



## MUFIN GREEN FINANCE LIMITED

Formerly known as APM Finvest Ltd.

**BSE Limited**  
**Phiroze Jeejeebhoy Towers**  
**Dalal Street, Mumbai-400001**

**Ref: Scrip Code 542774**

**Sub: Annual Report along with Notice of 7th Annual General Meeting and Book Closure dates**

Dear Sir/Madam,

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 7th Annual General Meeting ('AGM') of the members of Mufin Green Finance Limited will be held on Thursday, September 28, 2023 at 3:00 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 2022-23 along with Notice of 7th 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. Thursday, September 21, 2023. The remote e-voting will commence at 09:00 a.m. (IST) on Monday, September 25, 2023 and end at 05:00 p.m. (IST) on Wednesday, September 27, 2023. 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 Friday, September 22, 2023 to Thursday, September 28, 2023 (both days inclusive) for the purpose of AGM;
5. The Annual Report along with AGM Notice for financial year 2022-23 are enclosed herewith.

The Annual Report for financial year 2022-23 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 & Compliance Officer**

Date: 07.09.2023  
Place: Delhi

CIN : L65990RJ2016PLC054921



011-42610483



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



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

**Corporate office** : 202, 2nd Floor, Best Sky Tower, Netaji Subhash Place, Pitampura, New Delhi -110034

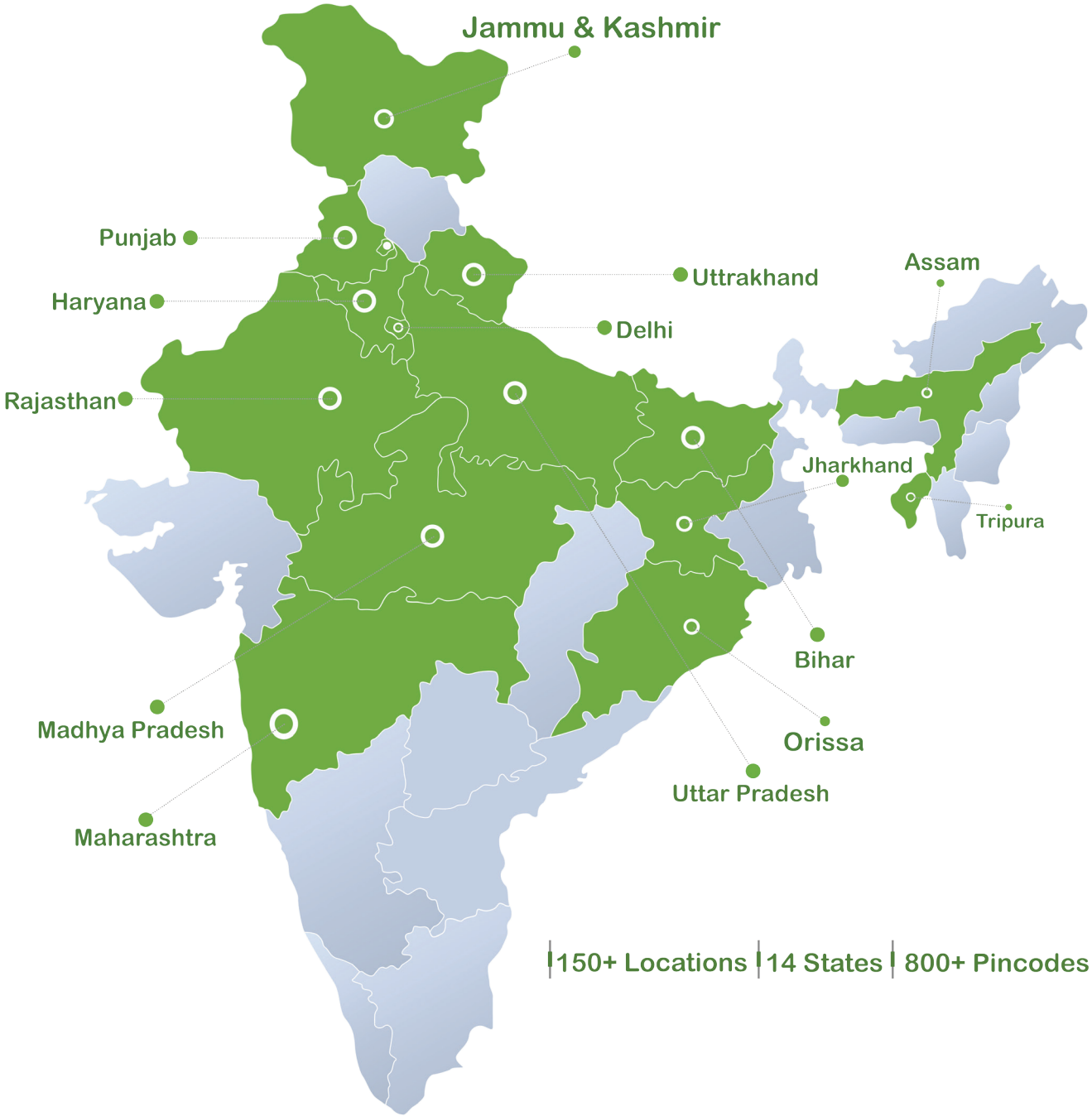
**Registered Office** : SP-147, RIICO Industrial Area, Bhiwadi, Distt. Alwar, Rajasthan-301019



