
<b>Year ended March 31 2023</b>				
Debt securities	77.85	-	5,817.75	5,895.60
Borrowings (other than Debt Securities) (including interest)	9,995.05	6,384.98	600.00	16,980.03
Other financial liabilities	714.23	607.48	134.16	1,455.87

**39. Other Financial Instruments Disclosures**

**39.1 Financial Instruments by Category**

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

	(Rs. in lakhs)				
Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total Carrying value	Total fair value
<b>Assets:</b>					
(a) Investment in Mutual fund	-	451.45	-	451.45	451.45
(b) Investment in Equity – Subsidiaries (Unquoted)	16.50	-	-	16.50	16.50
(c) Investment in Equity – Others (Unquoted)	-	28.00	-	28.00	28.00
(d) Other receivables	3.75	-	-	3.75	3.75
(e) Loans	61,929.57	-	-	61,929.57	61,929.57
(f) Other financial assets	2,851.12	-	-	2,851.12	2,851.12
(g) Cash and cash	8,745.24	-	-	8,745.24	8,745.24

Notes forming part of the standalone financial statements for the year ended 31 March 2024

Equivalents					
(h) Bank balance other than cash and cash equivalents	16,368.23	-	-	16,368.23	16,368.23
<b>Liabilities:</b>					
(a) Debt securities	6,461.36	-	-	6,461.36	6,461.36
(b) Borrowings (other than Debt Securities)	57,545.85	-	-	57,545.85	57,545.85
(c) Other financial liabilities	3,649.22	-	-	3,649.22	3,649.22

The carrying value and fair value of financial instruments by categories as at March 31, 2023 are as follows:

(Rs. in lakhs)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total Carrying value	Total fair value
<b>Assets:</b>					
(a) Investment in Mutual Fund	-	299.99	-	299.99	299.99
(b) Other receivables	33.60	-	-	33.60	33.60
(c) Loans	25,853.45	-	-	25,853.45	25,853.45
(d) Other financial assets	394.82	-	-	394.82	394.82
(e) Cash and cash Equivalents	1,714.84	-	-	1,714.84	1,714.84
(f) Bank balance other than cash and cash equivalents	10,107.64	-	-	10,107.64	10,107.64
<b>Liabilities:</b>					
(a) Debt securities	5,827.19	-	-	5,827.19	5,827.19
(b) Borrowings (other than Debt Securities)	16,771.78	-	-	16,771.78	16,771.78
(c) Other financial liabilities	1455.87	-	-	1455.87	1455.87

### 39.2 Fair Value Hierarchy

**39.2.1** This section explains the judgments and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the standalone financial statements. It does not include fair value information for financial assets and liabilities if the carrying amount is a reasonable approximation of fair value.

(Rs. in lakhs)

Particulars	March 31, 2024			March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets and Liabilities which are measured at fair value: recurring fair value measurement</b>						
<b>Assets:</b>						
(a) Investment in Mutual Fund	451.45	-	-	299.99	-	-
(b) Investment in Equity – Subsidiaries (Unquoted)	-	-	16.50	-	-	-
(c) Investment in Equity – Others (Unquoted)	-	-	28.00	-	-	-
<b>Financial Assets and Liabilities which are measured at amortized cost for which fair values are disclosed</b>						
<b>Assets:</b>						
(a) Investment in Commercial Paper	-	-	-	-	-	-
<b>Liabilities:</b>						
(a) Lease Liabilities	-	-	726.11	-	-	245.09

### 39.2.2 Measurement of fair values

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



**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.  
 Level 2 - Input other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).  
 Level 3- Inputs for the assets or the liabilities that are not based on observable market data (unobservable Inputs)

**Valuation Methodologies of financial instruments measured at fair value:**

Type of Instruments	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Units of Mutual Funds	The Fair values of investments in Mutual Fund Units is based on the Net Asset Value (NAV) as stated by the issuer of these Mutual Fund Units in the published statements as at Balance Sheet date and are classified as Level 1. NAV represents the price at which the issuer will further units of Mutual Funds and the price at which issuers will redeem such units from the investors.	Not Applicable	Not Applicable
Financial assets and financial liabilities measured at FVTPL	Fair value is determined using the discounted cash flow method which considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not Applicable	Not Applicable
Equity Shares – unquoted	1) Income approach – Discounted Cash Flow Method 2) Net Asset Value/Net worth, based on the independent valuation report or financial statements of the Company.	1) Discount rate 2) Terminal rate	1) Higher the discount rate, lower the fair value. 2) Higher the terminal rate, higher the fair value
Financial assets and financial liabilities measured at amortised cost	Discounted cash flow method: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.  Fair value of borrowings which have a quoted market price in an active market is based on its market price.	Not Applicable	Not Applicable

**(i) Fair value of financial assets and liabilities measured at amortized cost:**

**(Rs. in lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023
Bonds	-	-
Lease liabilities	<b>726.11</b>	245.09

The fair value of the financial assets is included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

**(ii) The following methods and assumptions are used to estimate the fair value:**

- (a) Fair value of cash and cash equivalents, trade and other receivables, other payables and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

(b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

**40. Maturity profile of Assets and Liabilities**

(Rs. in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>Financial Assets</b>				
Cash and cash equivalents	8,745.24	-	1,714.84	-
Bank balance other than cash and cash equivalents	15,387.27	980.96	9,444.54	663.10
Other receivables	3.75	-	33.60	-
Loans	32,059.38	29,870.19	16,831.48	9,021.97
Investments	451.45	44.50	299.99	-
Others Financial Assets	2,826.63	24.49	382.06	12.76
<b>Non-Financial Assets</b>				
Current tax assets (Net)	278.24	-	74.15	-
Deferred Tax Assets (Net)	-	-	-	60.10
Property, plant and equipment	-	45.83	-	42.58
Intangible Assets	-	120.57	-	29.52
Right of Use Assets	38.10	677.98	-	243.05
Other non-financial assets	1,000.45	3.49	693.55	-
<b>Financial Liabilities</b>				
Debt securities	578.25	5,883.11	77.85	5,749.34
Borrowing (other than debt securities)	35,886.14	21,659.71	9,954.68	6,817.10
Other financial liabilities	1,004.07	2,645.15	714.23	741.64
<b>Non-Financial Liabilities</b>				
Provisions	1.91	44.15	0.30	15.37
Deferred tax liabilities (net)	-	317.26	-	-
Other Non-Financial Liabilities	128.82	-	108.64	-

**41. Related Party disclosures as required by Ind AS-24**

**41.1 List of related parties and relationship:**

S.No	Relation	Name	Particulars
1	Holding Company	Hindon Mercantile Limited	w.e.f. March 09,2022
2	Key Management Personnel (KMP)	Shri Kapil Garg Shri Adish Kumar Jain Shri Mayank Pratap Singh Shri Pankaj Gupta Smt. Gunjan Jain	Managing Director w.e.f. March 09,2022 Chief Financial Officer till September 30,2022 Company Secretary w.e.f. March 09,2022 Chief Executive Officer w.e.f. May 18,2022 Chief Financial Officer w.e.f. November 14,2022
3	Subsidiaries	Mufin Green Infra Limited Mufin Green Leasing Private Limited	w.e.f March 02,2024 w.e.f August 08,2023
4	Fellow Subsidiaries	Hindon Peer to Peer Finance Private Limited Hindon Account Aggregation Services Private Limited Mufinpay Payment Solutions Private Limited Bimapay Finsure Private Limited	w.e.f. March 09,2022 w.e.f. March 09,2022 w.e.f. May 05,2022 w.e.f. April 11,2022
5	Subsidiary of Fellow Subsidiary	Fintelligence Data Science Private Limited	w.e.f. March 09,2022
6	Non-Executive Directors and Independent Director	Shri Manoj Kumar Bhatt Shri Abhinav Tambi Shri Nitin Goel Shri Hemant Bhageria	w.e.f. March 09,2022 till August 23,2023 w.e.f. March 09,2022 w.e.f. March 09,2022

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

		Shri Aishwarya Mani Kachhal Smt. Srishti Agarwal	w.e.f. February 17,2023 w.e.f. August 11,2023
7	Non-Executive Directors	Smt. Neha Agarwal	till August 03, 2023
8	Director of Holding Company	Shri Luv Khanna	
9	Entities over which Directors/KMPs have significant influence / Relatives of Directors/KMP with whom transactions have taken place	Electric Mobility Financiers Association of India w.e.f. March 09,2022 Smt. Shelly Garg Shri Saurabh Garg Smt. Pooja Garg Bima Pay Technology Private Limited	

**41.2 The following transactions were carried out with Related parties in the ordinary course of business:**

(Rs. in lakhs)

Name of the Related party	Nature of transaction	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Fintelligence Data Science Private Limited	Services Fees	2.16	10.62
	Loan given	50.00	-
	Interest Income	1.58	-
Hindon Mercantile Limited	Advances given	-	1,108.97
	Loan given	1,917.63	-
	Interest income	31.42	95.99
	Loan Portfolio acquired	23.91	1,062.99
	Money received against share warrants	441.52	147.17*
	Dividend paid	-	29.11
	Advance received back	-	1,704.85
	Loan received back	550.54	-
	EMI collected on our behalf and refunded back	3.69	973.58
	Reimbursements of payments made on our behalf	31.81	12.59
Mufin Green Leasing Private Limited	Subscription to Equity Capital	10.00	-
Mufin Green Infra Limited	Subscription to Equity Capital	6.50	-
	Advances given	3.50	-
Bimapay Finsure Private Limited	Professional Fees	6.72	1.61
Shri Luv Khanna	Professional Fees	17.70	-
Shri Nitin Goel	Director Sitting fees	1.20	1.50
Shri Hemant Bhageria	Director Sitting fees	1.35	1.50
Shri Manoj Kumar Bhatt	Director Sitting fees	1.35	1.50
Smt. Srishti Agarwal	Director Sitting fees	0.60	-
Shri Abhinav Tambi	Director Sitting fees	-	0.75
Shri Kapil Garg	Director Remuneration	85.92	-
	Money received against share warrants	151.25*	-
	Dividend paid	-	0.18
Smt. Shelly Garg	Money received against share warrants	151.25*	-
Shri Saurabh Garg	Money received against share warrants	151.25*	-
Smt. Pooja Garg	Money received against share warrants	151.25*	-
Bima Pay Technology Private Limited	Money received against share warrants	151.25*	-
Electric Mobility Financiers Association of India	Membership fees	0.21	0.21
Shri Adish Kumar Jain	Remuneration	-	10.01
Shri Mayank Pratap Singh	Remuneration	11.14	10.35
Shri Pankaj Gupta	Remuneration	35.90	25.75

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

Smt. Gunjan Jain	Remuneration	<b>18.94</b>	7.73
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\*balance 75% i.e. 453.75 lakhs (March 31, 2023 – 441.52 lakhs) to be paid by each in future.

**41.3 Outstanding balances with Related parties**

(Rs. in lakhs)

Name of the related party	Nature	As at March 31, 2024	As at March 31, 2023
Fintelligence Data Science Private Limited	Other payable	-	0.47
	Loan and interest thereon	<b>51.58</b>	-
Bimapay Finsure Private Limited	Other Payable	<b>1.15</b>	-
Mufin Green Infra Limited	Advances	<b>3.50</b>	-
Hindon Mercantile Limited	Loan outstandings	<b>1,367.09</b>	-
Shri Mayank Pratap Singh	Remuneration	<b>0.85</b>	0.83
Shri Pankaj Gupta	Remuneration	<b>2.50</b>	2.24
Smt. Gunjan Jain	Remuneration	<b>1.27</b>	0.65

**41.4 Loans and advances in the nature of loans given to Subsidiaries, Joint Ventures, Associates and Companies in which directors are interested – Disclosure under Regulation 34(3) read together with paragraph A Schedule V of SEBI (LODR)**

(Rs. in lakhs)

Name of the related party	Nature of transaction	As at March 31, 2024	As at March 31, 2023
Hindon Mercantile Limited	Loan given	<b>1,917.63</b>	-
	Maximum loan amount outstanding during the year*	<b>1,600.00</b>	-
Fintelligence Data Science Private Limited	Loan given	<b>50.00</b>	-
	Maximum loan amount outstanding during the year*	<b>50.00</b>	-

\*excluding interest

**41.5 Particulars of Remuneration to Key Management Personnel**

(Rs. in lakhs)

Particulars	Shri Kapil Garg, Managing Director		Shri Mayank Pratap Singh, Company Secretary	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Salary and Allowances	<b>85.92</b>	-	<b>10.42</b>	9.82
Contribution to PF	-	-	<b>0.22</b>	0.22
Bonus	-	-	<b>0.51</b>	0.31
Value of perquisites *	-	-	-	-

(Rs. in lakhs)

Particulars	Shri Pankaj Gupta, Chief Executive Officer		Smt Gunjan Jain, Chief Financial Officer	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Salary and Allowances	<b>34.15</b>	24.48	<b>16.95</b>	7.64
Contribution to PF	<b>0.22</b>	0.20	<b>1.10</b>	0.09
Bonus	<b>1.53</b>	1.07	<b>0.89</b>	-
Value of perquisites *	-	-	-	-

(Rs. in lakhs)

Particulars	Shri Adish Kumar Jain, Chief Financial Officer	
	Year ended March 31, 2024	Year ended March 31, 2024
Salary and Allowances	-	<b>9.00</b>
Contribution to PF	-	<b>0.11</b>

Notes forming part of the standalone financial statements for the year ended 31 March 2024

Bonus	-	0.90
Value of perquisites *	-	-

\* calculated as per Income Tax Rules

41.6 No amount pertaining to related parties has been provided for as doubtful debts or written off.

42. Earnings per Share (EPS)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit for the year (before OCI) (Rs. in lakhs)	1,606.39	811.67
Weighted average number of Equity Shares*	152,434,503	46,806,437
Diluted average number of Equity Shares*	153,439,093	46,923,643
Basic earnings per share (Rs.)	1.05	1.73
Diluted earnings per share (Rs.)	1.05	1.73
Face value of each share (Re.)	1	1

\*Recasted due to split of share (Refer Note 20(a)) and bonus shares (Refer Note 20(g)(ii))

43. Change in Liabilities arising from Financial Activities

Particulars	(Rs. in lakhs)				
	April 01, 2023	Cash flows	Others	New Leases	March 31, 2024
Debt Securities	5,827.19	607.83	26.34	-	6,461.36
Borrowings other than debt securities	16,771.78	40,696.34	77.73	-	57,545.85
Lease Liabilities	245.09	(119.42)	36.59	563.85	726.11
Total	22,844.06	41,184.75	140.66	563.85	64,733.32

Particulars	(Rs. in lakhs)				
	April 01, 2022	Cash flows	Others	New Leases	March 31, 2023
Debt Securities	-	5,747.87	79.32	-	5,827.19
Borrowings other than debt securities	-	16,755.25	16.53	-	16,771.78
Lease Liabilities	-	(38.00)	9.03	274.06	245.09
Total	-	22,465.12	104.88	274.06	22,844.06

- Others column represents the effect of interest accrued but not due on borrowing, amortization of processing fees etc.

- Liabilities represents of Debt securities, Borrowings (other than debt securities) and Lease Liabilities.

44. Disclosures of Leases pursuant to Ind AS 116

i) Company as Lessee

44.1 The Company has taken building on operating lease for office use.

44.2 Amounts recognized in Standalone statement of profit and loss

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation Expenses	103.66	36.21
Rent	3.61	-
Interest Expenses	36.59	9.03
Total	143.86	45.24

44.3 The changes in the carrying value of right of use assets (ROU)

Particulars	(Rs. In lakhs)	
	Buildings	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	243.05	-
Additions	576.69	279.26
Deletion/Adjustment	-	-

Notes forming part of the standalone financial statements for the year ended 31 March 2024

Depreciation	(103.66)	(36.21)
<b>Balance at the end of the year</b>	<b>716.08</b>	<b>243.05</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Standalone Statement of Profit and Loss.

44.4 The break-up of current and non-current lease liabilities

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current lease liabilities	152.41	58.49
Non-current lease liabilities	573.70	186.60
<b>Total</b>	<b>726.11</b>	<b>245.09</b>

44.5 The movement in lease liabilities

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Balance at the beginning of the year</b>	<b>245.09</b>	-
Additions	563.85	274.06
Interest Expenses	36.59	9.03
Deletions	-	-
Payment of lease liabilities	(119.42)	(38.00)
<b>Balance at the end of the year</b>	<b>726.11</b>	<b>245.09</b>

44.6 The details regarding the contractual maturities of lease liabilities on an undiscounted basis

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	221.57	78.18
One to five years	696.04	217.71
More than five years	-	-
<b>Total</b>	<b>917.61</b>	<b>295.89</b>

(II) Company as Lessor

- i) The Company has given certain property, plant and equipment on finance leases. The lease is for a fixed period and is cancellable subject to fulfillment of certain conditions. There are no exceptional/ restrictive covenants in the lease agreement. There are no significant risks associated with rights that the Company retains in underlying assets.
- ii) Maturity analysis of minimum undiscounted lease receivables and the present value of minimum lease payments receivable is as under:

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Receivable not later than 1 year	4,488.99	1,256.16
Receivable later than 1 year but not later than 2 year	4,337.43	1,262.06
Receivable later than 2 year but not later than 3 year	3,037.62	1,592.89
Receivable later than 3 year but not later than 4 year	2,846.63	332.94
Receivable later than 4 year but not later than 5 year	1,853.68	332.94
Receivable later than 5 years	112.29	161.89
<b>Gross investment in lease</b>	<b>16,676.64</b>	<b>4,938.88</b>
Less: Unearned finance income	(4,213.46)	(1,216.93)
<b>Present value of minimum lease payment receivable</b>	<b>12,463.18*</b>	<b>3,721.95*</b>
Less: Impairment loss allowance	(62.59)	(18.61)

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

<b>Total Net Receivables</b>	<b>12,400.59</b>	3,703.34
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\*including processing fees of Rs. 85.64 lakhs (March 31, 2023- Rs. 48.81 lakhs and other charges of Nil (March 31, 2023- Rs. 6.20 lakhs) to be amortized in future.

- iii) Finance lease income on net investment in lease recognized in standalone statement of profit and loss during the financial year ended March 31, 2024 is **Rs. 1,157.93 lakhs** (March 31, 2023 - Rs. 182.61 lakhs)
- iv) Finance lease income relating to variable lease payments not depending on index/rate – **Nil** (March 31, 2023 – Nil)
- v) Changes in carrying amount of net investment in finance lease.

(Rs. in lakhs)

Particulars	Current	Non-Current	Total
<b>Opening value of Lease Receivables as on April 1,2022</b>	-	-	-
Add: Additions during the year	201.76	3,666.94	3,868.70
Add: Finance lease income recognized in Standalone statement of profit and loss	182.61	-	182.61
Less: Lease rental received (cash payment)	(384.37)	-	(384.37)
Add/Less: Change on account of any other factors	784.56	(784.56)	-
<b>Closing value of Lease Receivables as on March 31,2023</b>	784.56	2,882.38	3,666.94
Add: Additions during the year	<b>661.04</b>	<b>9,478.19</b>	<b>10,139.23</b>
Add: Finance lease income recognized in Standalone statement of profit and loss	<b>1,157.93</b>	-	<b>1,157.93</b>
Less: Lease rental received (cash payment)	<b>(2,586.56)</b>	-	<b>(2,586.56)</b>
Add/Less: Change on account of any other factors	<b>2,871.51</b>	<b>(2,871.51)</b>	-
<b>Closing value of Lease Receivables as on March 31,2024</b>	<b>2,888.48</b>	<b>9,489.06</b>	<b>12,377.54</b>

45. The Company's main business is Financing and Investing activities. All activities are carried out within India. As such there are no reportable segments as per Ind AS 108 - 'Operating Segments'.