MUFIN GREEN FINANCE

# ANNUAL REPORT - 2022-23

# OUR PRESENCE



| 150+ Locations | 14 States | 800+ Pincodes

**WE ARE FINANCING...**



**4 WHEELER**



**3 WHEELER**



**E-RIKSHAW**



**2 WHEELER**



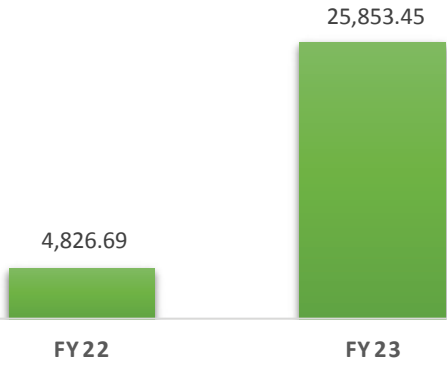
**BATTERIES**



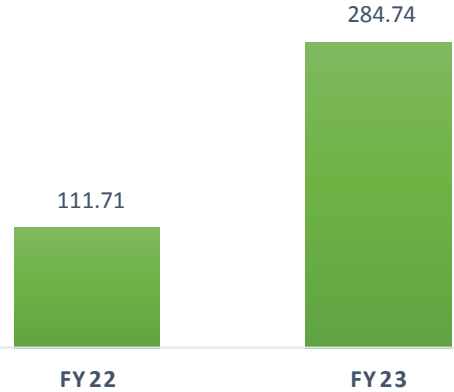
**EV INFRA**

# FINANCIAL SUMMARY

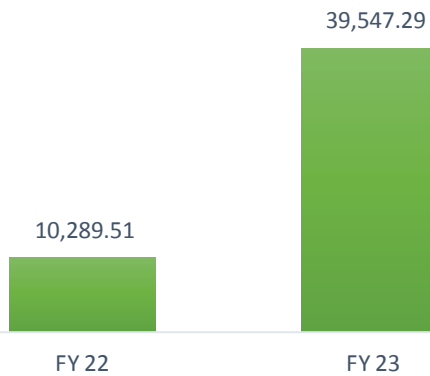
## Business AUM



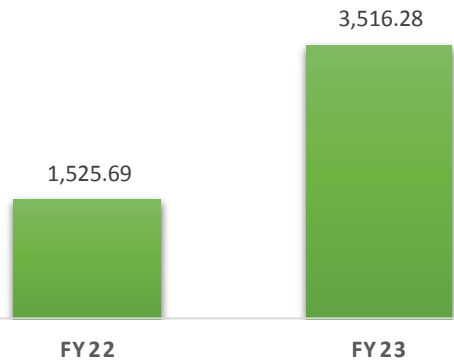
## Disbursement



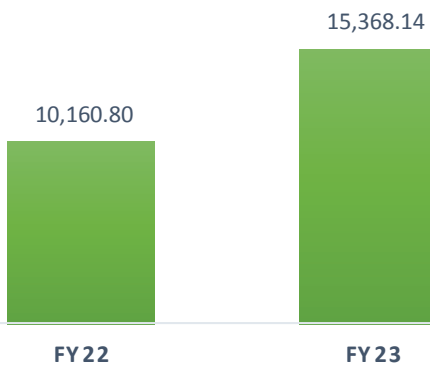
## Total Assets



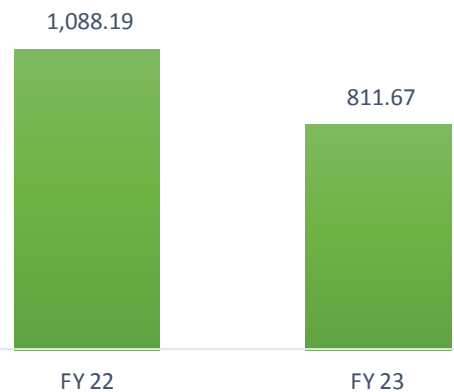
## Revenue



## Net Worth



## PAT



All figures in lakhs

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Shri Manoj Kumar Bhatt  
Chairman & Independent Director