46. **Disclosure as per RBI Notifications / Circulars / Directions**

The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time

**(a) Capital:**

(In Percentage)

Ratio	As at March 31,2024	As at March 31,2023
Capital to risk-weighted assets ratio (CRAR)	<b>36.53</b>	53.97
Tier I CRAR	<b>36.03</b>	53.46
Tier II CRAR	<b>0.50</b>	0.51
Amount of subordinated debt raised as Tier-II capital	<b>Nil</b>	Nil
Amount raised by issue of Perpetual Debt Instruments	<b>Nil</b>	Nil

**(b) Investments:**

(Rs. in lakhs)

Particulars	As at March 31,2024	As at March 31,2023
<b>(1) Value of Investments :</b>		
(i) Gross Value of Investments		
(a) In India	<b>495.95</b>	299.99
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	<b>495.95</b>	299.99
(b) Outside India	-	-

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

<b>(2)</b>	<b>Movement of provisions held towards depreciation on investments :</b>		
(i)	Opening Balance	-	-
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

**(c) Derivatives:**

**i. Forward Rate Agreement / Interest Rate Swap**

(Rs. in lakhs)

<b>Particulars</b>		<b>As at March 31,2024</b>	<b>As at March 31,2023</b>
(i)	The notional principal of swap agreements	Nil	Nil
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Nil	Nil
(iii)	Collateral required by the applicable NBFC upon entering into swaps	Nil	Nil
(iv)	Concentration of credit risk arising from the swaps	Nil	Nil
(v)	The fair value of the swap book	Nil	Nil

**ii. Exchange Traded Interest Rate (IR) Derivates**

(Rs. in lakhs)

<b>S.No.</b>	<b>Particulars</b>	<b>As at March 31,2024</b>	<b>As at March 31,2023</b>
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Nil	Nil
(ii)	Notional principal amount of exchange traded IR derivatives outstanding (instrument-wise)	Nil	Nil
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Nil	Nil
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Nil	Nil

**iii. Disclosures on Risk Exposure in Derivatives**

(Rs. in lakhs)

<b>Particular</b>		<b>Currency Derivatives</b>		<b>Interest Rate Derivatives</b>	
		<b>As at March 31,2024</b>	<b>As at March 31,2023</b>	<b>As at March 31,2024</b>	<b>As at March 31,2023</b>
Derivatives (Notional Principal Amount)					
For hedging		Nil	Nil	Nil	Nil
Marked to Market Positions [1]					
a)	Asset (+)	Nil	Nil	Nil	Nil
b)	Liability (-)	Nil	Nil	Nil	Nil
Credit Exposure [2]		Nil	Nil	Nil	Nil
Unhedged Exposures		Nil	Nil	Nil	Nil



(d) Asset liability management as at March 31, 2024

(Rs. in lakhs)

Particulars	1 to 7 days	8 to 14 days	Over 15 days to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
<b>LIABILITIES</b>											
<b>Financial Liabilities</b>											
a) Debt securities			44.13	40.72	40.72	208.4	244.28	122.14	5,760.97		6,461.36
b) Borrowings (other than debt securities)	1,139.98	260.53	1,096.41	1,875.74	2,596.07	10,446.41	18,471.00	16,857.61	4,298.10	504	57,545.85
c) Other financial liabilities	306.59		318.48	116.98	120.06	37.16	104.8	1,030.02	1,615.13		3,649.22
<b>Non-Financial Liabilities</b>											
a) Provisions							1.91			44.15	46.06
b) Deferred tax liabilities (net)										317.26	317.26
c) Other non-financial liabilities			89.73		39.09						128.82
<b>Equity</b>											
a) Equity share capital										1,621.05	1,621.05
b) Other equity										22,788.90	22,788.90
<b>A. TOTAL OUTFLOWS (A)</b>	<b>1,446.57</b>	<b>260.53</b>	<b>1,548.75</b>	<b>2,033.44</b>	<b>2,795.94</b>	<b>10,691.97</b>	<b>18,821.99</b>	<b>18,009.77</b>	<b>11,674.20</b>	<b>25,275.36</b>	<b>92,558.52</b>
<b>ASSETS</b>											
<b>Financial Assets</b>											
a) Cash and cash equivalents	8,745.24										8,745.24
b) Bank balances other than cash and cash equivalents	4,823.07		1,968.61	140	776.54	5,346.66	2,332.39	668.14	312.82		16,368.23
c) Receivables											
- Other Receivables	3.75										3.75
d) Loans	2,759.22	53.45	1,409.72	3,196.29	2,531.88	9,955.38	12,153.44	17,688.49	12,181.70		61,929.57
e) Investments					451.45					44.5	495.95
f) Other financial assets			1,177.55	293.12	590.44	756.09	9.43		24.29	0.2	2,851.12
<b>Non-Financial Assets</b>											
a) Current tax assets (net)							278.24				278.24
b) Deferred tax assets (net)											-
c) Property, plant and equipment								34.47	5.24	6.12	45.83
d) Intangible assets								120.57			120.57
e) Right of use assets							38.1	4.54	673.44		716.08
f) Other non-financial assets			185.79	139.98	349.35	112.9	212.43	3.49			1003.94
<b>B. TOTAL INFLOWS (B)</b>	<b>16331.28</b>	<b>53.45</b>	<b>4741.67</b>	<b>3769.39</b>	<b>4699.66</b>	<b>16171.03</b>	<b>15024.03</b>	<b>18519.7</b>	<b>13197.49</b>	<b>50.82</b>	<b>92558.52</b>
Mismatch ( B- A)	14884.71	-207.08	3192.92	1735.95	1903.72	5479.06	-3797.96	509.93	1523.29	-25224.54	
Cumulative mismatch	14884.71	14677.63	17870.55	19606.5	21510.22	26989.28	23191.32	23701.25	25224.54	0	

Notes forming part of the standalone financial statements for the year ended 31 March 2024

(e) Exposures

(i) Exposure to Real Estate Sector:

(Rs. in lakhs)

Particulars		As at March 31,2024	As at March 31,2023
<b>(A)</b>	<b>Direct Exposure</b>		
<b>(i)</b>	<b>Residential Mortgages:-</b>		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	-	-
<b>(ii)</b>	<b>Commercial Real Estate:-</b>		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits.	-	-
<b>(iii)</b>	<b>Investments in Mortgage Backed Securities (MBS) and other securitized exposures:-</b>		
	(a) Residential	-	-
	(b) Commercial Real Estate	-	-
<b>(B)</b>	<b>Indirect Exposure</b>		
	Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
	<b>Total Exposure to Real Estate Sector</b>	-	-

(ii) Exposure to Capital Market:

(Rs. in lakhs)

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	500.00	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii)	Bridge loans to companies against expected equity flows / issues	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds:		
	(i) Category I	-	-
	(ii) Category II	-	-
	(iii) Category III	-	-

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

(xi)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	<b>Total Exposure to Capital Market</b>	<b>500.00</b>	-

**(iii) Intra-group exposures**

(Rs. in lakhs)			
S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
i	Total Amount of Intra-group exposures	<b>1,418.68</b>	-
ii	Total amount of top 20 intra-group exposures	<b>1,418.68</b>	-
iii	Percentage of intra-group exposures to total exposures of the NBFC on borrowers/customers	<b>2.27%</b>	-

(iv) There is no unhedged foreign currency exposure as at March 31, 2024 (March 31, 2023 – Nil)

(v) Detail of financing of parent Company products: Nil (March 31, 2023 – Nil)

(vi) Details of the Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded as per prudential exposure limits during the year: Nil (March 31, 2023 – Nil)

(vii) Unsecured advances: Gross loans and advances includes unsecured advances of **Rs. 2,880.31 lakhs** (March 31, 2023 – 2,927.25 lakhs). There are no advances secured against intangible assets.

(f) Registration obtained from financial sector/other regulators:

RBI: vide registration number B-10.00247

Ministry of Corporate Affairs: L65990RJ2016PLC054921

(g) Details of Penalties imposed by RBI and other regulators:

During the year ended March 31, 2024, BSE Limited had imposed penalty of Rs.0.20 lakhs on the Company for delay of 1 day in implementation of bonus issue. During the previous year ended March 31, 2023, BSE Limited had imposed penalty of Rs. 0.08 lakhs for delay of 4 days in filing Corporate Governance Report for quarter ended June 30, 2022.

(h) Ratings assigned by Credit Rating Agencies during the year: ACUITE BBB (STABLE) rating by Acuite Ratings and Research Limited for non-convertible debentures, long term instruments and bonds. The rating is same as was in the preceding year. Migration of ratings during the year: Nil

(i) Details of the material transactions entered by the Company with related parties and nature of the relationship as per the Indian Accounting Standard on 'Related Party Disclosures' (Ind AS 24) and remuneration to directors: Refer Note 41

(j) During the year, a) no prior period items occurred which has material impact on Standalone statement of profit and loss, b) the Company implemented Ind AS as required by Ministry of Corporate Affairs and c) there were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

(k) Revenue Recognition – Refer note 2.5.1

(l) The Company has prepared the consolidated financial statements as it has two subsidiaries.

**(m) Provisions and Contingencies**

(Rs. in lakhs)		
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2024	As at March 31, 2023
Provisions for depreciation on Investment	-	-
Provision towards NPA	<b>167.61</b>	97.83
Provision made towards Income tax (net)	-	-
Other Provision and Contingencies (Employee Benefit Payable)	<b>46.06</b>	15.67
Provision for Standard Assets	<b>325.79</b>	141.51

(n) There is no draw down of special reserves created under section 45-IC of RBI Act, 1934 and Impairment Reserve in terms of RBI notification RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated March 13, 2020.

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

**(o) Concentration of Deposits, Advances, Exposures and NPAs**

1. Concentration of Deposits: Not Applicable
2. Concentration of Advances

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Advances to twenty largest borrowers	<b>20,350.48</b>	8,522.76
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	<b>32.61%</b>	32.58%

**1. Concentration of Exposures**

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers / customers	<b>20,350.48</b>	8,522.76
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	<b>32.61%</b>	<b>31.78%</b>

**2. Concentration of NPAs**

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to top four NPA accounts	<b>13.68</b>	6.69

**3. Sector-wise exposure and NPAs**

(Rs. in lakhs)

Sectors	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	% of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	% of Gross NPAs to total exposure in that sector
<b>1. Agriculture and Allied Activities</b>	-	-	-	-	-	-
<b>2. Industry</b>						
Micro and Small						
i. Mining and Quarrying (incl. Coal)	-	-	-	-	-	-
ii. Vehicles, Vehicle Parts and Transport Equipment	<b>5,196.99</b>	-	-	299.90	-	-
Total of Industry	<b>5,196.99</b>	-	-	299.90	-	-
<b>3. Services</b>						
i. Wholesale Trade	<b>2,608.49</b>	-	-	-	-	-
ii. Commercial Real Estate	<b>194.67</b>	-	-	252.36	-	-
iii. Non-Banking Financial Companies (NBFCs)	<b>4,432.52</b>	-	-	698.92	-	-
iv. Transport Operators	<b>12,063.83</b>	-	-	5,177.60	-	-
v. Other Services	<b>2,090.83</b>	-	-	2,077.41	-	-
Total of Services	<b>21,390.34</b>	-	-	8,206.29	-	-
<b>4. Personal Loans</b>						
i. Vehicle Loans	<b>35,809.82</b>	<b>1,107.68</b>	<b>3.09%</b>	18,220.94	615.47	3.38%
ii. Other Personal Loans	<b>16.91</b>	-	-	18.72	-	-
Total of Personal Loans	<b>35,826.73</b>	<b>1,107.68</b>	<b>3.09%</b>	18,239.66	615.47	3.37%

Notes forming part of the standalone financial statements for the year ended 31 March 2024

(p) Movement of NPAs

(Rs. in lakhs)

Particulars		As at March 31,2024	As at March 31,2023
(i)	Net NPAs to Net Advances (%)	1.47%	1.97%
(ii)	<b>Movement of NPAs (Gross)</b>		
	(a) Opening balance	615.47	-
	(b) Additions during the year	554.92	646.29
	(c) Reductions during the year	62.71	30.82
	(d) Closing balance	1,107.68	615.47
(iii)	<b>Movement of Net NPAs</b>		
	(a) Opening balance	517.64	-
	(b) Additions during the year	485.14	548.46
	(c) Reductions during the year	62.71	30.82
	(d) Closing balance	940.07	517.64
(iv)	<b>Movement of provisions for NPAs (excluding provisions on standard assets)</b>		
	(a) Opening balance	97.83	-
	(b) Provisions made during the year	132.49	128.65
	(c) Write-off / write-back of excess provisions	62.71	30.82
	(d) Closing balance	167.61	97.83

(q) Details of Gross Advances, Gross NPAs, Net Advances and Net NPAs for the year ended March 31,2024:

(Rs. in lakhs)

Particulars		Amount
<b>Part A</b>		
1.	Standard Advances	63,088.74
2.	Gross Non-performing assets (NPAs)	1,107.68
3.	Gross Advances (1+2)	64,196.42
4.	Gross NPAs as a percentage of Gross Advances (2/3) (in %)	1.73
5.	Deductions	
(i)	Provisions held in the case of NPA Accounts as per asset classification (including additional Provisions for NPAs at higher than prescribed rates).	167.61
(ii)	DICGC / ECGC claims received and held pending adjustment	Nil
(iii)	Part payment received and kept in Suspense Account or any other similar	Nil
(iv)	Balance in Sundries Account (Interest Capitalization – Restructured Accounts), in respect of NPA Accounts	Nil
(v)	Floating Provisions	Nil
(vi)	Provisions in lieu of diminution in the fair value of restructured accounts classified as	Nil
(vii)	Provisions in lieu of diminution in the fair value of restructured accounts classified as standard assets	Nil
6.	Net Advances (3-5)	64,028.81
7.	Net NPAs {2-5(i + ii + iii + iv + v + vi)}	940.07
8.	Net NPAs as percentage of Net Advances (7/6) (in %)	1.47
<b>Part B</b>		
1.	Provisions on Standard Assets excluding 5(vi) in Part A	325.79
2.	Interest recorded as Memorandum Item	106.86
3.	Amount of cumulative Technical Write - Off in respect of NPA accounts reported in Part A above	Nil

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

**Details of Gross Advances, Gross NPAs, Net Advances and Net NPAs for the year ended March 31,2023:**

		(Rs. in lakhs)
Particulars		Amount
<b>Part A</b>		
1.	Standard Advances	25,719.45
2.	Gross Non-performing assets (NPAs)	615.47
3.	Gross Advances (1+2 )	26,334.92
4.	Gross NPAs as a percentage of Gross Advances (2/3) (in %)	2.34
5.	Deductions	
(i)	Provisions held in the case of NPA Accounts as per asset classification (including additional Provisions for NPAs at higher than prescribed rates).	97.83
(ii)	DICGC / ECGC claims received and held pending adjustment	Nil
(iii)	Part payment received and kept in Suspense Account or any other similar	Nil
(iv)	Balance in Sundries Account (Interest Capitalization – Restructured Accounts), in respect of NPA Accounts	Nil
(v)	Floating Provisions	Nil
(vi)	Provisions in lieu of diminution in the fair value of restructured accounts classified as	Nil
(vii)	Provisions in lieu of diminution in the fair value of restructured accounts classified as standard assets	Nil
6.	Net Advances (3-5)	26,237.09
7.	Net NPAs {2-5(i + ii + iii + iv + v + vi)}	517.64
8.	Net NPAs as percentage of Net Advances (7/6) (in %)	1.97
<b>Part B</b>		
1.	Provisions on Standard Assets excluding 5(vi) in Part A	138.24
2.	Interest recorded as Memorandum Item	80.50
3.	Amount of cumulative Technical Write - Off in respect of NPA accounts reported in Part A above	Nil

(r) The Company does not have any overseas assets and any off balance sheet special purpose vehicle (SPV), which requires to be consolidated as per accounting norms.

**(s) Disclosure of complaints**

**1) Summary information on complaints received from customers and from the Offices of Ombudsman**

Sr. No	Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Complaints received by the NBFC from its customers</b>			
1.	Number of complaints pending at beginning of the year	Nil	Nil
2.	Number of complaints received during the year	Nil	Nil
3.	Number of complaints disposed during the year	Nil	Nil
3.1	Of which, number of complaints rejected by the NBFC	Nil	Nil
4.	Number of complaints pending at the end of the year	Nil	Nil
<b>Maintainable complaints received by the NBFC from Office of Ombudsman</b>			
5.	Number of maintainable complaints received by the NBFC from Office of Ombudsman	2	Nil
5.1	Of 5, number of complaints resolved in favor of the NBFC by Office of Ombudsman	Nil	Nil
5.2	Of 5, number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman	2	Nil
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	<b>Nil</b>	Nil
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**2) Top five grounds of complaints received from customers**

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
<b>NOC not received</b>	Nil	1	100%	Nil	Nil
<b>Loan Ownership</b>	Nil	1	100%	Nil	Nil

(t) Details of the Loans and Advances given against the collateral security of gold and gold jewellery: Nil (March 31, 2023 – Nil)

**(u) Disclosures on Liquidity Risk Management, to the extent applicable:**

**1. Funding concentration based on significant counter party**

(Rs. in lakhs)

S. No	As at March 31, 2024				As at March 31, 2023			
	Number Of significant counterparties	Amount	% of total deposits	% of total liabilities	Number of significant counterparties	Amount	% of total deposits	% of total liabilities
<b>1</b>	<b>29</b>	<b>65,199.96</b>	<b>N.A.</b>	<b>94.02%</b>	5	22,875.63	N.A.	93.55%

**2. Top 20 large deposits – Not Applicable**

**3. Top 10 Borrowings**

(Rs. in lakhs)

S. No.	Name	As at March 31, 2024			As at March 31, 2023		
		Borrowings from Party	Total borrowing	% of total borrowings	Borrowings from Party	Total borrowings	% of total borrowings
<b>1</b>	State Bank of India	<b>11,364.50</b>	<b>65,199.96</b>	<b>17.43%</b>	12,874.73	22,875.63	56.28%
<b>2</b>	AAV SARL	<b>2,952.01</b>	<b>65,199.96</b>	<b>4.53%</b>	2,947.80	22,875.63	12.89%
<b>3</b>	Masala Investments SARL	<b>2,952.01</b>	<b>65,199.96</b>	<b>4.53%</b>	2,947.80	22,875.63	12.89%
<b>4</b>	Indian Renewable Energy Development Agency Limited	<b>13,183.08</b>	<b>65,199.96</b>	<b>20.22%</b>	4,000.00	22,875.63	17.48%
<b>5</b>	HDFC Bank	-	-	-	105.30	22,875.63	0.46%
<b>6</b>	Northern Arc Capital Limited	<b>4,143.77</b>	<b>65,199.96</b>	<b>6.36%</b>	-	-	-
<b>7</b>	MAS Financial Services Limited	<b>3,994.79</b>	<b>65,199.96</b>	<b>6.13%</b>	-	-	-
<b>8</b>	Hinduja Leyland Finance Limited	<b>2,985.40</b>	<b>65,199.96</b>	<b>4.58%</b>	-	-	-
<b>9</b>	Yes Bank	<b>2,435.92</b>	<b>65,199.96</b>	<b>3.74%</b>	-	-	-
<b>10</b>	Kotak Mahindra investments Limited	<b>2,101.78</b>	<b>65,199.96</b>	<b>3.22%</b>	-	-	-
<b>11</b>	STCI Finance Limited	<b>1,937.50</b>	<b>65,199.96</b>	<b>2.97%</b>	-	-	-

Notes forming part of the standalone financial statements for the year ended 31 March 2024

4. Funding concentration based on instrument/product

(Rs. in lakhs)

S. No.	Name of the instrument	As at March 31, 2024		As at March 31, 2023	
		Amount	% of total liabilities	Amount	% of total liabilities
1	Debt securities	6,532.42	9.42%	5,895.60	24.11%
2	Term Loans from banks	8,092.59	11.67%	4,560.00	18.65%
3	Term Loans from other party	40,290.05	58.10%	4,000.00	16.36%
4	Working Capital Term Loan	504.58	0.73%	-	-
5	Overdrafts facility from Banks	9,780.32	14.10%	8,420.03	34.43%

5. Stock Ratios - Other Short Term Liabilities

(Rs. in lakhs)

S. No.	As at March 31, 2024				As at March 31, 2023			
	Other Short term liabilities	% of total public fund	% of total liabilities	% of total assets	Other Short term liabilities	% of total public fund	% of total liabilities	% of total assets
1	1,134.80	NA	1.64%	1.23%	823.15	NA	3.37%	2.08%

6. Institutional set-up for liquidity risk management for qualitative disclosure on liquidity risk management, refer note no. 38.3.

- (v) The Company has not undertaken any transaction during the current year and previous year for currency futures and currency options.
- (w) The Company has not accepted/holds any public deposits during the year.
- (x) RBI has not carried out any supervisory inspection during the financial year ended March 31, 2024 and March 31, 2023. Hence, no disclosure is required on divergence in asset classification and provisioning as per the requirement of as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time.

47. Disclosures pursuant to RBI Circular no. RBI/2019-20/170 DOR/NBFC.CC.PD NO.109/22.10.106/2019-20 dated March 13, 2020

As at March 31, 2024

(Rs. in lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	54,684.51	276.58	54,407.93	221.32	55.26
	Stage 2	6,621.87	40.30	6,581.57	26.87	13.43
<b>Subtotal</b>		<b>61,306.38</b>	<b>316.88</b>	<b>60,989.50</b>	<b>248.19</b>	<b>68.69</b>
<b>Non-Performing Assets (NPA)</b>						
Sub standard	Stage 3	1,107.68	167.61	940.07	111.74	55.87
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-



Notes forming part of the standalone financial statements 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	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
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		1,107.68	167.61	940.07	111.74	55.87
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,107.68	167.61	940.07	111.74	55.87
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	1,782.36	8.91	1,773.45	7.13	1.78
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		1,782.36	8.91	1,773.45	7.13	1.78
<b>Total</b>	Stage 1	56,466.87	285.49	56,181.38	228.45	57.04
	Stage 2	6,621.87	40.30	6,581.57	26.87	13.43
	Stage 3	1,107.68	167.61	940.07	111.74	55.87
	<b>Total</b>	64,196.42	493.40	63,703.02	367.06	126.34

As at March 31, 2023

(Rs. in lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	17,091.50	86.87	17,004.63	69.50	17.37
	Stage 2	8,385.82	51.37	8,334.45	34.25	17.12
<b>Subtotal</b>		25,477.32	138.24	25,339.08	103.75	34.49
<b>Non-Performing Assets (NPA)</b>						
Sub standard	Stage 3	615.47	97.83	517.64	62.12	35.71
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		615.47	97.83	517.64	62.12	35.71
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		615.47	97.83	517.64	62.12	35.71
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered	Stage 1	895.19	3.27	891.92	3.58	(0.31)
	Stage 2	-	-	-	-	-

Notes forming part of the standalone financial statements 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	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
under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3	-	-	-	-	-
Subtotal		895.19	3.27	891.92	3.58	(0.31)
Total	Stage 1	17,986.69	90.14	17,896.55	73.08	17.06
	Stage 2	8,385.82	51.37	8,334.45	34.25	17.12
	Stage 3	615.47	97.83	517.64	62.12	35.71
	<b>Total</b>	<b>26,987.98</b>	<b>239.34</b>	<b>26,748.64</b>	<b>169.45</b>	<b>69.89</b>

48. Other Regulatory Disclosures:

48.1 Details of loans not in default acquired from lenders listed in Clause 3 under the Master Direction – RBI (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021:

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate amount of loans acquired (Rs. in lakhs)	2,350.00	866.47
Weighted average maturity (in months)	14.30	13.97
Weighted average holding period (in months)	4.87	10.89
Retention of beneficial economic interest by the originator	5.32%	Nil
Tangible security coverage	100.00%	100.00%
Rating-wise distribution of rated loans	Not applicable	Not applicable

48.2 Details of stressed loans (Special Mention Accounts 'SMA') acquired from lenders listed in Clause 3 under the Master Direction – RBI (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate principal outstanding of loans acquired (Rs. in lakhs)	-	228.12
Aggregate consideration paid (Rs. in lakhs)	-	234.71
Weighted average residual tenor of loans acquired (in months)	-	12.98

48.3 Disclosures in terms of circular RBI/2021-2022/104/DOR.No.STR.REC.55/21.04.048/2021-22 dated October 1, 2021.

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Gross NPAs as on 01 April of particular year (Opening Balance)	615.47	-
Additions (Fresh NPAs) during the year	1,104.02	646.29
Sub-total (A)	1,719.49	646.29
Less:-		
(i) Upgradations	12.35	-
(ii) Recoveries (excluding recoveries made from upgraded accounts)	536.75	-
(iii) Technical/ Prudential Write-offs	-	-
(iv) Write-offs other than those under (iii) above	62.71	30.82

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

Sub-total (B)	<b>611.81</b>	30.82
Gross NPAs as on 31 March of following year (closing balance) (A-B)	<b>1,107.68</b>	615.47

**49 Other disclosures/information**

**49.1 Additional information required as per Schedule III of the Companies Act, 2013:**

**(i) Details of benami property held**

No proceedings have been initiated or are pending against the Company as at March 31,2024 for holding benami property under the Benami Transactions (Prohibition) Act (45 of 1988), as amended and rules made thereunder.

**(ii) Borrowing secured against current assets**

The Company has borrowed money from the banks and financial institutions (including NBFCs) against security of current assets of loan portfolio and term deposits with banks.

The quarterly/monthly statements of current assets for the financial year ended 31 March 2024, filed by the Company with banks and financial institutions are in agreement with books of accounts.

**(iii) Wilful defaulter**

The company is not declared wilful defaulter by any bank, financial institution or lender as at March 31,2024.

**(iv) Relationship with struck off companies**

There are no transactions made by the Company during the year with struck off companies as at March 31,2024.

**(v) Compliance with number of layers of companies**

The Company have complied with number of layers of companies as per the provisions of the Companies Act,2013.

**(vi) Compliance with approved scheme(s) of arrangements**

During the year, no scheme of arrangements in relation to the Company has been approved by the competent authority in terms of Section 232 to 237 of the Companies Act,2013.

**(vii) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are pending to be registered with the Registrar of Companies as on March 31,2024.

**(viii) Utilisation of borrowed funds and share premium**

As a part of normal lending business, the company grants loans and advances on the basis of security/guarantee provided by the Borrower/Co-borrower. These transactions are conducted after exercising proper due diligence.

Other than transactions described above, during the year, the Company has not advanced or lend or invested funds (either from the borrowed funds or share premium or any other sources or kind of funds) to any person or entity, including foreign entity (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

**(ix) Corporate Social Responsibility (CSR)**

The Company have spent Rs. 21.15 lakhs towards CSR activities during the year ended 31 March 2024 and there is no shortfall at the end of the year.

**(x) Undisclosed income**

The Company does not have any unrecorded transactions in the books of account which have been surrendered or disclosed as Income during the year in the tax assessment under the Income Tax Act, 1961.

**(xi) Transactions in crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the year ended March 31, 2024.

**(xii) Revaluation of property, plant & equipment and intangible asset**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year ended March 31, 2024.

**49.2 Other Statutory information**

- (i) There was no amount outstanding and due for transfer to the Investor Education and Protection Fund during the year ended March 31, 2024.
- (ii) The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long-term contracts has been made in the books of accounts. The company has not entered into any derivative contract.
- (iii) The Company has not received any whistleblower complaint during the year ended March 31, 2024.
- (iv) There are no pending litigations as at March 31, 2024 having impact on the financial position of the Company.
- (v) There are no outstanding dues (including interest) of 'Micro' and 'Small' Enterprises pursuant to Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') as at March 31, 2024 (March 31, 2023 – Nil). Accordingly, no disclosures are required to be given under 'MSMED Act'.
- (vi) There is no Core Investment Company within the group as defined in the regulations made by the Reserve Bank of India.

**50. Ratio Analysis:**

Ratio	As at March 31,2024	As at March 31,2023	Variance (%)	Reason for variance
Capital to risk-weighted assets ratio (CRAR)	<b>36.53</b>	53.97	(32.31)	Due to increase in loans given to the customer and borrowings during the year and corresponding increase in provision for standard assets
Tier I CRAR	<b>36.03</b>	53.46	(32.60)	
Tier II CRAR	<b>0.50</b>	0.51	(1.96)	
Amount of subordinated debt raised as Tier-II capital	<b>Nil</b>	Nil	Not Applicable	Not Applicable

**Notes forming part of the standalone financial statements for the year ended 31 March 2024**

Amount raised by issue of Perpetual Debt Instruments	<b>Nil</b>	Nil	Not Applicable	Not Applicable
Liquidity Coverage Ratio	<b>Not Applicable</b>	Not Applicable	Not Applicable	Not Applicable

The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with the disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time.

**51. Income in Foreign Currency: Nil (March 31, 2023 - Nil)**

**Expenditure in Foreign Currency:**

Nature	(Rs. in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Professional Fees	<b>30.78</b>	58.18
Sponsorship Fees	<b>2.75</b>	2.79
Travelling Expenses	<b>14.70</b>	2.93
Interest Expenses	<b>11.76</b>	-

**52.** The Company is using accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further, no instance of audit trail feature being tampered with has been noticed during the year in respect of the accounting software.

**53.** Figures for the previous year have been regrouped/reclassified wherever necessary to conform to the current year's presentation.

As per our report of even date attached

**For TATTVAM & Co.**  
Chartered Accountants  
Firm Registration No. 015048N

**For and on behalf of Board of Directors**

**Sagar Arora**  
Partner  
Membership No. 520999

**Mayank Pratap Singh**  
Company Secretary  
Membership No. A46666

**Manoj Kumar Bhatt**  
Director  
DIN: 09452843

**Kapil Garg**  
Managing Director  
DIN: 01716987

**Place: New Delhi**  
**Date: 28 May 2024**

**Pankaj Gupta**  
Chief Executive Officer

**Gunjan Jain**  
Chief Financial Officer

## Independent Auditor's Report

### To The Members of Mufin Green Finance Limited

### Report on the audit of Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Mufin Green Finance Limited (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") which comprise the consolidated Balance Sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

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

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#	Key Audit Matter	Auditor's Response
1	<p><b>Allowances for Expected Credit Losses ("ECL"):</b></p> <p>As at 31 March 2024, the carrying value of loan assets measured at amortised cost, aggregated ₹61929.57 lakhs (net of allowance of expected credit loss ₹484.49 lakhs) constituting approximately 66.9% of the Group's total assets.</p> <p>Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets carried at</p>	<p>Auditors of subsidiary and we have examined the policies approved by the respective Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. Auditors of the subsidiary and we have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the respective Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, Auditors of the subsidiary and we have confirmed that</p>

	<p>amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the Standalone Financial Statements. The elements of estimating ECL which involved increased level of audit focus are the following:</p> <ul style="list-style-type: none"> <li>• Qualitative and quantitative factors used in staging the loan assets measured at amortised cost;</li> <li>• Basis used for estimating Probabilities of Default (“PD”), Loss Given Default (“LGD”) and Exposure at Default (“EAD”) at product level with past trends;</li> <li>• Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and</li> <li>• Adjustments to model driven ECL results to address emerging trends. (Refer Note 2.5.2.6 and 32.A to the Consolidated Financial Statements).</li> </ul> <p>adjustments to the output of the ECL Model are consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the respective Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others:</p> <p>Testing the design and operating effectiveness of the following:</p> <ul style="list-style-type: none"> <li>• Completeness and accuracy of the Exposure at Default (“EAD”) and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the respective company’s Board of Directors including the appropriateness of the qualitative factors to be applied;</li> <li>• Completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and</li> <li>• Accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model.</li> </ul> <p>Test of details on a sample in respect of the following:</p> <ul style="list-style-type: none"> <li>• Accuracy and completeness of the input data such as period of default and other related information used in estimating the PD;</li> <li>• The mathematical accuracy of the ECL computation by using the same input data as used by the Group.</li> <li>• Completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed.</li> <li>• Evaluating the adequacy of the adjustments made to the output as per the ECL Model to ensure that the adjustment was in conformity with the policy approved by the Audit Committee of the Companies included in the Group.</li> </ul>
<p><b>2 Information Technology and General Controls:</b></p> <p>The Group is dependent on its Information Technology (“IT”) systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On</p>	<p>With the assistance of IT specialists, the auditors of subsidiary company and we obtained an understanding of the Group’s IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations.</p> <p>In particular:</p> <ul style="list-style-type: none"> <li>• Auditors of subsidiary and we tested the design, implementation, and operating effectiveness of the Group’s general IT controls over the IT systems relevant to financial reporting. This included evaluation of Group’s controls over segregation of</li> </ul>

<p>account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter.</p>	<p>duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit.</p> <ul style="list-style-type: none"> <li>• Auditors of subsidiary and we also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the Financial Statements.</li> </ul>
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### Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action, if required.

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

The Holding Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.



In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors

remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### **Other Matters**

We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 9.80 lakhs as at 31 March 2024, total revenue of NIL and net cash inflow amounting to NIL for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the group's share of net loss of ₹ 0.20 lakhs for the year ended 31 March 2024, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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

- 1) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is not applicable, we report that there are no qualifications or adverse remarks in our CARO report.
- 2) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and other financial information of subsidiaries, as noted in other matter paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on 31 March 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India 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 with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Parent/ Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- 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 Parent/ Holding 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 and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries, as noted in the ‘Other matter’ paragraph:
  - i) The Group does not have any pending litigations as at 31 March 2024 having impact on its financial position.
  - ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity (“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 or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries 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 that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The holding company and its subsidiaries which are incorporated in India, whose financial statements have been audited under the act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.
- vi) Based on our examination which included test checks and based on the other auditor’s reports of its subsidiary companies whose financial statements have been audited under the Act, have used accounting software for maintaining their respective books of account for the year ended 31 March 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

For **TATTVAM & Co.**  
Chartered Accountants  
Firm Registration No: 015048N

Sagar Arora  
Partner  
Membership No. 520999

UDIN: 24520999BKAJET3636  
Place: New Delhi  
Date: May 28, 2024

### **Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of the Independent Auditor’s Report of even date to the Members of Mufin Green Finance Limited on the consolidated financial statements as of and for the year ended 31 March 2024)

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of Mufin Green Finance Limited (hereinafter referred to as the “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

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

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (the “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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiary companies, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India (“ICAI”) and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries.

#### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

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

**Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31 March 2024, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies 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.

**Other Matters**

Our aforesaid reports under section 143(3)(i) of the act on the adequacy and operating effectiveness of the internal financial controls in so far as it relates to two subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

**For TATTVAM & Co.**

Chartered Accountants

Firm Registration No: 015048N

Sagar Arora

Partner

Membership No. 520999

UDIN: 24520999BKAJET3636

Place: New Delhi

Date: May 28, 2024

CONSOLIDATED BALANCE SHEET AS AT MARCH 31,2024

(Rs. in lakhs)

S.No.	Particulars	Note No.	As at March 31,2024
	<b>ASSETS</b>		
<b>1)</b>	<b>Financial Assets</b>		
	a) Cash and cash equivalents	4	8,765.04
	b) Bank balances other than cash and cash equivalents	5	16,368.23
	c) Receivables		
	- Other Receivables	6	3.75
	d) Loans	7	61,929.57
	e) Investments	8	479.45
	f) Other financial assets	9	2,847.62
	<b>Total</b>		<b>90,393.66</b>
<b>2)</b>	<b>Non-Financial Assets</b>		
	a) Current tax assets (net)	10	278.24
	b) Property, plant and equipment	12	45.83
	c) Intangible assets	13	120.57
	d) Right of use assets	13	716.08
	e) Other non-financial assets	14	1,003.94
	<b>Total</b>		<b>2,164.66</b>
	<b>Total Assets</b>		<b>92,558.32</b>
	<b>LIABILITIES AND EQUITY</b>		
<b>1)</b>	<b>Financial Liabilities</b>		
	a) Debt securities	15	6,461.36
	b) Borrowings (other than debt securities)	16	57,545.85
	c) Other financial liabilities	17	3,649.22
	<b>Total</b>		<b>67,656.43</b>
<b>2)</b>	<b>Non-Financial Liabilities</b>		
	a) Provisions	18	46.06
	b) Deferred tax liabilities (net)	11	317.26
	c) Other non-financial liabilities	19	128.82
	<b>Total</b>		<b>492.14</b>
<b>3)</b>	<b>Equity</b>		
	a) Equity share capital	20	1,621.05
	b) Other equity	21	22,788.70
	<b>Total</b>		<b>24,409.75</b>
	<b>Total Liabilities and Equity</b>		<b>92,558.32</b>

Accounting Policies and Notes forming part of the Consolidated Financial Statements 1-53

As per our report of even date attached

**For TATTVAM & Co.**

Chartered Accountants

Firm Registration No. 015048N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sagar Arora**

Partner

Membership No. 520999

**Mayank Pratap Singh**

Company Secretary

Membership No. A46666

**Manoj Kumar Bhatt**

Director

DIN: 09452843

**Kapil Garg**

Managing Director

DIN: 01716987

**Pankaj Gupta**

Chief Executive Officer

**Gunjan Jain**

Chief Financial Officer

**Place : New Delhi**

Date : 28 May 2024

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31 2024**

(Rs. in lakhs)

S.No.	Particulars	Note No.	For the year ended March 31,2024
	<b>Revenue from operations</b>		
	i) Interest income	22	9,760.35
	ii) Net gain on fair value changes	23	1.48
	iii) Net gain on sale of investments	23	7.98
	iv) Other operating revenue	24	9.89
<b>I)</b>	<b>Total Revenue from operations</b>		<b>9,779.70</b>
<b>II)</b>	Other income	25	64.04
<b>III)</b>	<b>Total Income (I+II)</b>		<b>9,843.74</b>
	<b>Expenses</b>		
	i) Finance costs	26	4,439.69
	ii) Impairment on financial instruments	27	316.62
	iii) Employee benefits expenses	28	1,694.83
	iv) Depreciation and amortization	29	229.03
	v) Other expenses	30	988.08
<b>IV)</b>	<b>Total Expenses</b>		<b>7,668.25</b>
<b>V)</b>	<b>Profit before exceptional items and tax (III-IV)</b>		<b>2,175.49</b>
<b>VI)</b>	Exceptional items	33	52.29
<b>VII)</b>	<b>Profit before tax (V-VI)</b>		<b>2,123.20</b>
<b>VIII)</b>	<b>Tax expense</b>	35	
	1) Current tax		142.96
	2) Deferred tax		376.68
	3) Tax related to earlier years		(2.63)
<b>IX)</b>	<b>Profit for the year (VII-VIII)</b>		<b>1,606.19</b>
<b>X)</b>	<b>Other Comprehensive Income</b>		
	A) i) Items that will not be reclassified to profit or loss		2.71
	ii) Income tax relating to items that will not be reclassified to profit or loss	35	(0.68)
	<b>Sub Total (A)</b>		<b>2.03</b>
	B) i) Items that will be reclassified to profit or loss		-
	ii) Income tax relating to items that will be reclassified to profit or loss		-
	<b>Sub Total (B)</b>		<b>-</b>
	<b>Total Other Comprehensive Income (A+B)</b>		<b>2.03</b>
<b>XI)</b>	<b>Total Comprehensive Income for the year (IX+X)</b>		<b>1,608.22</b>
<b>XII)</b>	<b>Earnings per share (Face value of Rs. 1 each)</b>		
	Basic (Rs.)	41	1.05
	Diluted (Rs.)	41	1.05

Accounting Policies and Notes forming part of the Consolidated Financial Statements 1-53

As per our report of even date attached

**For TATTVAM & Co.**

Chartered Accountants

Firm Registration No. 015048N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sagar Arora**

Partner

Membership No. 520999

**Mayank Pratap Singh**

Company Secretary

Membership No. A46666

**Pankaj Gupta**

**Manoj Kumar Bhatt**

Director

DIN: 09452843

**Gunjan Jain**

**Kapil Garg**

Managing Director

DIN: 01716987



Place : New Delhi

Chief Executive Officer

Chief Financial Officer

Date : May 28, 2024

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31 2024**

(Rs. in lakhs)

Particulars	Year ended 31 March 2024
<b>Cash flows from operating activities</b>	
<b>Profit before tax</b>	2,123.20
Adjustment for:	
Depreciation and amortization	229.03
Impairment on financial instruments	316.62
Net gain on fair value changes	(1.48)
Net gain on sale of investments	(7.98)
Interest expenses on lease liabilities	36.59
Interest expense	4,403.10
Interest income	(9,019.08)
Liabilities written back	(2.24)
<b>Operating (loss) before working capital changes</b>	(1,922.24)
(Increase)/decrease in other receivables	33.77
(Increase)/decrease in loans (net)	(35,417.98)
Increase/(decrease) in other financial liabilities	1,714.59
(Increase)/decrease in bank balances other than cash and cash equivalents	(948.79)
Increase/(decrease) in provisions	33.10
Increase/(decrease) in other non-financial liabilities	20.28
(Increase)/decrease in other non-financial assets	(620.30)
(Increase)/decrease in other financial assets	(2,474.57)
Interest paid	(3,989.21)
Interest received	8,049.31
<b>Cash (used in) operating activities</b>	(35,522.04)
Direct tax paid (net)	(344.42)
<b>Net cash (used in) operating activities (A)</b>	(35,866.46)
<b>Cash flows from investing activities</b>	
Purchase of property, plant and equipment	(37.63)
Purchase of intangible assets	(182.04)
Purchase of investments	(14,881.06)
Proceeds from sale of investments	14,711.05
(Increase) in term deposits with banks	(5,481.80)
Decrease in term deposits with bank	170.00
<b>Net cash (used in) investing activities (B)</b>	(5,701.48)
<b>Cash flows from financing activities</b>	
Proceeds from issue of Equity Shares	6,040.52
Proceeds from issue of Share warrants	2,106.60
Share issue expenses	(713.73)
Proceeds from debt securities	732.83
Repayments of debt securities	(125.00)
Proceeds from term loans (other than debt securities)	48,798.40
Repayments of term loans (other than debt securities)	(9,462.35)
Proceeds of overdraft facilities from banks (net)	1,360.29

Payment of lease liabilities	(119.42)
<b>Net cash generated from financing activities (C)</b>	<b>48,618.14</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>7,050.20</b>
Cash and cash equivalents at the beginning of the year	1,714.84
<b>Cash and cash equivalents at the end of the year</b>	<b>8,765.04</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31 2024**

(Rs. in lakhs)

Particulars	Year ended March 31 2024
Components of cash and cash equivalents	
Cash on hand	951.58
Balances with banks on current accounts	7,813.46
<b>Total cash and cash equivalents (Refer Note 4)</b>	<b>8,765.04</b>

Notes:

1. Consolidated Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 - "Statement of Cash Flows".
2. The purchase and sale of investments have been considered as a part of 'Cash flow from investing activities' and income from investments has been considered as a part of 'Cash flow from operating activities'.