Shri Kapil Garg  
Managing Director

Shri Hemant Bhageria  
Independent Director

Smt. Srishti Agarwal  
Non-Executive Director

Shri Nitin Goel  
Independent Director

Shri Aishwarya Mani Kachhal  
Independent Director

### **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, 2nd Floor, Best Sky Tower,  
Netaji Subhash Place, Delhi-110034  
Tel: 011-43094300  
Email: apmfinvestltd@gmail.com

### **STATUTORY AUDITORS**

Tattvam & Co. Chartered Accountants,  
JD-2C, 2nd 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  
Kotak Mahindra Bank

### **REGISTRAR AND SHARE TRANSFER AGENT**

Skyline Financial Services Pvt Ltd  
D-153A, 1st 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

### **DEBENTURE TRUSTEES**

Axis Trustee Services Limited  
The Ruby, 2nd 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)

## NOTICE

NOTICE is hereby given that the **7th Annual General Meeting (AGM)** of the Members of **Mufin Green Finance Limited** will be held on **Thursday, the 28th day of September, 2023 at 03:00 P.M.**, through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon and in this regard, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** the audited financial statements including Balance Sheet of the Company as at March 31, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Directors' and Auditors' Reports thereon, placed before the meeting, be and are hereby considered and adopted."

2. To appoint a Director in place of Mrs. Srishti Agarwal (DIN: 10229578), who retires by rotation and being eligible, offers herself for re-appointment, 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."

3. To Approve re-appointment of Statutory Auditor of the Company to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** subject to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 other applicable provisions, if any, M/s Tattvam & Co., Chartered Accountants (Firm Registration No. 015048N), be and are hereby re-appointed as Statutory Auditors of the Company, to hold the office from the conclusion of 7th Annual General Meeting, for a period of single term of 3 (three) year, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director or 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 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."

### SPECIAL BUSINESS

4. **To Approve Appointment of Statutory Auditor to fill casual vacancy:**

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** subject to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 other applicable provisions, if any, M/s Tattvam & Co., Chartered Accountants (Firm Registration No. 015048N), be and are hereby appointed as Statutory Auditors of the Company, to fill casual vacancy caused by the resignation of M/s. Chaturvedi & Partners, Chartered Accountants.

**RESOLVED FURTHER THAT** M/s Tattvam & Co., Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold the office from August 29, 2023, until the conclusion of 7th Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

5. **To Consider and approve appointment of Mr. Aishwarya Mani Kachhal (DIN 08074112) 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 an **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 Mr. Aishwarya Mani Kachhal (DIN: 08074112) as an Additional Director in the capacity of an Independent Director of the Company w.e.f. February 17, 2023, who has submitted a declaration that he 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 February 17, 2023 till February 16, 2028.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is 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.

6. **To Consider and approve appointment of Mrs. Srishti Agarwal (DIN 10229578) as Non-Executive 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 an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 152, 161 of the Companies Act, 2013 (the “Act”) read with Rule 3 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and any other provision or rule, as may be applicable and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), as amended from time to time, Mrs. Srishti Agarwal (DIN: 10229578), who was appointed as an Additional Director in Non-Executive category on August 11, 2023, based on recommendation of Nomination and Remuneration Committee and Board of Directors to hold the office up to the date of ensuing General Meeting in terms of section 161 of the Act, be and is hereby appointed as a Director of the Company in the capacity of Woman Director in Non-Executive category.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is 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.”

7. **To 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 2023-24.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director or 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. To 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 2023-24.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director or 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. To 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. 10 Crores (Rupees Ten Crores) during the financial year 2023-24.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director or 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. To 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 2023-24.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Mr. Kapil Garg, Managing Director or 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. To Approve Termination of Earlier Employee Stock Option Plan (ESOP) Scheme:**

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

**“RESOLVED THAT** pursuant to the power vested under the Mufin Green Finance Limited Employee Stock Option Plan 2022 and the approval of the Committee and Board of Directors in this regard, the approval of the members be and is hereby accorded to terminate the Mufin Green Finance Limited Employee Stock Option Plan 2022 with immediate effect.