Accounting Policies and Notes forming part of the Consolidated Financial Statements 1-53

As per our report of even date attached

**For TATTVAM & Co.**

Chartered Accountants

Firm Registration No. 015048N

**Sagar Arora**

Partner

Membership No. 520999

**Mayank Pratap Singh**

Company Secretary

Membership No. A46666

**Manoj Kumar Bhatt**

Director

DIN: 09452843

**Kapil Garg**

Managing Director

DIN: 01716987

**Pankaj Gupta**

Chief Executive Officer

**Gunjan Jain**

Chief Financial Officer

**Place : New Delhi**

**Date : May 28, 2024**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

MUFIN GREEN

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31 2024**

**A. EQUITY SHARE CAPITAL**

Equity shares of Rs. 1 (1 April 2023 : Rs. 1) each Issued, Subscribed and Fully paid-up

Particulars	Number of Shares	Amount (Rs. in lakhs)
<b>As at April 1, 2023</b>	<b>5,03,31,724</b>	<b>503.32</b>
Add : Issued during the year	1,11,10,000	111.10
Add : Bonus shares issued during the year (Refer note 20(g)(ii))	10,06,63,448	1,006.63
<b>As at March 31, 2024</b>	<b>16,21,05,172</b>	<b>1,621.05</b>

**B. OTHER EQUITY**

(Rs. in lakhs)

Particulars	Reserves and Surplus						Other Items of Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve	Reserve Fund u/s 45-IC of RBI Act, 1934	Securities Premium	Retained Earnings	General Reserve	Impairment Reserve			
<b>Balance as at April 1, 2023</b>	<b>6,850.86</b>	<b>834.66</b>	<b>4,222.68</b>	<b>2,804.03</b>	-	<b>7.26</b>	<b>(1.84)</b>	<b>147.17</b>	<b>14,864.82</b>
Profit for the year	-	-	-	1,606.19	-	-	-	-	1,606.19
Remeasurement of the defined benefits plan (net)	-	-	-	-	-	-	2.03	-	2.03
Transfer to General Reserve	(6,850.86)	-	-	-	6,850.86	-	-	-	-
Transfer from Retained Earnings	-	321.24	-	-	-	-	-	-	321.24
On issue of Shares	-	-	5,362.86	-	-	-	-	(147.17)	5,215.69
Issue of Bonus Shares	-	-	-	(1,006.63)	-	-	-	-	(1,006.63)
Money received against share warrants	-	-	-	-	-	-	-	2,106.60	2,106.60
Transfer to Reserve Fund	-	-	-	(321.24)	-	-	-	-	(321.24)
<b>Balance as at March 31, 2024</b>	-	<b>1,155.90</b>	<b>9,585.54</b>	<b>3,082.35</b>	<b>6,850.86</b>	<b>7.26</b>	<b>0.19</b>	<b>2,106.60</b>	<b>22,788.70</b>

Accounting Policies and Notes forming part of the Consolidated Financial Statements 1-53

As per our report of even date attached  
For TATTVAM & Co.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Chartered Accountants

Firm Registration No. 015048N

**Sagar Arora**

Partner

Membership No. 520999

Place : New Delhi

Date : May 28, 2024

**Mayank Pratap Singh**

Company Secretary

Membership No. A46666

**Pankaj Gupta**  
Chief Executive Officer

**Manoj Kumar Bhatt**

Director

DIN: 09452843

**Gunjan Jain**  
Chief Financial Officer

**Kapil Garg**

Managing Director

DIN: 01716987

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024**

**1. Corporate information**

Mufin Green Finance Limited (formerly APM Finvest Limited) ("the Company", "the Holding Company", "the Parent Company") is incorporated under the provisions of the Companies Act, 2013 ("the Act") and is registered under Section 45-IA of Reserve Bank of India Act, 1934 to carry on the business of a Non-Public Deposit Accepting Non-Banking Finance Company vide Certificate of Registration Number B-10.00247. The Company holds a valid Certificate of Registration (COR) from the Reserve Bank of India. The registered office of the company is located at SP-147, RIICO Industrial Area, Bhiwadi, District Alwar, Rajasthan-301019 and Corporate Office located at 201, 2<sup>nd</sup> Floor, Best Sky Tower, Netaji Subhash Place, Pitampura, New Delhi -110034. The Company Equity shares are listed at Bombay Stock Exchange w.e.f. August 02, 2019 and National Stock Exchange w.e.f. November 06, 2023. The Parent Company together with its subsidiaries (hereinafter collectively referred to as the 'Group'). During the financial year ended March 31, 2024, the Parent Company is mainly engaged in the business of Investment and Credit and both subsidiaries are yet to commence their business.

**2. Basis of Preparation and Material accounting policies**

**2.1 Statement of Compliance and Basis of Preparation and Presentation**

The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the "Act"). The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity are together referred as the consolidated financial statements of the Company.

The consolidated financial statements are prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended under Section 133 of Act and relevant amendment rules issued thereafter ("Ind AS").

The consolidated financial statements are prepared and presented on going concern basis and the relevant provisions of Act and the guidelines and directives issued by the Reserve Bank of India (RBI) or any other authority, to the extent applicable.

Amounts in the consolidated financial statements are presented in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Act. Per share data is presented in Indian Rupee to two decimal places. The Company presents its Consolidated Balance Sheet in the order of liquidity. An analysis regarding maturity of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 39.

Accounting policies are consistently applied except where a newly-issued Ind AS initially adopted or a revision to an existing IND AS requires a change in the accounting policy.

**Basis of consolidation:**

The consolidate financial statement incorporate the financial statement of the Holding Company and its subsidiaries being the entities that it controls. Subsidiaries are entities where the group exercises or controls more than one half of its total share capital. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date on which control ceases.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statement of the Company with those of the Companies consolidated have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances, intra group transactions and the unrealised profits / losses, unless cost / revenue cannot be recovered.

The excess of cost to the Group of its investment, on the acquisition dates over and above the Group's share of equity in the Companies Consolidated, is recognised as Goodwill on Consolidation being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment as at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in Companies consolidated as on the date of investment is in excess of cost of investments of the Group, it is recognised as Capital Reserve and shown under the head Other Equity in the Consolidated Financial Statements.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Investment in Associates is accounted for, in Consolidated Financial Statements as per Equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.

Non-controlling interests in the net assets of Companies consolidated is identified and presented in the Consolidated Balance Sheet separately within equity. Non-controlling interests in the net assets of Consolidated companies consists of:

- (a) The amount of equity attributable to non-controlling interests at the date on which investment is made; and
- (b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

The Profit and other comprehensive income attributable to non-controlling interests are shown separately in the Consolidated Statement of Profit and Loss.

### 2.2 Functional and Presentation Currency

The consolidated financial statements are presented in Indian Rupees (Rs.) which is the functional and the presentation currency of the Group and all values are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

### 2.3 Basis of Measurement

The consolidated financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair values.

A historical cost is a measure of value used for accounting in which the price of an asset on the Consolidated Balance Sheet is based on its historical cost, it is generally fair value of consideration given in exchange for goods and services at the time of transaction or original cost when acquired by the Group.

Fair value is the price that likely to be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IND AS 116 Leases.

Fair value measurements under IND AS are categorized into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access on measurement date;
- Level 2 inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

### 2.4 Use of Estimates and Judgements

The preparation of the consolidated financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognized prospectively. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Some of the areas involving significant estimation / judgement are determination of Expected Credit Loss, fair valuation of Investments, Repossessed assets, Income taxes and employee benefits.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

**2.5 Material Accounting Policies**

**2.5.1 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

**2.5.1.1 Interest**

Interest income on financial instruments is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognized in the Consolidated Statement of Profit and Loss at initial recognition.

Interest income/expenses is calculated by applying the EIR to the gross carrying amount (principal not due) of non-credit impaired financial assets/liabilities (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). Further, in terms of RBI Guidelines, interest accrued on credit impaired assets is recognized as and when received.

**2.5.1.2 Dividend Income**

Dividend income is recognized when the right to receive dividend is established.

**2.5.1.3 Fee and Commission Income**

Fee and commission income include fees other than those that are an integral part of EIR. The Group recognizes the fee and commission income in accordance with the terms of the relevant contracts / agreement and when it is probable that the Group will collect the consideration.

**2.5.1.4 Net gain on fair value change**

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

**2.5.1.5 Revenue for construction and other contracts**

Revenue toward satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criterias is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

**Construction Revenue**

1. The Company constructs various infrastructure projects on behalf of clients. Under the terms of the contracts, where the Company is contractually restricted from redirecting the properties to another customer and has an enforceable right to payment for work done; revenue is recognised over a period of time. The percentage-of-completion of a contract is determined by the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs. This is achieved by estimating total revenue including claims / variations and total cost till completion of the contract and the profit is recognised in proportion to the value of work done when the outcome of the contract can be estimated reliably. The management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under Ind AS 115. The Company becomes entitled to invoice customers for construction based on achieving a series of performance related milestones. When a particular milestone is achieved, the customer is sent a statement of work completed assessed by expert. Previously recognised contract asset for any work performed is reclassified to trade receivables at the point at which it is invoiced to the customer. Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract. Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable.
2. Revenue from trading and consultancy service are recognised when it transfers control of a product or service to a customer.

**2.5.1.6 Other operational revenue**

Other operational revenue represents income earned from the activities incidental to the main business and is recognized when the right to receive the income is established as per the terms of the contract and Late payment interest, bouncing charges etc. are accounted on the receipt basis.

**2.5.1.7 Other Income**

Other Income represents income earned from the activities other than the main business is recognized when the right to receive the income is established as per the terms of the contract.

**2.5.2 Financial Instruments**

**2.5.2.1 Fair Valuation of Investments**

Some of the Group's Investments are measured at fair value. In determining the fair value of such Investments, the Group uses quoted prices (unadjusted) in active markets for identical assets or based on inputs which are observable either directly or indirectly. However, in certain cases, the Group adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Group has applied appropriate valuation techniques and inputs to the valuation model.

**2.5.2.2 Recognition and Initial Measurement**

All financial assets and liabilities, with the exception of loans and borrowings are initially recognized on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument.

Loans are recognized when fund transfer is initiated or disbursement cheque is issued to the customer. The Group recognizes debt securities and borrowings (other than debt securities) when funds are received by the Group.

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

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

**2.5.2.3 Classification and Subsequent Measurement of Financial Assets and Liabilities**

**2.5.2.3.1 Financial Assets**

The Group classifies and measures all its financial assets based on the business model for managing the assets and the asset's contractual terms, either at:

- Amortized cost
- Fair Value through other comprehensive income
- Fair Value through Profit and Loss

**2.5.2.3.1.1 Amortized Cost**

The Group classifies and measures cash and bank balances, Loans, Trade receivable, certain debt investments and other financial assets at amortized cost if the following condition is met:

Financial Assets that are held within a business model whose objective is to hold financial assets in order to collect the contractual cash flows, and that have contractual cash flows that are Solely Payment of Principal and Interest (SPPI);

**2.5.2.3.1.2 Fair Value through Other Comprehensive Income ("FVOCI")**

The Group classifies and measures certain debt instruments at FVOCI when the investments are held within a business model, the objective of which is achieved by both, collecting contractual cash flows and selling the financial instruments and the contractual terms of the financial instruments meet the Solely Payment of Principal and Interest on principal amount outstanding ('SPPI') test.

**2.5.2.3.1.3 Fair Value through Profit and Loss ("FVTPL")**

Financial assets at FVTPL are:

- assets with contractual cash flows that are not SPPI; and/or
- assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- assets designated at FVTPL using the fair value option.

These assets are measured at fair value, with any gains/losses arising on remeasurement is recognized in the consolidated statement of profit and loss.

**2.5.2.3.1.4 FVOCI- Equity Instruments**

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

If the Company elects to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income. This cumulative gain or loss is not reclassified to Consolidated Statement of Profit and Loss on disposal of such instruments. Investments representing equity interest in subsidiary, joint venture and associate are carried at cost less any provision for impairment.

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

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

**2.5.2.4 Evaluation of Business Model**

Classification and measurement of financial instruments depends on the results of the Solely Payments of Principal and Interest on the principal amount outstanding ("SPPI") and the business model test (refer note 2.5.2.4.1). The Group determines the business model at a level that reflects how the Group's financial instruments are managed together to achieve a particular business objective.

The Group monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024**

**2.5.2.4.1 Business Model Test**

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Group considers all relevant information and evidence available when making the business model assessment such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Group determines whether newly recognized financial assets are part of an existing business model or whether they reflect a new business model. The Group reassesses its business model at each reporting period to determine whether the business model has changed since the preceding period. For the current and prior reporting period the Group has not identified a change in its business model.

**Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding**

For an asset to be classified and measured at amortized cost or at FVOCI, its contractual terms should give rise to cash flows that meet SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI, such financial assets are either classified as fair value through profit and loss or fair value through other comprehensive income.

**2.5.2.4.1.1 Subsequent Measurement and Gain and Losses**

**Financial Assets at Amortized Cost**

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income as per EIR and impairment loss are recognized in consolidated statement of profit and loss. Any gain or loss on derecognition is recognized in consolidated statement of profit and loss.

**Debt Instrument at FVOCI**

These assets are subsequently measured at fair value. Interest income is recognized in consolidated statement of profit and loss. Any gain or loss on subsequent measurement is recognized in OCI and on derecognition the cumulative gain or loss recognized in OCI will be recycled to consolidated statement of profit and loss.

**Equity Instrument at FVOCI**

Gains and losses on equity instruments measured at FVOCI are recognized in other comprehensive income and never recycled to the consolidated statement of profit and loss. Dividends are recognized in profit or loss as dividend income when the right to receive payment has been established, except when the Group benefits from such proceeds as a recovery of whole or part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are fair valued at each reporting date and not subject to an impairment assessment.

**Financial Assets at FVTPL**

These assets are subsequently measured at fair value. Net gain or losses, including any interest or dividend income, are recognized in the consolidated statement of profit and loss.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

**2.5.2.4.1.2 Reclassifications**

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets.

**2.5.2.4.2 Financial Liabilities and Equity Instruments**

**2.5.2.4.2.1 Classification as Debt or Equity**

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non-derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

**2.5.2.4.2.2 Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the face value and proceeds received in excess of the face value are recognized as Securities Premium.

**2.5.2.4.2.3 Subsequent Measurement and Gain and Losses**

Financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in consolidated statement of profit and loss. Any gain or loss on derecognition is recognized in consolidated statement of profit and loss.

**2.5.2.5 Impairment and Write-off**

The Group recognizes loss allowances for Expected Credit Losses on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Other financial assets;
- Loan commitments

Equity instruments which are measured at fair value are not subject to an impairment loss.

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., loss allowance on default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- Lifetime ECL, i.e. lifetime ECL that results from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECL is measured at an amount equal to the 12-month ECL.

The Group has established a policy to perform an assessment at the end of each reporting period whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instruments.

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

- Stage 1:** When loans are first recognized, the Group recognizes an allowance based on 12 months ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2/3 to Stage 1.
- Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the life time expected credit losses.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024**

**Stage 3:** When loans are considered credit-impaired, the Group records an allowance for the life time expected credit losses. Stage 3 loans also include facilities, where the credit risk has improved but considered as credit impaired assets as per regulatory guidelines.

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition/impairment of the financial asset.

The Subsidiary Companies applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on financial assets that are debt instruments, and are measured at amortized cost e.g. security deposits, trade receivables, bank balance, Lease receivables or any contractual right to receive cash or another financial asset.

**2.5.2.6 Determination of Expected Credit Loss (“ECL”)**

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement.

In particular, the estimation of the amount and timing of future cash flows based on Group’s historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgments and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on a collective basis.
- Group’s criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.

The various inputs used and the process followed by the Group in measurement of ECL has been detailed below:

**2.5.2.6.1 Measurement of Expected Credit Losses**

The Group calculates ECL based on probability-weighted scenarios to measure expected cash shortfalls, discounted at an approximation to the portfolio. A cash shortfall is a difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

When estimating ECL for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the Interest rate on the loan.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset’s expected cash flows using the asset’s original EIR, regardless of whether it is measured on an individual basis or a collective basis.

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

Exposure at Default (EAD) is based on the amounts the Group expects to be owed at the time of default. For a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per “Definition of default and credit-impaired”) either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

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

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

**2.5.2.6.2 Significant Increase in Credit Risk**

The Group monitors all financial assets, including loan commitments contracts issued that are subject to impairment requirements, to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group measures the loss allowance based on lifetime rather than 12-month ECL. The Group monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to impairment for a significant increase in credit risk.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience that is available without undue cost or effort.

The quantitative factors that indicate a significant increase in credit risk are reflected in PD models on a timely basis. However, the Group still considers separately some qualitative factors to assess if credit risk has increased significantly. For corporate lending, there is a particular focus on assets that are included on a 'watchlist'. Given an exposure is on a watch list once, there is a concern that the credit worthiness of the specific counterparty has deteriorated. ECL assessment for watch list accounts is done on a case by case approach after considering the probability of weighted average in a different recovery scenario. For individual loans the Group considers the expectation of forbearance, payment holidays, and events such as unemployment, bankruptcy, divorce, or death.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the PD is more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

### 2.5.2.6.3 Credit-Impaired Financial Assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- restructuring of loans due to financial difficulty of the borrowers;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event. Instead the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether debt instruments that are financial assets measured at amortized cost are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Group considers factors such as bond yields, credit ratings and the ability of the borrower to raise funds.

A loan is considered credit-impaired when a concession is granted to the borrower due to deterioration in the borrower's financial condition. The definition of default includes unlikelihood to pay indicators and a back-stop if amounts are overdue for more than 90 days.

### 2.5.2.6.4 Definition of Default

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL.

The Group considers the following as constituting an event of default:

- the borrower is past due more than 90 days + Accounts Identified by the Group as NPA as per regulatory guidelines + Objective Evidence for impairment (Qualitative Overlay); or
- the borrower is unlikely to pay its credit obligations to the Group.

When assessing if the borrower is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the breach of covenants, which is not as relevant for individual lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

### 2.5.2.6.5 Write-off

Loans are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off/ may assign / sell loan exposure to ARC / Bank / a financial institution for a negotiated consideration. Balance loan outstanding after expected recovery from sale of vehicles, security deposit, settlement etc. are written off in the Consolidated statement of profit and loss. Recoveries resulting from the Group's enforcement activities could result in impairment gains and same is adjusted in Impairment on financial instruments.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

### 2.5.2.7 Modification and Derecognition of Financial Assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between the initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Group renegotiates loans to customers in financial difficulty to maximize collection and minimize the risk of default. Loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Group considers the following:

Qualitative factors, such as contractual cash flows after modification, are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants, if these do not clearly indicate a substantial modification, then; a quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original EIR. If there is a significant difference in present value, the Group deems the arrangement substantially different, leading to derecognition.

In the case where the financial asset is derecognized the loss allowances for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the revised terms may lead to a gain or loss on derecognition. The new financial asset may have a loss allowance measured based on 12-month ECL except where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognized at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Group monitors the credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- The remaining lifetime PD estimated based on data at initial recognition and the original contractual terms;
- The remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification does not result in derecognition, the estimate of PD reflects the Group's ability to collect the modified cash flows taking into account the Group's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition, the loss allowance is continued to be measured at an amount equal to lifetime ECL. The loss allowance on forbore loans is generally measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition, the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Group measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Group derecognizes a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in the consolidated statement of profit and loss, with the exception of equity investment designated as measured at FVOCI, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to the consolidated statement of profit and loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain/loss allocated to it that had been recognized in OCI is recognized in the consolidated statement of profit and loss. A cumulative gain/loss that had been recognized in OCI is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVOCI, as the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to the consolidated statement of profit and loss.

### 2.5.2.8 Derecognition of Financial Liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the consolidated statement of profit and loss.

### 2.5.2.9 Assets acquired under settlement

Asset acquired under settlement are measured at the prevailing market price/fair valuation including cost of acquisition, whichever is lower, on periodic basis. Any profit or loss arising on the sale of assets acquired under settlement of claims is recognized in Consolidated statement of profit and loss.

### 2.5.3 Property, Plant and Equipment ("PPE")

PPE held for use are stated in the Consolidated Balance Sheet at cost less accumulated depreciation and accumulated impairment losses.

PPE is recognized when it is probable that future economic benefits associated with the item is expected to flow to the Group and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Administrative and other general overhead expenses that are specifically attributable to acquisition of PPE are allocated and capitalized as a part of the cost of the PPE.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the consolidated statement of profit and loss.

### 2.5.4 Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

### 2.5.5 Capital work-in-progress

Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct cost and related incidental expenses.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

**2.5.6 Depreciation and Amortization**

Depreciation is recognized using written down value method so as to write off the cost of the assets less their residual values over their estimated useful lives specified in Schedule II to the Act. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is recognized on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. The useful life of the property, plant and equipment determined by the Group is as follows:

Class of Assets	Useful Life
Computer/Laptop	3 years
Server	6 years
Office Equipment	5 years
Furniture & Fixtures	10 years

Intangible assets with finite useful lives are amortized on written down value basis over the estimated useful life. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives are tested for impairment by comparing its recoverable amount with its carrying amount annually and whenever there is an indication that the intangible asset may be impaired.

The useful life of Intangible Assets held by the Group is as follows:

Class of Assets	Useful Life
Computer Software	3 years

**2.5.7 Impairment of Assets other than Financial Instruments**

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE and intangible assets are tested for impairment so as to determine the impairment loss, if any.

**2.5.8 Employee Benefits**

**Short term Employee Benefits**

Employee benefits falling due within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

**Defined Contribution Plans**

Contributions to defined contribution schemes such as employees' state insurance, employee provident fund and employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Group's provident fund contribution is made to a government administered fund and charged as an expense to the Consolidated statement of profit and loss. The above benefits are classified as Defined Contribution Schemes as the Group has no further defined obligations beyond the monthly contributions.

**Post-employment Benefits**

The Group operates defined benefit plan in the form of gratuity and compensated absence. The liability or asset recognized in the Consolidated Balance Sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash out flows, using market yields of government bonds that have tenure approximating the tenures of the related liability. The interest expenses are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest expense on the net defined benefit liability or asset is recognized in the Consolidated statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024**

actuarial assumptions are recognized in the period in which they occur, directly in Other Items of Other Comprehensive Income. They are included in Other Equity in the Consolidated Statement of Changes in Equity and in the Consolidated Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

**2.5.9 Leases**

**The Group as Lessee**

The Group's lease asset classes primarily consist of leases for office premises. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

**The Group as Lessor**

The Group as a lessor, classifies leases as either operating lease or finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognized in Consolidated Balance Sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognized over the lease term, based on a pattern reflecting a constant periodic rate of return on Group's net investment in the lease.

A lease which is not classified as a finance lease is an operating lease. Accordingly, the Group recognizes lease payments as income on a straight-line basis in case of assets given on operating leases. The Group presents underlying assets subject to operating lease in its Consolidated Balance Sheet under the respective class of asset.

**2.5.10 Securities Premium**

- (i) Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of shares issued under preferential allotment as equity shares by the Group.
- (ii) The issue expenses of securities which qualify as equity instruments are adjusted against securities premium.

**2.5.11 Share-based payment arrangements**

The stock options to be granted to employees by the Company under MGFL Employee Stock Option Plan 2023' ("ESOP 2023"/" Plan"), will be measured at the fair value of the options at the grant date.



## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis.

The amount recognized as expense in each year is arrived at based on the number of grants expected to vest.

### 2.5.12 Dividends on Equity Shares

The Group recognize a liability to make cash distributions to equity shareholders of the Group when the dividend is authorized and the distribution is no longer at the discretion of the Group and a corresponding amount is recognized directly in equity. As per the corporate laws in India, an interim dividend is authorized when it is approved by the Board of Directors and final dividend is authorized when it is approved by the shareholders.

### 2.5.13 Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term deposits with banks (with an original maturity of three months or less from the date of placement) and cheques on hand. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

### 2.5.14 Finance Costs

Finance costs include interest expense calculated using the EIR on respective financial instruments and borrowings is measured at amortized cost, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

### 2.5.15 Foreign Currencies

- (i) Functional currency of the Group and foreign operations has been determined based on the primary economic environment in which the Group and its foreign operations operate considering the currency in which funds are generated, spent and retained.
- (ii) Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognized in the Consolidated Statement of Profit and Loss in the period in which they arise.

### 2.5.16 Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Group to make decisions for performance assessment and resource allocation. Operating Segment are reported in a manner consistent with the internal reporting provided to accounting policies are in line with the internal reporting provided to the Chief Operating Decision maker.

### 2.5.17 Earnings Per Share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

### 2.5.18 Taxes on Income

The Group's tax jurisdiction is in India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for certain tax positions.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Consolidated Statement of Profit and Loss except when they relate to items that are recognized outside Consolidated Statement of Profit and Loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside consolidated statement of profit and loss.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and depreciation carry-forwards could be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date, and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The Group provides for current tax liabilities at the best estimate that is expected to be paid to the tax authorities where an outflow is probable.

**2.5.19 Goods and Services Tax Input Credit**

Goods and Services tax input credit is recognized in the books of account in the period in which the supply of goods or service received is recognized and when there is no uncertainty in availing/utilizing the credits.

**2.5.20 Provisions, Contingent Liabilities and Contingent Assets**

**(a) Provisions are recognized when:**

- (i) The Group has a present obligation (legal or constructive) as a result of a past event; and
- (ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

**(b) Contingent Liability is disclosed in case of:**

- (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
- (ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognized and measured as a provision.

**(c) Contingent Assets:**

- (i) Contingent assets are not recognized in the consolidated financial statements.
- (ii) Contingent assets are disclosed where an inflow of economic benefits is probable.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024**

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**2.5.21 Commitments**

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid;
- c) Funding related commitment; and
- d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

**2.5.22 Statement of Cash Flows**

Consolidated Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses; and
- iii. All other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Consolidated Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

**3. Recent Accounting Developments**

**3.1 Law enacted but not effective**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament's approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently, on November 13, 2020, draft rules were published and stakeholders' suggestions were invited. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**3.2 New Standards/ Amendments notified**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rule as issued from time to time. There is no such notification which is applicable from April 01, 2024.

(Rs. In Lakhs)

**4. Cash and cash equivalents**

Particulars	As at March 31, 2024
Cash on hand	951.58
Balances with banks in current accounts	7,813.46
	8,765.04

**5. Bank balances other than cash and cash equivalents**

Particulars	As at March 31, 2024
Earmarked Balance with Bank	
-Unclaimed Dividend account	5.48
-Current account (Refer note 5.1 and 5.2)	874.71
Term deposits with banks having original maturity of less than 3 months (Refer note 5.1)	1,968.61
Term deposits with banks having original maturity of more than 3 months (Refer note 5.2 and 5.3)	13,519.43
	16,368.23

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

5.1 Current account and term deposit includes Rs. 140 lakhs and Rs. 1,968.61 lakhs respectively towards deposits for acquisition of LKP Finance Limited as explained in note 33.

5.2 Current account and term deposit includes Rs. 734.71 lakhs and Rs. 209.39 lakhs respectively towards debt service coverage ratio as per terms of loans.

5.3 For term deposits under lien with bank (Refer note 16)

**6. Other Receivables (Unsecured, considered good)**

Particulars	As at March 31, 2024
- Undisputed Other Receivables - considered good	3.77
- Undisputed Other Receivables - considered doubtful	-
- Disputed Other Receivables - considered good	-
- Disputed Other Receivables - considered doubtful	-
	3.77
Less :- Impairment Loss Allowance (Expected Credit Loss)	(0.02)
	3.75

Ageing of Other Receivables

Particulars	Ageing schedule from due date of payment					
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
- Undisputed Other Receivables - considered good	3.77	-	-	-	-	3.77
- Undisputed Other Receivables - considered doubtful	-	-	-	-	-	-
- Disputed Other Receivables - considered good	-	-	-	-	-	-
- Disputed Other Receivables - considered doubtful	-	-	-	-	-	-
Less :- Impairment Loss Allowance (Expected Credit Loss)	(0.02)	-	-	-	-	(0.02)
	3.75	-	-	-	-	3.75

No debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms including limited liability partnerships (LLPs), private companies in which any director is a partner or a director or a member.

Refer Note 32B for reconciliation of gross carrying amount of other receivables and expected credit loss thereon.

(Rs. In Lakhs)

**7. Loans**

Particulars	As at March 31, 2024
<b>At Amortised Cost</b>	
<b>(A)</b>	
(i) Loans repayable on demand	-
(ii) Term Loans	48,600.93
(iii) Leasing	12,377.54
(iv) Others	
-Loans to related parties	1,418.68
-Staff loans	16.91
<b>Total gross loans</b>	<b>62,414.06</b>
Less: Impairment Loss Allowance	(484.49)

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

<b>Total net loans</b>	<b>61,929.57</b>
<b>(B)</b>	
(i) Secured by tangible assets (Refer note 1)	<b>59,533.75</b>
(ii) Unsecured	<b>2,880.31</b>
<b>Total gross loans</b>	<b>62,414.06</b>
Less: Impairment Loss Allowance	<b>(484.49)</b>
<b>Total net loans</b>	<b>61,929.57</b>
<b>(C)</b>	
<b>(I) Loans in India</b>	
(a) Public Sector	-
(b) Others	<b>62,414.06</b>
<b>(II) Loans outside India</b>	-
<b>Total gross loans</b>	<b>62,414.06</b>
Less: Impairment Loss Allowance	<b>(484.49)</b>
<b>Total net loans</b>	<b>61,929.57</b>
<b>(D)</b>	
(i) To Corporates	<b>26,203.14</b>
(ii) To other than corporates	<b>36,210.92</b>
<b>Total gross loans</b>	<b>62,414.06</b>
Less: Impairment Loss Allowance	<b>(484.49)</b>
<b>Total net loans</b>	<b>61,929.57</b>

Notes:

1. Term loans are secured by hypothecation of vehicles financed by the Company. Business loan/Term loan to corporate are secured by hypothecation of property plant and equipment, receivables etc. and further secured by personal guarantee of Directors, corporate guarantee and other collateral security.
2. Impairment Loss Allowance includes Nil against loan commitments pending disbursement.
3. Refer Note 32A for reconciliation of gross carrying amount of loans and expected credit loss thereon.
4. Refer to Note 15 and 16 for the charge created on loan assets in favour of the lenders of the Company.
5. For related party outstanding: Refer note 40.

**9. Other financial assets**

Particulars	As at March 31, 2024
Advances to Dealers	<b>970.54</b>
Advances to others	<b>547.53</b>
Security Deposits	<b>34.19</b>
Other Recoverable	<b>492.45</b>
Other Receivables	<b>811.82</b>
Less: Impairment Loss Allowance	<b>(8.91)</b>
	<b>2,847.62</b>

Refer Note 32C and 32D for reconciliation of gross carrying amount of Advances to Dealers and Other Receivables and expected credit loss thereon.

(Rs. In Lakhs)

**10. Current tax assets (net)**

Particulars	As at March 31, 2024
Advance Income tax (net)	<b>278.24</b>
	<b>278.24</b>

**11. Deferred tax assets/(liabilities) (net) (Refer Note 35)**

Particulars	As at March 31, 2024
Deferred tax assets	<b>355.58</b>
Deferred tax liabilities	<b>(672.84)</b>

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Deferred tax assets/(liabilities) (net)	(317.26)
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**12. Property, Plant and Equipment**

Particulars	Computer, Server and Office Equipments	Land	Total
<b>Gross carrying Amount (at cost)</b>			
As at April 01,2023	85.27	1.00	86.27
Addition	37.63	-	37.63
Disposals/Adjustments	-	-	-
<b>As at March 31,2024</b>	<b>122.90</b>	<b>1.00</b>	<b>123.90</b>
<b>Accumulated Depreciation</b>			
As at April 01,2023	43.69	-	43.69
For the year	34.38	-	34.38
<b>As at March 31,2024</b>	<b>78.07</b>	<b>-</b>	<b>78.07</b>
<b>Net carrying Amount</b>			
As at April 01,2023	41.58	1.00	42.58
<b>As at March 31,2024</b>	<b>44.83</b>	<b>1.00</b>	<b>45.83</b>

The land is mortgaged in favour of a lender as a security against loan.

**13. Intangible Assets and Right of Use Assets**

Particulars	Intangible Assets	Right of Use Assets
	Computer Software	Building
<b>Gross carrying Amount (at cost)</b>		
As at April 01,2023	135.95	279.26
Addition	182.04	576.69
Disposals/Adjustments	-	-
<b>As at March 31,2024</b>	<b>317.99</b>	<b>855.95</b>
<b>Accumulated Depreciation/Amortization</b>		
As at April 01,2023	106.43	36.21
For the year	90.99	103.66
Disposals/Adjustments	-	-
<b>As at March 31,2024</b>	<b>197.42</b>	<b>139.87</b>
<b>Net carrying Amount</b>		
As at April 01,2023	29.52	243.05
<b>As at March 31,2024</b>	<b>120.57</b>	<b>716.08</b>

**14. Other non-financial assets**

Particulars	As at March 31, 2024
Balances with Government Authorities	518.97
Advances to others	330.23
Prepaid Expenses	154.74
	<b>1,003.94</b>

(Rs. In Lakhs)

**15. Debt Securities**

Particulars	As at March 31, 2024
At Amortised Cost	
1,163,550 Redeemable non convertible debentures (NCD) of Rs. 500 each	5,847.26
750 Redeemable non convertible debentures (NCD) of Rs. 100,000 each	614.10
	<b>6,461.36</b>

Notes:

(i) 1,163,550 Redeemable Non-Convertible Debentures (NCD) of Rs. 500 each

(a) Details of debenture holders:

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Name	Numbers	Amount (Rs. in lakhs)
AAV SARL	5,81,775	2,908.88
Masala Investments SARL	5,81,775	2,908.88

(b) Interest payable @ 11.20% p.a., semi-annually on February 15 and August 15 each year subject to change as per change in rate of withholding tax. Date of maturity - February 15, 2029.

(c) The Debentures are secured by way of hypothecation of certain loans and other assets of the Company to the extent of their outstanding amounts under the NCD.

(ii) 750 Redeemable Non-Convertible Debentures (NCD) of Rs. 100,000 each

(a) Details of debenture holders

Name	Numbers	Amount (Rs. in lakhs)
Ambium Finserve Private Limited	750	750.00

(b) Repayable in 18 equated monthly instalment of Rs.41.67 lakhs per month including interest from 15.01.2024 to 15.06.2025 along with effective interest rate is 13.10% p.a.

(c) The Debentures are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

(iii) The above NCDs have been issued in Indian Rupee. The repayments of the principal and interest are also to be made in Indian Rupee.

(iv) Debt securities in India : Rs. 614.10 lakhs, outside India : Rs. 5,847.26 lakhs

(v) The above amount is net of processing fee of Rs. 71.06 lakhs to be amortised in future.

(vi) Includes interest accrued but not due amounting to Rs. 89.67 lakhs as at March 31, 2024

(vii) In terms of Rule 18(7)(b) of the Companies (Share Capital and Debentures) rules 2014, as amended, no debenture redemption reserve has been created by the Company under section 71(4) of the Companies Act, 2013 as the debentures have been issued through private placement.

(viii) On April 05, 2024, the Company issued and allotted 500 (Five Hundred) Secured, Listed, US Dollar Denominated Bonds of the Face Value of USD 10,000 (United States Dollar Ten Thousand Only) each, collectively aggregating to USD 50,00,000 (United States Dollar Five Million Only) to BOIC and IIF Funds of BlueOrchard Finance Limited. The said Bonds were listed on Global Securities Market - India International Exchange (INX) on April 11, 2024. The proceeds of the issue of the Bonds have been utilised as permitted by the RBI ECB Guidelines for onward lending and other activities.

(ix) Acuite Ratings and Research Limited has reaffirmed ACUITE BBB (STABLE) rating for the Company's non convertible debentures of aggregate amount of Rs.6,000 lakhs and assigned ACUITE BBB (STABLE) rating for the Company's non convertible debentures of aggregate amount of Rs.9,000 lakhs vide their letter dated December 28,2023.

(Rs. In Lakhs)

16. Borrowings (other than debt securities)

Particulars	As at March 31, 2024
At Amortised Cost	
<b>Secured loan</b>	
<b>Term Loans</b>	
- From banks	7,926.64
- From other party	38,826.73
<b>Working capital term loan</b>	496.40
<b>Overdraft facilities from banks</b>	9,780.32

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

<b>Unsecured foreign currency loan</b>	
- From other party	<b>515.76</b>
	<b>57,545.85</b>

Notes:

- (i) Borrowings in India :- Rs.57,030.09 lakhs, outside India :- Rs.515.76 lakhs  
(ii) Overdraft facilities of sanctioned limits of Rs.9,915 lakhs in aggregate from Banks are secured by Term deposits of Rs.11,439.31 lakhs with the respective banks, are repayable on demand and carrying interest rate as detailed below:

<b>(a) State Bank of India (Limit - Rs.4,050 lakhs)</b> Balance as at March 31,2024 - Rs.4,024.20 lakhs	Interest payable @ 7.75% p.a. on monthly basis.
(b) State Bank of India (Limit - Rs.4,275 lakhs) Balance as at March 31,2024 - Rs.4,257.19 lakhs	Interest payable @ 8.17% p.a. on monthly basis.
(c) Kotak Mahindra Bank (Limit - Rs.90 lakhs) Balance as at March 31,2024 - Nil	Interest payable @ 6.75% p.a. on monthly basis.
(d) Yes Bank (Limit - Rs.1,500 lakhs) Balance as at March 31,2024 - Rs.1,498.93 lakhs	Interest payable @ 8.00% p.a. on monthly basis.

- (iii) Term Loans from banks

Terms	Security
<b>(a) State Bank of India (Sanctioned Limit - Rs.1,500 lakhs)</b> Balance as at March 31,2024 - Rs.535.13 lakhs	
Repayable in 36 equated monthly principal instalment of Rs.41.67 lakhs per month from 26.09.2022 to 26.08.2025 along with interest @ 1 year MCLR + 2.50, present effective rate is 11.15% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.162.86 lakhs
<b>(b) State Bank of India (Sanctioned Limit - Rs.3,500 lakhs)</b> Balance as at March 31,2024 - Rs.2,470.76 lakhs	
Repayable in 48 equated monthly principal instalment of Rs.72.92 lakhs per month from 20.03.2023 to 20.02.2027 along with interest @ 6 month MCLR + 2.60, present effective rate is 11.15% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(c) ICICI Bank (Sanctioned Limit - Rs.1,000 lakhs)</b> Balance as at March 31,2024 - Rs.898.52 lakhs	
Repayable in 24 equated monthly principal instalment of Rs.41.67 lakhs per month from 29.02.2024 to 31.01.2026 along with interest @ 1 year MCLR + 1.30, present effective rate is 10.4% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.5.06 lakhs
<b>(d) ESAF Small Finance Bank (Sanctioned Limit - Rs.1,000 lakhs)</b> Balance as at March 31,2024 - Rs.810.27 lakhs	
Repayable in 21 equated monthly instalment of Rs.53.52 lakhs per month including interest from 31.12.2023 to 31.08.2025 after moratorium period of 3 months along with interest @ REPO Rate + 6.50, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.51.41 lakhs
<b>(e) (i) Capital Small Finance Bank (Sanctioned Limit - Rs.1,000 lakhs)</b> Balance as at March 31,2024 - Rs.678.12 lakhs	



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Repayable in 18 equated monthly instalment of Rs.60.91 lakhs per month including interest from 30.09.2023 to 31.01.2025 and Rs. 57.21 lakhs on 28.02.2025 along with effective interest rate is 11.85% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.103.86 lakhs
<b>(e) (ii) Capital Small Finance Bank (Sanctioned Limit - Rs.800 lakhs)</b> <b>Balance as at March 31,2024 - Rs.790.43 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.48.78 lakhs per month including interest from 21.04.2024 to 21.09.2025 along with effective interest rate is 12% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.80.05 lakhs.
<b>(f) AU Small Finance Bank (Sanctioned Limit - Rs.1,500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.821.77 lakhs</b>	
Repayable in 18 equated monthly principal instalment of Rs.83.33 lakhs per month from 18.08.2023 to 18.01.2025 along with interest @ Repo + 5.75%, present effective rate is 12.25% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(g) Yes Bank (Sanctioned Limit - Rs.1,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.921.64 lakhs</b>	
Repayable in 14 equated monthly principal instalment of Rs.71.43 lakhs per month from 09.03.2024 to 09.04.2025 along with interest RBI REPO Rate + 4%, present effective rate of 10.5% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

**(iv) Term Loans from other party**

<b>(a) Indian Renewable Energy Development Agency Limited (IREDA) (Sanctioned Limit - Rs.5,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.4,392.41 lakhs</b>	
Repayable in 20 equated quarterly principal instalment of Rs.250 lakhs per quarter from 31.03.2024 to 31.12.2028 along with interest @ Average cost of borrowing of IREDA + 338 bps. Present applicable interest rate is 10.96% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.539.67 lakhs.
<b>(b) Indian Renewable Energy Development Agency Limited (IREDA) (Sanctioned Limit - Rs.9,648 lakhs)</b> <b>Balance as at March 31,2024 - Rs.8,411.36 lakhs</b>	
Repayable in 24 equated quarterly instalment of Rs. 27.13 lakhs on 30.06.2023, Rs. 16.73 lakhs on 30.09.2023, Rs. 129.72 lakhs on 31.12.2023, Rs. 308.94 lakhs on 31.03.2024, Rs.479.80 lakhs per quarter from 30.06.2024 to 31.03.2027, Rs. 433.16 lakhs per quarter from 30.06.2027 to 30.09.2028, Rs. 303.44 lakhs on 31.12.2028 and 56.57 lakhs on 31.03.2029 along with interest rate is 10.969% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 125% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by charge over DSRA equivalent to 2 quarter.
<b>(c) Cholamandalam Investment and Finance Company Limited (Sanctioned Limit - Rs.300 lakhs)</b> <b>Balance as at March 31,2024 - Rs.182.44 lakhs</b>	
Repayable in 25 equated monthly instalment of Rs.14.16 lakhs per month including interest from 05.06.2023 to 05.06.2025	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

along with interest @ Chola Reference Rate + 4.53%, present effective rate is 12.75% p.a.	Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(d) (i) IKF Finance Limited (Sanctioned Limit - Rs.1,500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.916.53 lakhs</b>	
Repayable in 24 equated monthly principal instalment of Rs.62.50 lakhs per month from 03.07.2023 to 03.06.2025 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(d) (ii) IKF Finance Limited (Sanctioned Limit - Rs.700 lakhs)</b> <b>Balance as at March 31,2024 - Rs.684.88 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.29.17 lakhs per month from 03.05.2024 to 03.04.2026 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(e) (i) STCI Finance Limited (Sanctioned Limit - Rs.1,500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.919.11 lakhs</b>	
Repayable in 24 equated monthly principal instalment of Rs.62.50 lakhs per month from 30.07.2023 to 27.06.2025 along with effective interest rate is 12.75% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(e) (ii) STCI Finance Limited (Sanctioned Limit - Rs.1,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.982.83 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.41.67 lakhs per month from 30.04.2024 to 20.03.2026 along with effective interest rate is 12.75% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(f) (i) Northern Arc capital Limited (Sanctioned Limit - Rs.1,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.571.55 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.61.45 lakhs per month including interest from 07.08.2023 to 06.01.2025 along with interest at FBLR - 2.30%, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(f) (ii) Northern Arc capital Limited (Sanctioned Limit - Rs.500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.310.80 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.30.72 lakhs per month including interest from 05.09.2023 to 05.02.2025 along with interest at FBLR - 2.30%, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(f) (iii) Northern Arc capital Limited (Sanctioned Limit - Rs.500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.337.96 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.30.72 lakhs per month including interest from 05.10.2023 to 05.03.2025 along with interest at FBLR - 2.30%, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