**RESOLVED FURTHER THAT** the Board of Directors and the Nomination & Remuneration Committee, be and are hereby authorized to do all such acts, deeds and things, as may be, in their absolute discretion deem necessary to the termination of Mufin Green Finance Limited Employee Stock Option Plan 2022 and also initiate all the necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

**12. To Approve Mufin Green Finance Employee Stock Option Plan, 2023 (“MGFL ESOP SCHEME 2023”):**

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

**“RESOLVED THAT** pursuant to the Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 (“Act”), read with applicable rules, circulars, notifications issued thereunder including any statutory modification(s) or re-enactment(s) thereof for time being in force, if any, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”), provisions contained in the Memorandum of Association (“MOA”) and the Articles of Association (“AOA”) of the Company, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), for the time being in force and as may be modified from time to time, provisions contained in the memorandum of association and the articles of association of the Company, and such other rules, regulations, circulars and guidelines of any / various statutory

/ regulatory authority(ies) that are or may become applicable (collectively referred herein as the "Applicable Laws"), and subject to any approvals, permissions and sanctions of any / various authority(ies) as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include the Nomination and Remuneration Committee ("NRC"), the approval of the members be and is hereby accorded to introduce, offer, issue and allot share-based options to eligible employees under the Mufin Green Finance Limited Employee Stock Option Plan 2023 ("MGFL ESOP Scheme 2023") of the Company, the salient features of which are furnished in the Explanatory Statement to this Notice and to grant such options to eligible employees on such terms and conditions as provided in the MGFL ESOP Scheme 2023 and as may be fixed or determined by the NRC and/or the Board.

**RESOLVED FURTHER THAT** the maximum number of options granted to eligible employees under the MGFL ESOP Scheme 2023 shall not exceed 1,13,24,638 equity shares of the Company.

**RESOLVED FURTHER THAT** the equity shares, if any, issued/allotted from time to time in accordance with the MGFL ESOP Scheme 2023, shall rank pari-passu in all respects with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the approval of the members of the Company, is hereby accorded to the Board and the NRC to take necessary steps for compliance with the SEBI SBEB Regulations and other Applicable Laws.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, split or consolidation of shares, merger/ amalgamation or sale of division/undertaking or other re-organization etc. the number of abovementioned options in the MGFL ESOP Scheme 2023 shall be appropriately adjusted.

**RESOLVED FURTHER THAT** for the purpose of bringing into effect and implementing the MGFL ESOP Scheme 2023 and generally for giving effect to these resolutions, each member of the Board and the NRC or the Chief Financial Officer or the Company Secretary be and are hereby severally authorized, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard."

By **Order of the Board**

**Registered Office:**

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

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

**Place: New Delhi**

**Dated: 29.08.2023**

**NOTES:-**

1. The Ministry of Corporate Affairs ("MCA") had, vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 8, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 5, 2022 and General Circular No. 10/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars"), permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 7th AGM of the Company will be conducted through VC / OAVM.
2. Further, pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and the MCA and SEBI Circulars, the Company is holding its Annual General Meeting (AGM) through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. For the said purpose the Company has engaged the services of Skyline Financial Services Private Limited (Skyline) for conducting AGM through

VC/OAVM. Further, NSDL has been engaged for facilitating e-voting to enable the members to cast their votes electronically using remote e-voting system as well as e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained in the notes below.

3. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the 7th Annual General Meeting ('AGM') is annexed hereto.

Information and facts as specified in the Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed to this Notice.

4. The relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Act, shall be available for inspection by the members at the Registered Office and the copies thereof at the Corporate Office of the Company during normal business hours (between 11.00 A.M. to 1.00 P.M.) on all working days, from the date of circulation of this Notice upto the date of the AGM. The relevant documents will also be made available on the website of the Company during the abovementioned period. Members seeking to inspect such documents can also send an email to [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com).

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ("Act"), the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. Further, members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company latest by September 27, 2023 through email on [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com). Such questions shall be taken up during the meeting or replied by the Company suitably.

5. Pursuant to the Section 105 of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote at the meeting on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA and SEBI circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form is not annexed hereto. Since, the AGM will be held through VC, the route map, and attendance slip are also not annexed to this Notice.
6. Pursuant to the above mentioned Circulars the Company will send the Annual Report for the financial year 2022-23 and AGM notice in electronic form only. The Notice of AGM and Annual Report for the financial year 2022-23 are also placed on the website of the Company i.e. [www.mufingreenfinance.com](http://www.mufingreenfinance.com) and the website of National Securities Depository Limited i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and at the relevant sections of the websites of the stock exchanges on which the shares of the Company are listed i.e. BSE Ltd. ([www.bseindia.com](http://www.bseindia.com)).
7. The Notice is being sent only through electronic mode to all the Members/Beneficiaries, whose names appear on the Register of Members/ Record of Depositories as on Friday, September 01, 2023 and who have registered their email addresses with the Company/RTA or Depository/ Depository Participant, in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and the MCA Circulars & SEBI Circulars.
8. The remote e-voting period begins on Monday, September 25, 2023 at 09.00 A.M. (IST) and ends on Wednesday, September 27, 2023 at 5.00 P.M.(IST). During this period, members of the Company holding equity shares either in physical form or in dematerialised form, as on the cut-off date i.e., Thursday, September 21, 2023, may cast their vote electronically. The remote e-voting will not be allowed beyond the aforesaid date and time as the same shall be disabled by NSDL for voting thereafter.

The facility for electronic voting system, shall also be made available at the AGM. The Members attending the AGM, who have not cast their votes through remote e-voting and are otherwise not barred from doing so, shall be able to exercise their voting rights at the AGM. The Members who have already cast their votes through remote e-voting may attend the meeting but shall not be entitled to cast their votes again at the AGM.

Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. There will be one e-vote for every Folio/ Client ID irrespective of the number of joint holders. Voting Rights shall be reckoned on the paid-up value of shares registered in the name of the Member(s) as on cutoff date and any person who is not a member as on that date should treat this Notice for information purposes only.

9. Members may join the AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 02.00 p.m. (IST) i.e. 30 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC/OAVM facility, 15 minutes after the scheduled time to start the AGM. The facility of participation at the General Meeting through VC/OAVM will be made

available for at least 1000 members on first come first served basis. However, the said restriction on account of first come first served principle shall not be applicable on 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 and Customer Experience Committee, Auditors, etc.

10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and client ID/ Folio no, No. of shares, PAN, mobile number at [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com) on or before September 24, 2023. Only those Members who have 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 speakers as well as the speaking time depending upon the availability of time at the AGM.
12. The Board of Directors have appointed Mr. Abhay Kumar (Certificate of Practice no. 22630) Company Secretary, as the Scrutiniser to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner. The Scrutiniser have communicated their willingness to be appointed for the said purpose.
13. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorised by him, who shall countersign the same and declare results (consolidated) within two working days from the conclusion of the meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company ([www.mufingreenfinane.com](http://www.mufingreenfinane.com)) and the website of NSDL ([www.nsdl.com](http://www.nsdl.com)) immediately after the declaration of result by the Chairman and in his absence, any Director/ Officer of the Company authorised by the Chairman and the same will also be communicated to BSE Limited. It shall also be displayed on the Notice Board at the Registered Office and the Corporate office of the Company.
14. Members wishing to claim unclaimed dividends are requested to correspond with the Registrar and Share Transfer Agent (RTA) of the Company i.e. Skyline Financial Services Private Limited. or the Company Secretary of the Company.
15. Compulsory Transfer of Equity Shares to Investor Education and Protection Fund ("IEPF") Account:  

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all Equity Shares on which dividend has not been paid or claimed for 7 (Seven) consecutive years or more shall be transferred to the Investor Education and Protection Fund (IEPF) authority after complying with the procedure laid down under the said Rules.

Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed / unpaid for a period of 7 (Seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).
16. SEBI vide its circular dated January 25, 2022, has mandated that the listed companies shall henceforth issue the securities in dematerialised form only, while processing service requests such as issue of duplicate share certificates, transmission, transposition, etc. Accordingly, members who still hold shares in physical form are advised to dematerialise their holdings.
17. Pursuant to SEBI circular dated November 3, 2021 and clarification circular dated December 14, 2021, members holding shares in physical form are advised to update their PAN, KYC details and nomination etc. in prescribed forms. The forms can be downloaded from the website of the Company at [www.mufingreenfinane.com](http://www.mufingreenfinane.com). Further, in respect of shares held in electronic/demat form, the members may please contact their respective Depository Participant.
18. SEBI vide its circular dated May 30, 2022 has prescribed Standard Operating Procedures for dispute resolution under the Stock Exchange arbitration mechanism for a dispute between a Listed Company and/or RTA and its Shareholders(s) / investor(s). The said circular is available on the website of the Company at [www.mufingreenfinane.com](http://www.mufingreenfinane.com).
19. Shareholders are also requested note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/ CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate share certificate, claim from unclaimed suspense account, renewal / exchange of share certificate, endorsement, sub-division, splitting of share certificate,

consolidation of share certificates / folios, transmission and transposition. Accordingly, the Shareholders 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 at <https://www.mufingreenfinance.com> and on the website of the Skyline at <https://www.skylinerta.com/investor-charter.php>

20. Pursuant to the provisions of section 91 of the Companies Act, 2013 and the listing regulations, the register of members and share transfer books of the company will remain closed from Friday, September 22, 2023 to Thursday, September 28, 2023 (both days inclusive).

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

The remote e-voting period begins on Monday, September 25, 2023 at 09:00 A.M. and ends on Wednesday, September 27, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, September 21, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 21, 2023.

**The instructions for Members for remote E-voting are as given below: -**

**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
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.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.nsdl.com/">https://www.evoting.nsdl.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 "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center; margin-top: 10px;"> <p><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><b>App Store</b></p> </div> <div style="text-align: center;">  <p><b>Google Play</b></p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </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 e-Voting service provider i.e. NSDL. Click on NSDL 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. NSDL 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
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>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</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>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</p>

**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:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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:investor.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 2022-23 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.