<b>(f) (iv) Northern Arc Capital Limited (Sanctioned Limit - Rs.3,400 lakhs)</b> <b>Balance as at March 31,2024 - Rs.2,798.79 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.208.92 lakhs per month including interest from 25.01.2024 to 25.06.2025 along with interest at FBLR - 2.85%, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(g) (i) Hinduja Leyland Finance Limited (Sanctioned Limit - Rs.8,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.456.44 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.49.06 lakhs per month from 27.08.2023 to 27.01.2024 and Rs. 49.19 lakhs per month from 27.02.2024 to 27.01.2025 along with interest @ HBLR + 0.75%, present effective rate is 13.25% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(g) (ii) Hinduja Leyland Finance Limited (Sanctioned Limit - Rs.7,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.510.82 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.42.93 lakhs per month from 30.11.2023 to 30.01.2024 and Rs. 43.07 lakhs per month from 29.02.2024 to 28.04.2025 along with interest @ HBLR + 0.75%, present effective rate is 13.25% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(g) (iii) Hinduja Leyland Finance Limited (Sanctioned Limit - Rs.2,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.1,980.28 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.94.61 lakhs per month from 28.04.2024 to 28.03.2026 along with interest @ HBLR + 0.00%, present effective rate is 12.50% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(h) (i) Ambit Finvest Private Limited (Sanctioned Limit - Rs.1,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.724.79 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.47.42 lakhs per month including interest from 05.09.2023 to 05.08.2025 along with interest @ AFPLR - 2.85%, present effective rate is 12.75% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(h) (ii) Ambit Finvest Private Limited (Sanctioned Limit - Rs.650 lakhs)</b> <b>Balance as at March 31,2024 - Rs.594.53 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.30.90 lakhs per month including interest from 05.02.2024 to 05-01-2026 along with interest @ AFPLR - 2.60%, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(i) Maanaveeya Financial Services Private Limited (Sanctioned Limit - Rs.2,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.1,687.07 lakhs</b>	
Repayable in 21 equated monthly principal instalment of Rs.95.20 lakhs per month from 21.01.2024 to 21.09.2025 after moratorium period of 3 months along with effective interest rate is 13.5% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.206.55 lakhs

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

<b>(j) (i) Moneywise Financial Services Limited (Sanctioned Limit - Rs.1,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.796.38 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.47.55 lakhs per month including interest from 25.10.2023 to 25.10.2025 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(j) (ii) Moneywise Financial Services Limited (Sanctioned Limit - Rs.700 lakhs)</b> <b>Balance as at March 31,2024 - Rs.686.75 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.29.17 lakhs per month from 25.04.2024 to 25.03.2026 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(k) InCred Financial Services Limited (Sanctioned Limit - Rs.1,500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.1,201.67 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.71.31 lakhs per month including interest from 10.11.2023 to 10.10.2025 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(l) Manappuram Finance Limited (Sanctioned Limit - Rs.700 lakhs)</b> <b>Balance as at March 31,2024 - Rs.532.49 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.33.21 lakhs per month including interest from 31.10.2023 to 30.09.2025 along with effective interest rate is 12.75% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(m) (i) MAS Financial Services Limited (Sanctioned Limit - Rs.2,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.1,563.98 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.83.33 lakhs per month from 04.11.2023 to 05.10.2025 along with interest at MAS PLR - 3.55%, present effective rate is 12.95% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.102.99 lakhs.
<b>(m) (ii) MAS Financial Services Limited (Sanctioned Limit - Rs.1,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.863.38 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.41.67 lakhs per month from 25.01.2024 to 25.12.2025 after moratorium period of 2 months along with interest at MAS PLR - 3.55%, present effective rate is 12.95% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.51.26 lakhs
<b>(m) (iii) MAS Financial Services Limited (Sanctioned Limit - Rs.1,500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.1,485.22 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.62.50 lakhs per month from 10.04.2024 to 10.03.2026 along with interest at MAS PLR - 3.55%, present effective rate is 12.95% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.75.24 lakhs

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

<b>(n) Protium Finance Limited (Sanctioned Limit - Rs.700 lakhs)</b> <b>Balance as at March 31,2024 - Rs.550.79 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.42.98 lakhs per month including interest from 10.12.2023 to 10-05-2025 along with interest at Base Lending Rate + 12.90%, present effective rate is 13.10% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(o)Kotak Mahindra Investments Limited (Sanctioned Limit - Rs.2,500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.2,056.36 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.138.89 lakhs per month from 05.01.2024 to 05.10.2024 along with effective interest rate is 12% p.a. However, the company has made pre-payment of Rs. 1000.00 lakhs on 07.05.2024, resulting in change in tenure from 18 months to 10 months.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 115% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director). Term Loans are further secured by pledge of Term Deposits with banks of Rs.127.55 lakhs
<b>(p) Muthoot Finance Limited (Sanctioned Limit - Rs.500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.409.20 lakhs</b>	
Repayable in 18 equated monthly instalment of Rs.28.00 lakhs per month from 30.12.2023 to 30.05.2025 and Rs. 24.00 lakhs on 30.06.2025 along with effective interest rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(q) Western Capital Advisors Pvt. Ltd. (Sanctioned Limit - Rs.1,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.893.93 lakhs</b>	
Repayable in 21 equated monthly instalment of Rs.47.62 lakhs per month from 01.02.2024 to 01.10.2025 along with interest at WPLR - 2.50%, present effective rate is 13% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(r) Nabsamruddhi Finance Limited (Sanctioned Limit - Rs.1,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.944.51 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.47.66 lakhs per month including interest from 31.03.2024 to 28.02.2026 along with effective interest rate is 13.25% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).
<b>(s) Kissandhan Agri Financial Services Private Limited (Sanctioned Limit - Rs.500 lakhs)</b> <b>Balance as at March 31,2024 - Rs.379.48 lakhs</b>	
Repayable in 24 equated monthly instalment of Rs.23.83 lakhs per month including interest from 30.10.2023 to 30.09.2025 along with effective interest rate is 13.25% p.a.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

**(v) Working capital term loan**

<b>Capsave Finance Limited (Sanctioned Limit - Rs.1,000 lakhs)</b> <b>Balance as at March 31,2024 - Rs.496.40 lakhs</b>	
Repayable every 90 days from 01.02.2024 to 01-02-2025 along with effective interest rate is 12% p.a. Interest is due monthly on the last date of the month.	The Term Loans are secured by exclusive charge by way of hypothecation on the receivables (i.e. loan assets) of the Company upto 110% of loan outstandings, Corporate Guarantee of Hindon Mercantile Limited (Holding Company) and Personal Guarantee of Shri Kapil Garg (Managing Director).

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(vi) Unsecured foreign currency loan from other party

<b>Shell Foundation (Sanctioned Limit - Rs.800 lakhs (USD 1 million))</b>	
<b>Balance as at March 31,2024 - Rs.515.76 lakhs (USD 0.63 million)</b>	
Repayable after 60 months in one bullet payment with interest payable semi-annually effective interest rate is 6.25% p.a.	Nil

- (vii) The above amount is net of processing fee of Rs. 1,121.69 lakhs to be amortised in future.  
(viii) Includes interest accrued but not due amounting to Rs. 169.97 lakhs as at March 31, 2024.  
(ix) The Company has not made any default in repayments of loans and interest thereon to any lender during the year.  
(x) The Company has utilized the proceeds of the borrowings taken from the banks/financial institution for the purposes for which they were taken during the year.

(xi) List of pending disbursement of loans as at March 31, 2024

Lender	Sanctioned	Pending disbursement
Indian Renewable Energy Development Agency Limited (IREDA)	Rs.9,648 lakhs	Rs.482.40 lakhs
Capsave Finance Private Limited	Rs.1,000 lakhs	Rs.500.00 lakhs
Shell Foundation	Rs.800 lakhs	Rs.296.00 lakhs

- (xii) Acuite Ratings and Research Limited has reaffirmed ACUITE BBB (STABLE) rating for the Company's long term instruments of aggregate amount of Rs.10,000 lakhs and assigned ACUITE BBB (STABLE) rating for the Company's long term instruments of aggregate amount of Rs.15,000 lakhs vide their letter dated December 28,2023.

17. Other financial liabilities

Particulars	As at March 31, 2024
Lease Liabilities (Refer Note 44)	726.11
Salary and Other benefits payable	192.43
Security Deposits	2,071.44
Liabilities for Expenses	34.25
Unclaimed Dividend	2.33
Other payable	622.66
	3,649.22

(Rs. In Lakhs)

18. Provisions

Particulars	As at March 31, 2024
Provisions for Employee Benefits (Refer Note 34)	
- Gratuity	23.84
- Compensated Absence	22.22
	46.06

19. Other non-financial liabilities

Particulars	As at March 31, 2024
Statutory dues	89.73
Advance from customers	39.09
	128.82

20. Equity Share Capital

Particulars	As at March 31, 2024
<b>Authorised share capital</b>	
500,000,000 (April 01, 2023: 70,000,000) equity shares of Re. 1 each (April 01, 2023 : Re. 1 each) (Refer Note (a) below)	5,000.00

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

	5,000.00
<b>Issued, Subscribed and Fully paid-up share capital</b>	
162,105,172 (April 01, 2023 - 50,331,724) equity shares of Re. 1 each (April 01, 2023 : Re. 1 each) (Refer Note (a) below)	1,621.05
	1,621.05

(a) The equity share of the Company has been splitted into 2 shares of face value of Re. 1 each w.e.f March 22, 2023 pursuant to the approval of the shareholders through postal ballot.

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year.

Particulars	As at March 31, 2024
<b>At the beginning of the year</b>	<b>5,03,31,724</b>
Issued during the year	1,11,10,000
Bonus Shares issued during the year	10,06,63,448
Number of Shares splitted during the year	-
<b>At the end of the year</b>	<b>16,21,05,172</b>

(c) Terms/ rights attached to Equity shares

The company has one class of equity shares having a par value of Re. 1/- per share (March 31, 2023 : Re. 1/- per share). Each shareholder is entitled to one vote per share. All equity shareholders are having right to get dividend in proportion to paid up value at each equity share as and when declared. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all the preferential amounts, in proportion to their shareholding.

(d) Details of shareholders holding more than 5 percent shares in the Company

Particulars	As at March 31, 2024	
	Nos.	% of total share
Hindon Mercantile Limited	8,82,45,612	54.44%
Incofin India Progress Fund (Alternative Investment Fund)	2,13,27,012	13.16%

(Rs. In Lakhs)

(e) Shares held by the promoters as defined in the Companies Act, 2013 at the end of the year

Name of the promoter	As at March 31, 2024		As at April 01, 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Hindon Mercantile Limited	8,82,45,612	54.44%	2,91,05,204	57.83%	(3.39%)
Shri Kapil Garg	5,40,000	0.33%	1,80,000	0.36%	(0.03%)
	<b>8,87,85,612</b>	<b>54.77%</b>	<b>2,92,85,204</b>	<b>58.19%</b>	

(f) Shares held by the Holding Company

Name	As at March 31, 2024	
	No. of Shares	% of total shares
Hindon Mercantile Limited	8,82,45,612	54.44%
	<b>8,82,45,612</b>	<b>54.44%</b>

(g) Equity Shares allotted for a consideration other than Cash

(i) The Company had issued 2,16,11,360 equity shares of face value of Rs. 2 each at par fully paid up on June 20, 2019 to the equity shareholders of APM Industries Limited (the demerged company) pursuant to a Scheme of Arrangement.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(ii) The Board of Directors have allotted 100,663,448 Equity shares of Re. 1 each as Bonus Shares by capitalization of the free reserves on July 11, 2023.

(h) The Authorized Share Capital of the Company has been increased from Rs. 700 lakhs to Rs. 2,000 lakhs comprising 2,000 lakhs Equity shares of Re. 1 each with effect from June 27, 2023 and further increased from Rs. 2,000 lakhs to Rs. 5,000 lakhs comprising 5,000 lakhs Equity shares of Re. 1 each with effect from October 21, 2023.

(i) (i) The Board of Directors in its meeting held on September 29, 2022 has allotted by way of private placement on preferential basis (i) 35,54,502 Equity Shares of the Company to Incofin India Progress Fund (Alternative Investment Fund), Non-Promoter at a price of Rs. 126.60 per share and (ii) 4,65,000 fully Convertible Warrants of Rs. 126.60 each to the Promoter [now convertible into 2 equity shares of face value of Re. 1/- each pursuant to the shareholders approval for Sub - division of every 1 (One) equity share of face value of Rs 2/- (Rupees Two only) each into 2 (Two) equity shares of the face value of Re 1/- (Rupee One only) each, with effect from the record date Saturday, 15th April, 2023]. The Company has allotted 9,30,000 Equity Shares of face value of Re.1 each fully paid up at an exercise price of Rs.63.30 per equity share (including premium of Rs.62.30 per equity share) to Hindon Mercantile Limited on March 20, 2024.

(ii) The Board of Directors in its meeting held on December 27, 2023 has allotted 2,55,00,000 share warrants of Rs. 55 each to non-promoters and promoters by way of private placement on preferential basis. Out of which, the Company allotted 1,01,80,000 Equity Shares of face value of Re.1 each fully paid up at an exercise price of Rs.55 per equity share (including premium of Rs.54 per equity share) to share warrant holders on various dates.

(Rs. In Lakhs)

21. Other Equity

Particulars	As at March 31, 2024
General Reserve	6,850.86
Reserve Fund u/s 45-IC of RBI Act, 1934	1,155.90
Securities Premium	9,585.54
Retained Earnings	3,082.35
Impairment Reserve	7.26
Other Comprehensive Income	0.19
Money received against share warrants	2,106.60
	22,788.70

(Refer Statement of Changes in Equity also)

Nature of Reserve:

- General Reserve:** General reserve is the accumulation of the portions of the net profits transferred by the Company in the past years. This reserve is available for distribution to the shareholders.
- Reserve Fund u/s 45-IC of RBI Act, 1934:** The Company created a reserve fund pursuant to section 45 IC of the Reserve Bank of India Act, 1934 by transferring amount not less than 20% of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend declared. Withdrawal from this reserve is allowed only after obtaining permission from the RBI.
- Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium (net of issue expenses). The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- Retained earnings:** Retained earnings comprise of the profits of the Company earned till date net of distributions and other adjustments.
- Impairment Reserve:** Impairment Reserve comprise the amount of difference between the loss allowance on loan assets as required under Ind AS-109 and the provision required as per prudential norms of Reserve Bank of India on Income Recognition, Asset Classification and Provisioning (IRACP) appropriated from the net profit in terms of RBI notification. No withdrawals are permitted from this reserve without prior permission of the RBI.



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

- (f) **Other Comprehensive Income:** Other Comprehensive Income includes Remeasurement of the defined benefits plan (net).
- (g) **Money received against share warrants:** The amount received represents the application money received against allotment of share warrants referred to note 20(i)(i) and note 20(i)(ii).

**22. Interest Income**

Particulars	For the year ended March 31, 2024
<b>- On Financial Assets measured at Amortised Cost</b>	
Interest on Loans	8,882.66
Interest on Term Deposits with Banks	741.27
Interest on Investments	136.42
	9,760.35

**23. Net Gain on Fair Value changes**

Particulars	For the year ended March 31, 2024
- On Financial Assets measured at FVTPL	9.46
	9.46
<b>Fair value changes</b>	
- Realised gain on sale of investments (net)	7.98
- Unrealised gain on investments (net)	1.48
<b>Total Net gain on Fair Value changes</b>	9.46

(Rs. In Lakhs)

**24. Other Operating Revenue**

Particulars	For the year ended March 31, 2024
Service and other fees	9.89
	9.89

**25. Other Income**

Particulars	For the year ended March 31, 2024
Interest on Security Deposit	15.78
Interest on Income tax refund	3.56
Liabilities no longer required, written back	2.24
Other Income	42.46
	64.04

**26. Finance Costs**

Particulars	For the year ended March 31, 2024
<b>On Financial Liability measured at Amortised Cost</b>	
Interest on debt securities	738.98
Interest on Borrowings other than debt securities	3,657.84
Interest on lease liabilities	36.59
Interest on Income tax	6.28
	4,439.69

**27. Impairment on Financial Instruments**

Particulars	For the year ended March 31, 2024
<b>On Financial Instruments at Amortised Cost</b>	
-Loans	307.86
-Others	8.76
	316.62

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

**28. Employee Benefits Expenses**

Particulars	For the year ended March 31, 2024
Salaries and Wages	1,540.77
Contribution to Provident and other Funds (Refer Note34(a))	78.80
Gratuity and Compensated Absence	33.10
Recruitment Expenses	9.43
Staff Welfare	32.73
	1,694.83

**29. Depreciation and Amortization**

Particulars	For the year ended March 31, 2024
Depreciation	138.04
Amortization	90.99
	229.03

**30. Other Expenses**

Particulars	For the year ended March 31, 2024
Bank charges	54.99
Commission paid	135.18
IT Expenses	46.48
Travelling and conveyance expenses	177.65
Director Sitting fees	4.91
Advertisement	4.51
Business Promotion	48.74
Payment to Auditors (Refer Note 30.1)	10.43
CSR Expenses (Refer Note 30.2)	21.15
Donation	9.32
Fees and Subscription	30.56
Listing fee and Processing fee	17.17
Office Maintenance Exp	70.41
Office Rent	3.61
Postage and telegram	14.33
Printing and stationary	18.27
Professional fee	265.19
Rates and Taxes	9.53
Sundry Balances written off	3.65
Miscellaneous expenses	42.00
	988.08

**30.1 Payment to Auditors (net of GST input credit)**

Particulars	For the year ended March 31, 2024
Statutory Audit fees	3.27
Limited Review fees	2.40
Certification fees	3.27
Tax Audit Fees	1.47
Out of pocket expenses	0.02
	10.43

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

**30.2 Disclosures related to CSR Expenditure**

Particulars	For the year ended March 31, 2024
Amount required to be spent by the Company during the year	21.15
Amount of expenditure incurred	21.15
Excess/(shortfall) at the end of the year	-
<b>Expenditure incurred during the year</b>	
i) On Construction/acquisition of the assets	-
ii) On purposes other than (i) above	21.15
	21.15
<b>Nature of CSR activities</b>	<b>Educational Activities, Empowering for Employment and Animal Welfare</b>

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

31. Contingent Liabilities and Commitments

(a) Contingent Liabilities – Nil

(b) Commitments –

- ii. Estimated amount of contracts remaining to be executed on capital account not provided for – Nil
- iii. Other commitments – Nil

32. A. Reconciliation of Gross Carrying Amount of Loans and Expected Credit Loss on Loans

Reconciliation of Gross Carrying Amount of Loans

(Rs. in lakhs)	
Particulars	As at March 31, 2024
Gross Carrying Amount at the beginning of the year	26,092.79
New Assets originated or purchased	77,039.68
Transfers to/ (from) Stage 1	(5,831.07)
Transfers to/ (from) Stage 2	4,783.38
Transfers to/ (from) Stage 3	1,047.69
Amount written off	62.71
Net Recovery	(40,781.12)
Gross Carrying amount at the end of the year	62,414.06

Reconciliation of Expected Credit Loss on Loans

(Rs. in lakhs)	
Particulars	As at March 31, 2024
Expected Credit Loss at the beginning of the year (A)	239.34
New Assets originated or purchased (B)	389.33
Impact on Expected Credit Loss of Exposure transferred between stages during the year (C)	227.61
Increase/(decrease) in provision on financial assets (net of recovery) (D)	(368.52)
Amount written off (E)	62.71
Expected Credit Loss on Off Balance Sheet Item (F)	(3.27)
Increase/(Decrease) in Expected Credit Loss during the year after adjustment of losses (G)=B+C+D+E+F	307.86
Expected Credit Loss at the end of the year (H)=A+G-E	484.49

B. Reconciliation of Gross Carrying Amount of Other Receivables and Expected Credit Loss on Other Receivables

Reconciliation of Gross Carrying Amount of Other Receivables

(Rs. in lakhs)	
Particulars	As at March 31, 2024
Gross Carrying Amount at the beginning of the year	33.77
New Assets originated	3.77
Transfers to/ (from) Stage 1	-
Transfers to/ (from) Stage 2	-
Transfers to/ (from) Stage 3	-
Net Recovery	(33.77)
Gross Carrying amount at the end of the year	3.77

Reconciliation of Expected Credit Loss on Other Receivables

(Rs. in lakhs)	
Particulars	As at March 31, 2024
Expected Credit Loss at the beginning of the year	0.17
On New Assets originated	0.02
Impact on Expected Credit Loss of Exposure transferred between stages during the year	-
Increase/(decrease) in provision on financial assets(net of recovery)	(0.17)
Expected Credit Loss during the year (net of recovery)	(0.15)
Increase/(Decrease) in Expected Credit Loss during the year	(0.15)
Expected Credit Loss at the end of the year	0.02

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

C. Reconciliation of Gross Carrying Amount of Advances to Dealers and Expected Credit Loss on Advances to Dealers

Reconciliation of Gross Carrying Amount of Advances to Dealers

(Rs. in lakhs)

Particulars	As at March 31, 2024
<b>Gross Carrying Amount at the beginning of the year</b>	<b>242.13</b>
New Assets originated	970.54
Transfers to/ (from) Stage 1	-
Transfers to/ (from) Stage 2	-
Transfers to/ (from) Stage 3	-
Net Recovery	(242.13)
<b>Gross Carrying amount at the end of the year</b>	<b>970.54</b>

Reconciliation of Expected Credit Loss on Advances to Dealers

(Rs. in lakhs)

Particulars	As at March 31, 2024
<b>Expected Credit Loss at the beginning of the year</b>	<b>-</b>
On New Assets originated	4.85
Impact on Expected Credit Loss of Exposure transferred between stages during the year	-
Increase/(decrease) in provision on financial assets (net of recovery)	-
<b>Expected Credit Loss during the year (net of recovery)</b>	<b>4.85</b>
<b>Increase/(Decrease) in Expected Credit Loss during the year</b>	<b>4.85</b>
<b>Expected Credit Loss at the end of the year</b>	<b>4.85</b>

D. Reconciliation of Gross Carrying Amount of Other Receivables ((Other Financial Assets) and Expected Credit Loss on Other Receivables (Other Financial Assets)

Reconciliation of Gross Carrying Amount of Other Receivables (Other Financial Assets)

(Rs. in lakhs)

Particulars	As at March 31, 2024
<b>Gross Carrying Amount at the beginning of the year</b>	<b>-</b>
New Assets originated	811.22
Transfers to/ (from) Stage 1	-
Transfers to/ (from) Stage 2	-
Transfers to/ (from) Stage 3	-
Net Recovery	-
<b>Gross Carrying amount at the end of the year</b>	<b>811.22</b>

Reconciliation of Expected Credit Loss on Other Receivables (Other Financial Assets)

(Rs. in lakhs)

Particulars	As at March 31, 2024
<b>Expected Credit Loss at the beginning of the year</b>	<b>-</b>
On New Assets originated	4.06
Impact on Expected Credit Loss of Exposure transferred between stages during the year	-
Increase/(decrease) in provision on financial assets(net of recovery)	-
<b>Expected Credit Loss during the year (net of recovery)</b>	<b>4.06</b>
<b>Increase/(Decrease) in Expected Credit Loss during the year</b>	<b>4.06</b>
<b>Expected Credit Loss at the end of the year</b>	<b>4.06</b>

33. The Company and its Managing Director, Mr. Kapil Garg entered into a Share Purchase Agreement on February 03, 2024 with the promoters of LKP Finance Limited ("Target Company") to acquire 56,96,312 Equity shares representing 45.32% of paid-up Equity share capital of the Target Company for consideration of Rs.14,240.78 lakhs. In compliance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations"), Company has made an open offer for acquisition of equity shares from the shareholders of Target Company on February 15, 2024, which has been withdrawn on April 16, 2024 after return of application for approval of change in Control and Management by the Reserve Bank of India on April 03, 2024. The expenses related to this open offer have been shown as "Exceptional Items".