**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]

<b>Particulars</b>	<b>Item No. 5</b>	<b>Item No. 6</b>
Name of the Director	Mr. Aishwarya Mani Kachhal	Mrs. Srishti Agarwal
Director Identification Number (DIN)	08074112	10229578
Date of Birth	14/11/1977	12/04/1987
Age	46 Years	36 Years
Nationality	Indian	Indian
Date of first Appointment on Board	February 17, 2023	August 11, 2023
Qualification	MBA	MBA
Brief resume including experience, expertise in specific functional areas	Business Consulting in EV Sector	Human Resource Professional over 12 years of experience.
Terms & Conditions for appointment/re-appointment	Proposed appointment as Independent Director	Proposed appointment as Non-Executive Director
Details of Remuneration / Remuneration last drawn	None	None
Shareholding in Mufin Green Finance Limited (No. & %)	Nil	Nil
List of Directorships held in other listed Companies	Nil	Nil
Members / Chairperson of Committees in Mufin Green Finance Limited	Nil	Nil
Members / Chairperson of Committees in other Public Companies	Nil	Nil
Relationship with other /Directors	Not inter-se related to any other Director or key Managerial Personnel	Not inter-se related to any other Director or key Managerial Personnel
Number of Meetings of the Board attended during the year	Nil	Nil

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

**Items to Special Business**

**Item No. 4 To approve appointment of Statutory Auditor to fill Casual Vacancy:**

The Members of the Company at its 04th Annual General Meeting held on 30th September, 2020 had re-appointed M/s. Chaturvedi & Partners, Chartered Accountants (Firm Registration No. 307068E) as the Statutory Auditor of the Company to hold office from the Conclusion of 4th Annual General Meeting till the Conclusion of 9th Annual General Meeting of the Company.

M/s. Chaturvedi & Partners, Chartered Accountants vide their letter dated August 14, 2023 have resigned from the position of the Statutory Auditors of the Company due to expansion of day to day operations of the company which requires more time and efforts, resulting into a casual vacancy in the office of the Statutory Auditors of the Company as envisaged by Section 139(8) of the Companies Act, 2013.

The Board of Director in their meeting held on August 29, 2023, as per recommendation of the Audit Committee, and pursuant to the provisions of Section 139(8) of the Companies Act, 2013 has appointed M/s. Tattvam & Co., Chartered Accountant (Firm Registration No. 015048N), to hold office as the Statutory Auditor of the Company till the Conclusion of 7th Annual General Meeting and to fill casual vacancy caused by the resignation of M/s. Chaturvedi & Partners, Chartered Accountants, subject to the approval of the Members at the 7th Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

The Company has received consent letter and eligibility certificate from M/s. Tattvam & Co., Chartered Accountant to act as Statutory Auditor of the Company in place of M/s. Chaturvedi & Partners, Chartered Accountants along with confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice of AGM for approval of the members.

**Item No. 5 To Consider and approve appointment of Mr. Aishwarya Mani Kachhal (DIN 08074112) as an Independent Director of the Company.**

The Board of Directors of the Company at its meeting held on February 17, 2023, appointed Mr. Aishwarya Mani Kachhal as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from February 17, 2023, 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 Mr. Aishwarya Mani Kachhal 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 Mr. Aishwarya Mani Kachhal to be appointed as Director of the Company. The Company has received a declaration from Mr. Aishwarya Mani Kachhal confirming that he 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 Mr. Aishwarya Mani Kachhal consent 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, Mr. Aishwarya Mani Kachhal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and he is independent of the management. Considering Mr. Aishwarya Mani Kachhal's knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from February 17, 2023.

Copy of letter of appointment of Mr. Aishwarya Mani Kachhal 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 Mr. Aishwarya Mani Kachhal, 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 Mr. Aishwarya Mani Kachhal is given at Annexure A to this Notice. Except Mr. Aishwarya Mani Kachhal, being the appointee, or his 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. 5.

**Item No. 6 To Consider and approve appointment of Mrs. Srishti Agarwal (DIN 10229578) as Non-Executive Director of the Company.**

The Board upon the recommendation of the Nomination and Remuneration Committee, at its meeting held on August 11, 2023, appointed Mrs. Srishti Agarwal (DIN: 10229578) as an Additional Director categorized as Non-Executive Director of the Company.

In terms of Section 161 and 152 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and any other provision or rule, as may be applicable and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), as amended from time to time, the Board recommended appointment of Mrs. Srishti Agarwal as Director of the Company to hold the designation of Director (Women Director) in Non-Executive category with effect from August 11, 2023, liable to retire by rotation, subject to the approval of the Members.

Copy of letter of appointment of Mr. Srishti Agarwal 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 Mrs. Srishti Agarwal, 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 Mrs. Srishti Agarwal is given at Annexure A to this Notice. Except Mrs. Srishti Agarwal, being the appointee, or his 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. 6.

**Item No. 7 To 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 2023-24 and thereafter till the next Annual General Meeting scheduled to be held during FY 2024-25 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 2023-24 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 2023- 24 is 284% of the annual turnover of the Company for the FY 2022-23.	
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- The Information pertaining to Loans and Advances provided by the Company	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.	

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 To 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	Availing API Services
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 2023-24 and thereafter till the next Annual General Meeting scheduled to be held during FY 2024-25 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 2022-23 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 2023- 24 is 2.84% of the annual turnover of the Company for the FY 2022-23.



7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- Not Applicable	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. 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 To 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. 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	Platform Uses	
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 2023-24 and thereafter till the next Annual General Meeting scheduled to be held during FY 2024-25 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 2023-24 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 Bimapay Finsure Private Limited during the FY 2023- 24 is 29% of the annual turnover of the Company for the FY 2022-23.	
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- Not Applicable	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 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. 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 To 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 Providing 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 2023-24 and thereafter till the next Annual General Meeting scheduled to be held during FY 2024-25 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 2023-24 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 2023- 24 is 29% of the annual turnover of the Company for the FY 2022-23.	
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary- Not Applicable	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.	

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 To Approve Termination of Earlier Employee Stock Option Plan (ESOP) Scheme:**

The Company came up with the Employee Stock Option Plan in the year 2022. The plan was formulated on the basis of capital and other key factor available at that time. The stock option could not be initiated at all due to the Plan being less lucrative to the employees as well as to the Company.

Hence, the management of the Company in the view to terminate the old plan and come up with a New ESOP Plan which is comparatively more lucrative to reward the employees. In this regard the approval of members is sought under Item No. 6 as Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution.

**Item No. 12 To Approve Mufin Green Finance Employee Stock Option Plan, 2023 ("MGFL ESOP SCHEME 2023"):**

The Board of Directors ("Board") of the Company at its meeting held on 29th August, 2023 approved the introduction of the 'Mufin Green Finance Limited Employee Stock Option Plan 2023' ("MGFL ESOP Scheme 2023") for the benefit of the eligible employees as defined under the MGFL ESOP Scheme 2023, subject to the approval of the members by a special resolution.

The objective of the MGFL ESOP Scheme 2023 is to provide eligible employees an opportunity to participate in Company's success and to promote the culture of employee ownership and provide them an opportunity to take part in the future growth and profitability of the Company, which should lead to improved employee engagement, motivation and retention. The MGFL ESOP Scheme 2023 shall be administered by the NRC and/or the Board constituted by the Company.

In terms of Regulation 6(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), for issue of equity shares to the employees of the Company, the approval of the existing members by way of special resolution is required.

The Resolutions contained at Item no. 12 seek to obtain the members' approval to authorize the NRC and/or the Board to create, issue, offer and allot shares or cash, from time to time, to the employees of the Company under the MGFL ESOP Scheme 2023 and undertake such action as may be necessary for the administration of the options.

The salient features and other details of the MGFL ESOP Scheme 2023 as required pursuant to Regulation 6(2) of the SEBI SBEB Regulations are as under:

No.	Heading	Details
(a)	Brief description of the MGFL ESOP Scheme 2023	<p>The MGFL ESOP Scheme 2023 has the following objectives:</p> <ul style="list-style-type: none"> <li>(i) to achieve sustained growth of the Company and create shareholder value by aligning the interests of the employees with the long-term interests of the Company;</li> <li>(ii) to attract and retain talent and as well as to motivate the employees to contribute to its growth and profitability;</li> <li>(iii) to recognize and reward the efforts of employees and their continued association with the Company and other group companies; and</li> <li>(iv) to promote the culture of employee ownership, to enable the employees to have greater involvement in the existing plans of the Company and provide them an opportunity to share in the future growth and profitability of the Company, which should lead to improved employee engagement, motivation and retention.</li> </ul>