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

34. Details of Employees Benefits as required by the Ind AS 12 "Employee Benefits"

a) Defined Contribution Plans

The Group has recognized the following amounts in the Consolidated statement of profit and loss:

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2024	
Contribution to provident fund	65.88	
Contribution to ESI	12.92	
Total	78.80	

b) Post Retirement Benefit Plan

(i) Amount recognized in the Consolidated balance sheet

Particulars	(Rs. in lakhs)	
	As at March 31, 2024	
	Gratuity	Compensated Absence
Present value of plan liabilities	23.84	22.22
Fair value of plan assets	-	-
<b>Deficit/(Surplus) of funded plans</b>	<b>23.84</b>	<b>22.22</b>
Unfunded plans	-	-
<b>Net plan liabilities/(assets)</b>	<b>23.84</b>	<b>22.22</b>

(ii) Amount recognized in the Consolidated Statement of Profit and Loss as Employee Benefit Expenses

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2024	
	Gratuity	Compensated Absence
Current service cost	17.44	16.40
Past service cost	-	0.53
Interest cost	0.63	-
Expected return on plan assets	-	-
Actuarial (Gains)/Losses	(2.71)	(1.91)
<b>Total expenses</b>	<b>15.36</b>	<b>15.02</b>

(iii) Assumptions

Particulars	As at March 31, 2024
<b>Financial Assumption</b>	
Discount rate	7.25
Salary Escalation Rate #	5.00
<b>Demographic Assumptions</b>	
Retirement age (Years)	60
Mortality rates inclusive of provision for disability – (Gratuity)	100% of IALM (2012-14 )
Attrition at ages	
- Up to 30 years	5.00
- From 31 to 44 years	3.00
- Above 44 years	2.00

# The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(iv) Sensitivity Analysis

(Rs. in lakhs)

Particulars	As at March 31, 2024		
	Change in assumption	Increase impact on present value of plan liabilities	Decrease impact on present value of plan liabilities
<b>Gratuity</b>			
Discount rate	0.50%	(1.77)	1.97
Salary Escalation Rate	0.50%	2.01	(1.82)
<b>Compensated Absence</b>			
Discount rate	0.50%	(1.47)	1.60
Salary Escalation Rate	0.50%	1.64	(1.49)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the Consolidated Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared with the previous period.

(v) The defined benefit obligations maturing after year ended March 31, 2024

(Rs. in lakhs)

Maturing within	As at March 31, 2024	
	Gratuity	Compensated Absence
0 – 1 year	0.05	1.91
1 – 2 years	0.07	0.69
2 – 3 years	0.10	0.64
3 – 4 years	0.47	0.61
4 – 5 years	1.82	0.86
5 – 6 years	0.60	0.54
6 year onwards	20.72	16.95

35. Income Tax Expense

a) Tax expense recognized in the Consolidated statement of profit and loss

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024
<b>Current tax</b>	
Current tax on taxable income for the year	142.96
<b>Total Current tax expense</b>	142.96
<b>Deferred tax</b>	
Deferred tax charge/(credit)	376.68
<b>Total deferred tax expense/(credit)</b>	376.68
<b>Tax expense for the year</b>	519.64
Tax related to earlier year	(2.63)
<b>Total tax expense recognized for the year</b>	517.01

b) A reconciliation of the tax expense to the amount computed by applying the statutory income tax rate to the profit before tax is summarized below:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024
Effective Tax Rate	25.168%
Profit before tax	2,123.20
Current tax expense on profit before tax	534.37

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Tax effect of the amounts which are not deductible/ (taxable) in calculation of current taxable income	(23.98)
Tax effects of the amounts which are permanently disallowed	9.25
Differential Tax on income taxable at different tax rate	-
<b>Tax Expense for the year</b>	<b>519.64</b>
Effect of earlier year tax adjustment	(2.63)
<b>Tax Expense recognised in the Consolidated statement of profit and loss</b>	<b>517.01</b>

c) Tax Assets and Liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2024
Current tax assets (net)	278.24

d) Deferred Tax Assets and Liabilities

(Rs. in lakhs)

Particulars	As at April 01, 2023 -Deferred tax Assets/ (Liabilities)	(Credit)/ charge in statement of profit and loss	(Credit)/charge in other comprehensive Income	As at March 31, 2024 -Deferred tax Asset/ (Liabilities)
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(76.41)	296.24	-	(372.65)
Unamortized Processing Fees Expenses	(69.63)	230.56	-	(300.19)
<b>Deferred Tax Liabilities (A)</b>	<b>(146.04)</b>	<b>526.80</b>	<b>-</b>	<b>(672.84)</b>
Provision for Employee Benefits	3.94	(8.33)	0.68	11.59
Unamortized Processing Fees Income	116.72	(65.44)	-	182.16
Allowance for Impairment Loss	83.81	(40.38)	-	124.19
Other Temporary differences	1.67	(35.97)	-	37.64
<b>Deferred tax Assets (B)</b>	<b>206.14</b>	<b>(150.12)</b>	<b>(0.68)</b>	<b>355.58</b>
<b>Deferred tax (Liabilities) / Assets (Net) (A+B)</b>	<b>60.10</b>	<b>(376.68)</b>	<b>(0.68)</b>	<b>(317.26)</b>

36. Capital Management

The primary objective of the Group's capital management is to maximize the shareholder value, safeguard the business continuity and to maintain strong capital base for investor, creditors and market confidence. For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. Further, The Group actively manages the capital base to cover risks inherent in its business and ensure maintenance of capital adequacy requirement as prescribed by the RBI. As against the minimum capital requirement of 15% as prescribed by the regulator, the capital adequacy ratio as at March 31, 2024 stood at 36.53% (Refer note 47). The Group has complied in full with all its externally imposed capital requirements over the reporting period.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions, future plans and the requirements of the financial covenants. The funding requirements are met through loans and operating cash flows generated. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep optimum gearing ratio as given below:

(Rs. in lakhs)

Particulars	As at March 31, 2024
Debt securities	6,461.36
Borrowings (other than debt securities)	57,545.85
Other financial liabilities	3,649.22
Less: Cash and cash equivalents	(8,765.04)
<b>Net Debt (A)</b>	<b>58,891.39</b>
<b>Total Equity (B)</b>	<b>24,409.75</b>
<b>Capital and Net debt (C)=(A+B)</b>	<b>83,301.14</b>
<b>Gearing ratio (%) (A/C)</b>	<b>70.70%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024.



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

**37. Financial Risk Management**

The Group is mainly engaged in Investment and Finance Activities. The Group's principal financial liabilities comprise debt securities, borrowings (other than debt securities) and other payables. The main purpose of these financial liabilities is to finance and support Group's operations. The Group's principal financial assets include loans, term deposits with banks, Investments, cash and cash equivalents and receivables.

The risk management policies of the Group are established to identify and analyses the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group is exposed to credit risk, market risk and liquidity risk. The Group's management oversees the management of these risks to ensure the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group's policies and risk objectives. The major risks are summarized below:

**37.1 Credit Risk**

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to financial loss. The Group is exposed to credit risk from its financing activities towards Loans to various customers. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk has always been managed by the Group through credit approvals, establish credit limits and continuous monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business.

Financial assets are written off when there is no reasonable expectation of recovery, such as a borrower failing to engage in a repayment plan with the Group. Where loans/interest have been written off, the Group continues to engage in enforcement activity to attempt to recover the loans/receivable due. Where recoveries are made, these are recognized as income in the consolidated statement of profit and loss.

The Group measures the expected credit loss of other receivables/loans based on historical trend, available external and internal credit risk factors such as financial condition, ageing of accounts receivable etc., regulatory norms, industry practices and the business environment in which the entity operates. Refer note 2.5.2.5 and 2.5.2.6 for Impairment and Write-off and Expected Credit Loss (ECL) policy of the Group.

As at March 31, 2024, the Group did not consider there to be any significant concentration of credit risk, which had not been adequately provided for. The carrying amount of the financial assets recorded in the consolidated financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

**37.2 Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and market price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, investments, borrowings and term deposits with banks.

**37.2.1 Interest Rate Risk**

The interest rate risk exposure is mainly from changes in the interest rates. The interest rates are disclosed in the respective notes to the consolidated financial statements of the Group. The breakup of the financial assets and liabilities on the basis of interest and non-interest nature is as under:

(Rs. in lakhs)	
Particulars	As at March 31, 2024
<b>Financial assets</b>	
<b>Non-interest bearing</b>	
Cash and cash equivalents	8,765.04
Other receivables	3.75
Investments	479.45
Others Financial Assets	2,847.62
Bank balances other than cash and cash equivalents	
-Unclaimed Dividend account	5.48
Loans*	1,077.82

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

<b>Interest bearing</b>	
Cash and cash equivalents – Term Deposit with Bank	-
Bank balances other than cash and cash equivalents	
Other Bank Balances	874.71
Term Deposits – Fixed interest rate	13,155.21
Term Deposits – Floating interest rate	2,332.83
Loans	60,851.75
<b>Financial liabilities</b>	
<b>Non-interest bearing</b>	
Trade Payables	-
Other Financial Liabilities	3,649.22
<b>Interest bearing</b>	
Debt securities	6,461.36
Borrowings (other than debt securities)	
Fixed interest rate	24,458.29
Floating interest rate	33,087.56

\*represents interest on loans Rs. 1,077.82 lakhs

**Sensitivity Analysis**

The table below summaries the impact of increase and decrease in rate of interest on the Group's Equity/ other assets and profit for the year. The analysis is based on the assumption that the interest rate has increased/decreased by 50 base point.

**(a) Interest rate sensitivity – Debt securities**

Particulars	(Rs. in lakhs) F.Y. 2023-24
50 bp increase would decrease the profit before tax by	(32.31)
50 bp decrease would Increase the profit before tax by	32.31

**(b) Interest rate sensitivity – Borrowings (other than Debt Securities)**

Particulars	(Rs. in lakhs) F.Y. 2023-24
50 bp increase would decrease the profit before tax by	(165.44)
50 bp decrease would Increase the profit before tax by	165.44

**(c) Interest rate sensitivity - Loans**

Particulars	(Rs. in lakhs) F.Y. 2023-24
50 bp increase would increase the profit before tax by	304.26
50 bp decrease would decrease the profit before tax by	(304.26)

**(d) Interest rate sensitivity – Term Deposits with Banks**

Particulars	(Rs. in lakhs) F.Y. 2023-24
50 bp increase would increase the profit before tax by	11.66
50 bp decrease would decrease the profit before tax by	(11.66)

**37.2.2 Foreign Currency Risk**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising from foreign currency borrowings [ECB]. Foreign currency risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Group's functional currency (INR).

**Foreign Currency Risk Management**

The Group's risk management committee is responsible to frame, implement and monitor the risk management plan of the Group. The committee carry out risk assessment with regard to foreign exchange variances and suggests risk minimization procedures and implement the same.

**Foreign Currency Exposure**

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024**

The Group's exposure to foreign currency at the end of the reporting period expressed in INR are as follows:

Financial Liabilities	F.Y. 2023-24
Debt securities	5,904.01
Borrowings other than debt securities	515.76

**Foreign Currency Risk Sensitivity Analysis**

There is no risk of foreign fluctuation on the Group as the amount of loan is fixed in Indian rupees (INR) and hence, sensitive analysis is not given.

**37.2.3 Market Price Risk**

Market price risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices of equity shares and mutual funds units. In the case of the Group, market risk primarily impacts financial instruments such as Investment in Mutual Funds, Equity Shares etc. measured at fair value through profit or loss.

The Group exposure to market price risk arising from Investments held by the Group and is classified in the consolidated financial statements at fair value through profit or loss. Categories of Investments held by the Group is given below:

Particulars	(Rs. in lakhs)	
	Mutual Funds	Others
Market value as at March 31, 2024	451.45	-

**Sensitivity Analysis**

The table below summaries the impact of increase and decrease of the index on the Group's Equity/ other assets and profit for the year. The analysis is based on the assumption that the instrument index has increased by 5% or decreased by 5% with all other variables held constant.

Particulars	(Rs. in lakhs)	
	F.Y. 2023-24	
5% increase would increase the profit before tax by		22.57
5% decrease would decrease the profit before tax by		(22.57)

**37.3 Liquidity Risk**

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Liquidity risk are managed through combination of strategies like managing tenors in line with asset liability management policy and adequate liquidity cover is maintained. The Group's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Senior management. Management monitors the Group liquidity position through rolling forecasts on the basis of expected cash flows.

The analysis of financial liabilities by remaining contractual maturities:

Particulars	(Rs. in lakhs)			
	Less than 1 year / On demand	1 to 5 years	> 5 years	Total
<b>Year ended March 31, 2024</b>				
Debt securities	589.67	5,942.75	-	6,532.42
Borrowings (other than Debt Securities) (including interest)	36,475.95	21,687.59	504.00	58,667.54
Other financial liabilities	1,073.24	2,767.48	-	3,840.72

**38. Other Financial Instruments Disclosures**

**38.1 Financial Instruments by Category**

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

Particulars	(Rs. in lakhs)				
	Amortized cost	Financial assets/	Financial assets/	Total Carrying value	Total fair value

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

		liabilities at fair value through profit or loss	liabilities at fair value through OCI		
<b>Assets:</b>					
(a) Investment in Mutual fund	-	451.45	-	451.45	451.45
(b) Investment in Equity – Others (Unquoted)	-	28.00	-	28.00	28.00
(c) Other receivables	3.75	-	-	3.75	3.75
(d) Loans	61,929.57	-	-	61,929.57	61,929.57
(e) Other financial assets	2,847.62	-	-	2,847.62	2,847.62
(f) Cash and cash Equivalents	8,765.04	-	-	8,765.04	8,765.04
(g) Bank balance other than cash and cash equivalents	16,368.23	-	-	16,368.23	16,368.23
<b>Liabilities:</b>					
(a) Debt securities	6,461.36	-	-	6,461.36	6,461.36
(b) Borrowings (other than Debt Securities)	57,545.85	-	-	57,545.85	57,545.85
(c) Other financial liabilities	3,649.22	-	-	3,649.22	3,649.22

### 38.2 Fair Value Hierarchy

**38.2.1** This section explains the judgments and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the consolidated financial statements. It does not include fair value information for financial assets and liabilities if the carrying amount is a reasonable approximation of fair value.

(Rs. in lakhs)

Particulars	March 31, 2024		
	Level 1	Level 2	Level 3
<b>Financial Assets and Liabilities which are measured at fair value : recurring fair value measurement</b>			
<b>Assets:</b>			
(a) Investment in Mutual Fund	451.45	-	-
(b) Investment in Equity – Others (Unquoted)	-	-	28.00
<b>Financial Assets and Liabilities which are measured at amortized cost for which fair values are disclosed</b>			
<b>Assets:</b>			
(a) Investment in Commercial Paper	-	-	-
<b>Liabilities:</b>			
(a) Lease Liabilities	-	-	726.11

### 38.2.2 Measurement of fair values

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

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Input other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3- Inputs for the assets or the liabilities that are not based on observable market data (unobservable Inputs)

### Valuation Methodologies of financial instruments measured at fair value

Type of Instruments	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Units of Mutual Funds	The Fair values of investments in Mutual Fund Units is based on the Net Asset Value (NAV) as stated by the issuer of these Mutual Fund Units in the published statements as at Balance Sheet date and are classified as Level 1. NAV represents the price at which the issuer will further units of Mutual Funds and the price at which issuers will redeem such units from the investors.	Not Applicable	Not Applicable
Financial assets and financial liabilities measured at FVTPL	Fair value is determined using the discounted cash flow method which considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not Applicable	Not Applicable
Equity Shares – unquoted	1) Income approach – Discounted Cash Flow Method 2) Net Asset Value/Net worth, based on the independent valuation report or financial statements of the Company.	1) Discount rate 2) Terminal rate	1) Higher the discount rate, lower the fair value. 2) Higher the terminal rate, higher the fair value
Financial assets and financial liabilities measured at amortised cost	Discounted cash flow method: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.  Fair value of borrowings which have a quoted market price in an active market is based on its market price.	Not Applicable	Not Applicable

(i) Fair value of financial assets and liabilities measured at amortized cost: -

(Rs. in lakhs)

Particulars	As at March 31, 2024
Bonds	-
Lease liabilities	726.11

The fair value of the financial assets is included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

(ii) The following methods and assumptions are used to estimate the fair value:

- Fair value of cash and cash equivalents, trade and other receivables, other payables and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

39. Maturity profile of Assets and Liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2024	
	Within 12 months	After 12 months
<b>Financial Assets</b>		
Cash and cash equivalents	8,765.04	-
Bank balance other than cash and cash equivalents	15,387.27	980.96
Other receivables	3.75	-
Loans	32,059.38	29,870.19
Investments	451.45	28.00
Others Financial Assets	2,823.13	24.49
<b>Non-Financial Assets</b>		

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Current tax assets (Net)	278.24	-
Property, plant and equipment	-	45.83
Intangible Assets	-	120.57
Right of Use Assets	38.10	677.98
Other non-financial assets	1,000.45	3.49
<b>Financial Liabilities</b>		
Debt securities	578.25	5,883.11
Borrowing (other than debt securities)	35,886.14	21,659.71
Other financial liabilities	1,004.07	2,645.15
<b>Non-Financial Liabilities</b>		
Provisions	1.91	44.15
Deferred tax liabilities (net)	-	317.26
Other Non-Financial Liabilities	128.82	-

40. Related Party disclosures as required by Ind AS-24

40.1 A. List of Related Parties of Parent Company (Mufin Green Finance Limited):

S.No	Relation	Name	Particulars
1	Holding Company	Hindon Mercantile Limited	w.e.f. March 09,2022
2	Key Management Personnel (KMP)	Shri Kapil Garg Shri Adish Kumar Jain Shri Mayank Pratap Singh Shri Pankaj Gupta Smt. Gunjan Jain	Managing Director w.e.f. March 09,2022 Chief Financial Officer till September 30,2022 Company Secretary w.e.f. March 09,2022 Chief Executive Officer w.e.f. May 18,2022 Chief Financial Officer w.e.f. November 14,2022
3	Fellow Subsidiaries	Hindon Peer to Peer Finance Private Limited Hindon Account Aggregation Services Private Limited Mufinpay Payment Solutions Private Limited Bimapay Finsure Private Limited	w.e.f. March 09,2022 w.e.f. March 09,2022 w.e.f. May 05,2022 w.e.f. April 11,2022
4	Subsidiary of Fellow Subsidiary	Fintelligence Data Science Private Limited	w.e.f. March 09,2022
5	Non-Executive and Independent Directors	Shri Manoj Kumar Bhatt Shri Abhinav Tambi Shri Nitin Goel Shri Hemant Bhageria Shri Aishwarya Mani Kachhal Smt. Srishti Agarwal	w.e.f. March 09,2022 till August 23,2023 w.e.f. March 09,2022 w.e.f. March 09,2022 w.e.f. February 17,2023 w.e.f. August 11,2023
6	Non-Executive Director	Smt. Neha Agarwal	till August 03, 2023
7	Director of Holding Company	Shri Luv Khanna	
8	Entities over which Directors/KMPs have significant influence / Relatives of Directors/KMP with whom transactions have taken place	Electric Mobility Financiers Association of India Smt. Shelly Garg Shri Saurabh Garg Smt. Pooja Garg Bima Pay Technology Private Limited	w.e.f. March 09,2022

40.1 B. List of Related Parties of Subsidiary (Mufin Green Leasing Private Limited)

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

S.No	Relation	Name	Particulars
1	Non-Executive and Independent Director	Shri Hemant Bhageria	w.e.f. August 08,2023
2	Non-Executive Director	Shri Kapil Garg	w.e.f. August 08,2023

40.1 C. List of Related Parties of Subsidiary (Mufin Green Infra Limited)

S.No	Relation	Name	Particulars
1	Non-Executive and Independent Director	Shri Hemant Bhageria	w.e.f. March 02,2024
2	Non-Executive Director	Shri Kapil Garg Shri Subhash Kumar Shri Kamlesh Kaushik Smt. Gunjan Jain	w.e.f. March 02,2024 w.e.f. March 02,2024 w.e.f. March 02,2024 w.e.f. March 02,2024
3	Entity over which Directors has significant influence	Kissan Mobility Private Limited	

40.2 The following transactions were carried out with Related parties in the ordinary course of business:

(Rs. in lakhs)

Name of the Related party	Nature of transaction	For the Year ended March 31, 2024
Fintelligence Data Science Private Limited	Services Fees	2.16
	Loan given	50.00
	Interest Income	1.58
Hindon Mercantile Limited	Loan given	1,917.63
	Interest income	31.42
	Loan Portfolio acquired	23.91
	Money received against share warrants	441.52
	Loan received back	550.54
	EMI collected on our behalf and refunded back	3.69
	Reimbursements of payments made on our behalf	31.81
Bimapay Finsure Private Limited	Professional Fees	6.72
Shri Luv Khanna	Professional Fees	17.70
Shri Nitin Goel	Director Sitting fees	1.20
Shri Hemant Bhageria	Director Sitting fees	1.35
Shri Manoj Kumar Bhatt	Director Sitting fees	1.35
Smt. Srishti Agarwal	Director Sitting fees	0.60
Shri Kapil Garg	Director Remuneration	85.92
	Money received against share warrants	151.25*
Smt. Shelly Garg	Money received against share warrants	151.25*
Shri Saurabh Garg	Money received against share warrants	151.25*
Smt. Pooja Garg	Money received against share warrants	151.25*
Bima Pay Technology Private Limited	Money received against share warrants	151.25*
Electric Mobility Financiers Association of India	Membership fees	0.21
Shri Mayank Pratap Singh	Remuneration	11.14
Shri Pankaj Gupta	Remuneration	35.90
Smt. Gunjan Jain	Remuneration	18.94

\*balance 75% i.e. 453.75 lakhs to be paid by each in future.

40.3 Outstanding balances with Related parties

(Rs. in lakhs)

Name of the related party	Nature	As at
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Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

		March 31, 2024
Fintelligence Data Science Private Limited	Loan and interest thereon	51.58
Bimapay Finsure Private Limited	Other Payable	1.15
Hindon Mercantile Limited	Loan outstandings	1,367.09
Shri Mayank Pratap Singh	Remuneration	0.85
Shri Pankaj Gupta	Remuneration	2.50
Smt. Gunjan Jain	Remuneration	1.27

**40.4 Loans and advances in the nature of loans given to Subsidiaries, Joint Ventures, Associates and Companies in which directors are interested – Disclosure under Regulation 34(3) read together with paragraph A Schedule V of SEBI (LODR)**

(Rs. in lakhs)

Name of the related party	Nature of transaction	As at March 31, 2024
Hindon Mercantile Limited	Loan given	1,917.63
	Maximum loan amount outstanding during the year*	1,600.00
Fintelligence Data Science Private Limited	Loan given	50.00
	Maximum loan amount outstanding during the year*	50.00

\*excluding interest

**40.5 Particulars of Remuneration to Key Management Personnel**

(Rs. in lakhs)

Particulars	Shri Kapil Garg, Managing Director	Shri Mayank Pratap Singh, Company Secretary
	Year ended March 31, 2024	Year ended March 31, 2024
Salary and Allowances	85.92	10.42
Contribution to PF	-	0.22
Bonus	-	0.51
Value of perquisites *	-	-

(Rs. In lakhs)

Particulars	Shri Pankaj Gupta, Chief Executive Officer	Smt Gunjan Jain, Chief Financial Officer
	Year ended March 31, 2024	Year ended March 31, 2024
Salary and Allowances	34.15	16.95
Contribution to PF	0.22	1.10
Bonus	1.53	0.89
Value of perquisites *	-	-

\* calculated as per Income Tax Rules

**40.6 No amount pertaining to related parties has been provided for as doubtful debts or written off.**

**41. Earnings per Share (EPS)**

Particulars	For the year ended March 31, 2024
Net Profit for the year (before OCI) (Rs. in lakhs)	1,606.19
Weighted average number of Equity Shares*	152,434,503
Diluted average number of Equity Shares*	153,439,093
Basic earnings per share (Rs.)	1.05
Diluted earnings per share (Rs.)	1.05
Face value of each share (Re.)	1

\*Recasted due to split of share (Refer Note 20(a)) and bonus shares (Refer Note 20(g)(ii))



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

42. Change in Liabilities arising from Financial Activities

(Rs. in lakhs)

Particulars	April 01, 2023	Cash flows	Others	New Leases	March 31, 2024
Debt Securities	5,827.19	607.83	26.34	-	6,461.36
Borrowings other than debt securities	16,771.78	40,696.34	77.73	-	57,545.85
Lease Liabilities	245.09	(119.42)	36.59	563.85	726.11
<b>Total</b>	<b>22,844.06</b>	<b>41,184.75</b>	<b>140.66</b>	<b>563.85</b>	<b>64,733.32</b>

- Others column represents the effect of interest accrued but not due on borrowing, amortization of processing fees etc.
- Liabilities represents of Debt securities, Borrowings (other than debt securities) and Lease Liabilities.

43. Ratings assigned by Credit Rating Agencies during the year: ACUITE BBB (STABLE) rating by Acuite Ratings and Research Limited for non-convertible debentures, long term instruments and bonds. The rating is same as was in the preceding year. Migration of ratings during the year: Nil

44. Disclosures of Leases pursuant to Ind AS 116

l) Group as Lessee

44.1 The Group has taken building on operating lease for office use.

44.2 Amounts recognized in Consolidated Statement of Profit and Loss

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024
Depreciation Expenses	103.66
Rent	3.61
Interest Expenses	36.59
<b>Total</b>	<b>143.86</b>

44.3 The changes in the carrying value of right of use assets (ROU)

(Rs. in lakhs)

Particulars	Buildings
	For the year ended March 31, 2024
<b>Balance at the beginning of the year</b>	<b>243.05</b>
Additions	576.69
Deletion/Adjustment	-
Depreciation	(103.66)
<b>Balance at the end of the year</b>	<b>716.08</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the consolidated statement of profit and loss.

44.4 The break-up of current and non-current lease liabilities

(Rs. in lakhs)

Particulars	For the year ended March 31, 2024
Current lease liabilities	152.41
Non-current lease liabilities	573.70
<b>Total</b>	<b>726.11</b>

44.5 The movement in lease liabilities

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	(Rs. in lakhs)
	For the year ended March 31, 2024
Balance at the beginning of the year	245.09
Additions	563.85
Interest Expenses	36.59
Deletions	-
Payment of lease liabilities	(119.42)
<b>Balance at the end of the year</b>	<b>726.11</b>

44.6 The details regarding the contractual maturities of lease liabilities on an undiscounted basis

Particulars	(Rs. in lakhs)
	As at March 31, 2024
Less than one year	221.57
One to five years	696.04
More than five years	-
<b>Total</b>	<b>917.61</b>

(II) Group as Lessor

Finance Lease

- i) The Group has given certain property, plant and equipment on finance leases. The lease is for a fixed period and is cancellable subject to fulfillment of certain conditions. There are no exceptional/ restrictive covenants in the lease agreement. There are no significant risks associated with rights that the Group retains in underlying assets.
- ii) Maturity analysis of minimum undiscounted lease receivables and the present value of minimum lease payments receivable is as under:

Particulars	(Rs. in lakhs)
	As at March 31, 2024
Receivable not later than 1 year	4,488.99
Receivable later than 1 year but not later than 2 year	4,337.43
Receivable later than 2 year but not later than 3 year	3,037.62
Receivable later than 3 year but not later than 4 year	2,846.63
Receivable later than 4 year but not later than 5 year	1,853.68
Receivable later than 5 years	112.29
<b>Gross investment in lease</b>	<b>16,676.64</b>
Less: Unearned finance income	(4,213.46)
<b>Present value of minimum lease payment receivable</b>	<b>12,463.18*</b>
Less: Impairment loss allowance	(62.59)
<b>Total Net Receivables</b>	<b>12,400.59</b>

\*including processing fees of Rs. 85.64 lakhs and other charges of Nil to be amortized in future.

- iii) Finance lease income on net investment in lease recognized in Consolidated Statement of Profit and Loss during the financial year ended March 31, 2024 is **Rs. 1,157.93 lakhs**
- iv) Finance lease income relating to variable lease payments not depending on index/rate – Nil
- v) **Changes in carrying amount of net investment in finance lease.**

Particulars	(Rs. in lakhs)		
	Current	Non-Current	Total
<b>Opening value of Lease Receivables as on April 1,2023</b>	784.56	2,882.38	3,666.94
Add: Additions during the year	<b>661.04</b>	<b>9,478.19</b>	<b>10,139.23</b>
Add: Finance lease income recognized in Consolidated statement of profit and loss	<b>1,157.93</b>	-	<b>1,157.93</b>

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Less: Lease rental received (cash payment)	(2,586.56)	-	(2,586.56)
Add/Less: Change on account of any other factors	2,871.51	(2,871.51)	-
<b>Opening value of Lease Receivables as on March 31, 2024</b>	<b>2,888.48</b>	<b>9,489.06</b>	<b>12,377.54</b>

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

45. The Group's main business is Financing and Investing activities. All activities are carried out within India. As such there are no reportable segments as per Ind AS 108 - 'Operating Segments'.

46. Other disclosures/information

46.1 Additional information required as per Schedule III of the Companies Act, 2013:

(i) Details of benami property held

No proceedings have been initiated or are pending against the Group as at March 31, 2024 for holding benami property under the Benami Transactions (Prohibition) Act (45 of 1988), as amended and rules made thereunder.

(ii) Borrowing secured against current assets

The Holding Company has borrowed money from the banks and financial institutions (including NBFCs) against security of current assets of loan portfolio and term deposits with banks.

The quarterly/monthly statements of current assets for the financial year ended 31 March 2024, filed by the Holding Company with banks and financial institutions are in agreement with books of accounts.

(iii) Wilful defaulter

The Group is not declared wilful defaulter by any bank, financial institution or lender as at March 31, 2024.

(iv) Relationship with struck off companies

There are no transactions made by the Group during the year with struck off companies as at March 31, 2024.

(v) Compliance with number of layers of companies

The Group have complied with number of layers of companies as per Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

During the year, no scheme of arrangements in relation to the Group has been approved by the competent authority in terms of Section 232 to 237 of the Companies Act, 2013.

(vii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are pending to be registered with the Registrar of Companies as on March 31, 2024.

(viii) Utilisation of borrowed funds and share premium

As a part of normal lending business, the Group grants loans and advances on the basis of security/guarantee provided by the Borrower/Co-borrower. These transactions are conducted after exercising proper due diligence. Other than transactions described above, during the year, the Group has not advanced or lend or invested funds (either from the borrowed funds or share premium or any other sources or kind of funds) to any person or entity, including foreign entity (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(ix) **Corporate Social Responsibility (CSR)**

The Group have spent Rs. 21.15 lakhs towards CSR activities during the year ended 31 March 2024 and there is no shortfall at the end of the year.

(x) **Undisclosed income**

The Group does not have any unrecorded transactions in the books of account which have been surrendered or disclosed as Income during the year in the tax assessment under the Income Tax Act, 1961.

(xi) **Transactions in crypto currency or virtual currency**

The Group has not traded or invested in crypto currency or virtual currency during the year ended March 31, 2024.

(xii) **Revaluation of property, plant & equipment and intangible asset**

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year ended March 31, 2024.

**46.2 Other information**

(i) There was no amount outstanding and due for transfer to the Investor Education and Protection Fund during the year ended March 31, 2024.

(ii) The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long-term contracts has been made in the books of accounts. The company has not entered into any derivative contract.

(iii) The Group has not received any whistleblower complaint during the year ended March 31, 2024.

(iv) There are no pending litigations as at March 31, 2024 having impact on the financial position of the Group.

(v) There are no outstanding dues (including interest) of 'Micro' and 'Small' Enterprises pursuant to Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') as at March 31, 2024. Accordingly, no disclosures are required to be given under 'MSMED Act'.

(vi) There is no Core Investment Company within the group as defined in the regulations made by the Reserve Bank of India.

**47. Ratio Analysis – Mufin Green Finance Limited**

Ratio	As at March 31, 2024	As at April 01, 2023	Variance (%)	Reason for variance
Capital to risk-weighted assets ratio (CRAR)	<b>36.53</b>	53.97	(32.31)	Due to increase in loans given to the customer and borrowings during the year and corresponding increase in provision for standard assets
Tier I CRAR	<b>36.03</b>	53.46	(32.60)	
Tier II CRAR	<b>0.50</b>	0.51	(1.96)	
Amount of subordinated debt raised as Tier-II capital	<b>Nil</b>	Nil	Not Applicable	Not Applicable
Amount raised by issue of Perpetual Debt Instruments	<b>Nil</b>	Nil	Not Applicable	Not Applicable
Liquidity Coverage Ratio	<b>Not Applicable</b>	Not Applicable	Not Applicable	Not Applicable

The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with the disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

48. Income in Foreign Currency: Nil

Expenditure in Foreign Currency:

Nature	(Rs. in lakhs)
	For the year ended March 31, 2024
Professional Fees	30.78
Sponsorship Fees	2.75
Travelling Expenses	14.70
Interest Expenses	11.76

49. The Group is using accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further, no instance of audit trail feature being tempered with has been noticed during the year in respect of the accounting software.

50. List of subsidiaries included in the Consolidated Financial Statements:

Name of the subsidiary	Country of incorporation	% shareholding as at March 31, 2024	% shareholding as at March 31, 2023	Date on which Company became subsidiary
Mufin Green Leasing Private Limited	India	100	Not applicable	w.e.f August 08, 2023
Mufin Green Infra Limited	India	65	Not applicable	w.e.f March 02, 2024

51. Non-controlling interests ('NCI')

(a) Particulars of Subsidiary having material Non-controlling interests:

Name	Country of incorporation	As at 31 March 2024		As at 31 March 2023	
		Group holding	% of NCI % of holding	Group holding	% of NCI % of holding
Mufin Green Infra Ltd.	India	65%	35%	Not Applicable	Not Applicable

(b) Summarised financial information for Subsidiary

(i) Summarised Balance Sheet

Particulars	(Rs. in lakhs) As at 31 March 2024
Current assets	13.50
Non-current assets	-
Current liabilities	3.50
Non-current liabilities	-
<b>Net assets</b>	<b>10.00</b>
<b>The above amounts of assets and liabilities include the following:</b>	
Cash & cash equivalents	10.00
Current financial liabilities	3.50

(ii) The Company was incorporated on March 02, 2024 and no statement of profit and loss for the period ended March 31, 2024 is prepared. Hence, Summarised statement of Profit and Loss is not given.

(c) Movement in non-controlling interests

Movement in non-controlling interests	(Rs. in lakhs) Year ended 31 March 2024
Opening balance	-
Add/(Less):	
Contribution towards equity	3.50
Amount receivable against subscription of equity shares	(3.50)

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Profit/(loss) for the year	-
Other comprehensive income for the year	-
Remeasurement of NCI	-
Closing balance	-

52. Other Disclosures pursuant to Schedule III of the Companies Act, 2013:

As at March 31, 2024

Particulars	Net assets (i.e. Total assets minus total liabilities)		Share in Profit or (loss)		Share in other Comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount (in lakhs)	As a % of consolidated profit or loss	Amount (in lakhs)	As a % of consolidated other comprehensive income	Amount (in lakhs)	As a % of consolidated total comprehensive income	Amount (in lakhs)
<b>Parent</b>								
Mufin Green Finance Ltd.	100.00	24,409.95	100.01	1,606.39	100.00	2.03	100.01	1,608.42
<b>Subsidiaries (Indian)</b>								
Mufin Green Leasing Pvt. Ltd.	0.04	9.80	(0.01)	(0.20)	-	-	(0.01)	(0.20)
Mufin Green Infra Ltd.	0.03	6.50	-	-	-	-	-	-
(less Minority interest in subsidiary)*	-	-	-	-	-	-	-	-
(less Inter-Group elimination)	(0.07)	(16.50)	-	-	-	-	-	-
<b>Total</b>	<b>100.00</b>	<b>24,409.75</b>	<b>100.00</b>	<b>1,606.19</b>	<b>100.00</b>	<b>2.03</b>	<b>100.00</b>	<b>1,608.22</b>

\*Refer note 51(c)

53. The Company prepared its first consolidated financial statements. Hence the corresponding figures for the immediately preceding financial reporting period for all items shown in the consolidated financial statements including notes has not been given.

As per our report of even date attached

For TATTVAM & Co.

Chartered Accountants

Firm Registration No. 015048N

For and on behalf of Board of Directors

Sagar Arora

Partner

Membership No. 520999

Mayank Pratap Singh

Company Secretary

Membership No.A46666

Manoj Kumar Bhatt

Director

DIN: 09452843

Kapil Garg

Managing Director

DIN: 01716987

Place: New Delhi

Date: May 28, 2024

Pankaj Gupta

Chief Executive Officer

Gunjan Jain

Chief Financial Officer

Schedule in terms of Paragraph 31 of Master Directions

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
<b>Liabilities</b>				
<b>(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :</b>				
(a) Debentures : Secured	6532.42	-	5895.60	-
: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	48887.22	-	8560.00	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans (Overdrafts facilities with banks)	9780.32	-	8420.03	-
<b>(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :</b>				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
<b>Assets</b>	<b>Amount outstanding</b>		<b>Amount outstanding</b>	
<b>(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>				
(a) Secured	59,533.75		23,165.54	
(b) Unsecured	4,662.67		3,169.38	
<b>(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>				
<b>(i) Lease assets including lease rentals under sundry debtors :</b>				
(a) Financial lease	-		-	
(b) Operating lease	-		-	
<b>(ii) Stock on hire including hire charges under sundry debtors :</b>				
(a) Assets on hire	-		-	
(b) Repossessed Assets	-		-	
<b>(iii) Other loans counting towards AFC activities</b>				
(a) Loans where assets have been repossessed	-		-	
(b) Loans other than (a) above	-		-	
<b>(5) Break-up of Investments</b>				
<b>Long Term investments</b>				
<b>1. Quoted</b>				
<b>(i) Shares</b>				
(a) Equity	-		-	
(b) Preference	-		-	
(ii) Debentures and Bonds	-		-	
(iii) Units of mutual funds	-		-	
(iv) Government Securities	-		-	
(v) Others (please specify)	-		-	
<b>2. Unquoted</b>				

(i) Shares				
(a) Equity	44.50		-	
(b) Preference	-		-	
(ii) Debentures and Bonds	-		-	
(iii) Units of mutual funds	-		-	
(iv) Government Securities	-		-	
(v) Others (please specify)	-		-	
- Investment in AIF and Others	-		-	
<b>Current investments</b>	-	-		
<b>1. Quoted</b>				
(i) Shares				
(a) Equity	-		-	
(b) Preference	-		-	
(ii) Debentures and Bonds	-		-	
(iii) Units of mutual funds	-		-	
(iv) Government Securities	-		-	
(v) Others (please specify)	-		-	
<b>2. Unquoted</b>				
(i) Shares				
(a) Equity	-		-	
(b) Preference	-		-	
(ii) Debentures and Bonds	-		-	
(iii) Units of mutual funds	451.45		299.99	
(iv) Government Securities	-		-	

Note 1: The Company has not disclosed amount outstanding under assets financing activities as the RBI has merged Asset Financing Companies (AFC's), Loan Companies and Investment companies in to a new category "NBFC - Investment and Credit Company" vide its circular no. DN BR (PD) CC. No. 097/03.10.001/2018-19 dated February 22, 2019.

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount (net of provisions)			
Category	Secured	Unsecured	Secured	Unsecured
<b>1. Related Parties</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	1411.59	-	-
(c) Other related parties	-	-	-	-
<b>2. Other than related parties</b>	59,063.66	3,227.77	22,940.85	3,154.73
	59,063.66	4,639.36	22,940.85	3,154.73

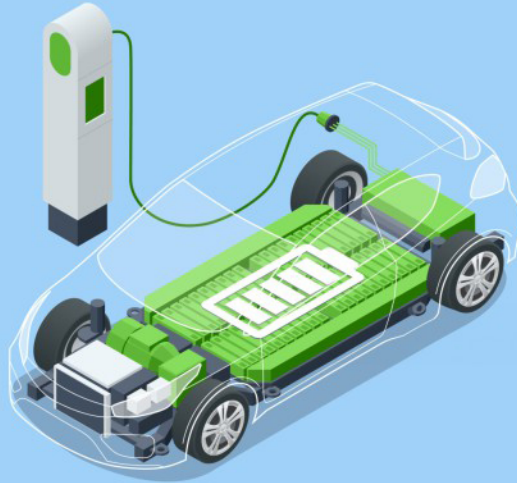
(7) Investor group-wise classification of all investments in shares and securities:

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV2	Book Value (Net of Provisions)3
<b>1. Related Parties</b>				
(a) Subsidiaries	16.50	16.50	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
<b>2. Other than related parties</b>	479.45	479.45	299.99	299.99
	495.95	495.95	299.99	299.99



(8) Other information

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Gross Non-Performing Assets</b>		
(a) Related parties	-	-
(b) Other than related parties	<b>1107.68</b>	615.47
<b>(ii) Net Non-Performing Assets</b>		
(a) Related parties	-	-
(b) Other than related parties	<b>940.07</b>	517.64
<b>(iii) Assets acquired in satisfaction of debt</b>	-	-



## MUFIN GREEN FINANCE LIMITED

### **Registered Office:**

SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar, Rajasthan - 301019

### **Corporate Office:**

201, 2nd Floor, Best Sky Tower, Netaji Subhash Place, Delhi - 110034

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