(b)	The total number of shares to be offered and granted	The aggregate number of options that shall be granted under the MGFL ESOP Scheme 2023, shall not be exceed 1,13,24,638 (One Crore Thirteen Lakh Twenty Four Thousands Twenty Four Thousands Six Hundred and Thirty Eight) equity shares which shall be convertible into equal number of equity shares, being 7.50% of the paid-up equity share capital of the Company as on the date of the adoption of the MGFL ESOP Scheme 2023. The proposed options are contemplated to be granted to the employees over a period of 4 years. Further, the maximum number of options that can be granted and the shares arising upon exercise of these options shall stand adjusted in case of corporate action.
(c)	Identification of classes of employees entitled to participate and be beneficiaries.	Present and future employees and directors of the Company, as may be determined by the Nomination and Remuneration Committee. (excluding (a) an employee who is a promoter or a person belonging to the promoter group; or (b) a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company)
(d)	Requirements of vesting and period of vesting	<p>Subject to the minimum vesting period of 1 (one) year, the options granted under MGFL ESOP Scheme 2023 shall vest over a period 4 (four) years from the date of grant, in equal proportions, as in line with the ESOP policy or as may be determined by the NRC from time to time, in accordance with applicable laws.</p> <p>Vesting of options shall be subject to, amongst other things:</p> <ul style="list-style-type: none"> <li>(i) a minimum of 1 (one) year has completed from date of grant except in case of death or permanent incapacity of the employee, and</li> <li>(ii) the employee is (a) is not serving any notice of resignation/ termination on the date of such vesting (except in the case of death or permanent incapacity suffered by the employee or in the event of retirement or superannuation); and (b) is not subject to any pending disciplinary proceeding.</li> </ul>
(e)	The maximum period (subject to Regulation 18(1) and 24(1) of SEBI SBEB & SE Regulations, as the case may be) within which the options/ SARs/ benefits shall be vested	The options granted under the MGFL ESOP Scheme 2023 shall vest within maximum period of 4 (four) years from the grant date or as may be determined by the NRC from time to time, in accordance with applicable laws.
(f)	Exercise price, SAR price, purchase price or pricing formula	Each Option issued by the Company to the eligible employees, would be eligible for allotment of one Equity Share of the Company on payment of the Exercise Price. The Exercise Price shall be as determined by the NRC from time to time and subject to such regulations as may be applicable from time to time.

(g)	Exercise period/ offer period and process of exercise/ acceptance of offer	<p>The exercise period shall be 4 (four) years from the date of vesting, in one or multiple tranches. The eligible employee who has been granted options by the Company, on completion of the vesting period shall submit an exercise application to the Company for the allotment of equity shares pursuant to the vested options, accompanied with:</p> <p>(i) Payment of equivalent amount of exercise price with respect to the equity shares being allotted along with applicable taxes;</p> <p>(ii) Such other documentation as may be specified by the Nomination and Remuneration Committee to confirm the extinguishment of rights with respect to the options then exercised.</p>
(h)	The appraisal process for determining the eligibility of employees for the MGFL ESOP Scheme 2023	The appraisal process for determining the eligibility of the employees will be specified by the Nomination and Remuneration Committee, and will be based on criteria such as role/level of the employee, past performance record, future potential of the employee, balance number of years of service until normal retirement age and/ or such other criteria that may be determined by the Nomination and Remuneration Committee at its sole discretion.
(i)	Maximum number of shares to be offered and issued per employee and in aggregate, if any	The maximum number of options to be granted to each employee will depend upon the designation of the employee as on the date of grant of options.
(j)	Maximum quantum of benefits to be provided per employee under a MGFL ESOP Scheme 2023	Unless otherwise determined by the NRC, the maximum quantum of benefits underlying the equity shares allotted to the employees on exercise of the vested options will be the difference in the exercise price and the market price of the equity shares.
(k)	Whether the MGFL ESOP Scheme 2023 is to be implemented and administered directly by the company or through a trust	The MGFL ESOP Scheme 2023 shall be administered directly by the Company through the NRC.
(l)	Whether the MGFL ESOP Scheme 2023 involves new issue of shares by the Company or secondary acquisition by the trust or both	The MGFL ESOP Scheme 2023 contemplates an issuance of new shares by the Company.
(m)	The amount of loan to be provided for implementation of the MGFL ESOP Scheme 2023 by the Company to the trust, its tenure, utilization, repayment terms, etc.	Not applicable as MGFL ESOP Scheme 2023 will be administered by the Company directly and not through a trust.
(n)	Maximum percentage of secondary acquisition (subject to limits specified under the SEBI SBEB & SE Regulations) that can be made by the trust for the purposes of the MGFL ESOP Scheme 2023	Not applicable as MGFL ESOP Scheme 2023 will be administered by the Company directly and not through a trust.
(o)	Statement to the effect that the company shall conform to the accounting policies specified in Regulation 15	The Company shall comply with the requirements including the disclosures requirements of the Accounting Standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including any Guidance Note on Accounting for employee share-based payment issued in that regard from time to time.

(p)	The method which the Company shall use to value its options	The MGFL ESOP Scheme 2023 contemplates new issue of equity shares by the Company and such valuation of options shall be based on the applicable law and will make necessary disclosures as may be required in this regard. The Company shall adopt fair value method for determining the value of an option granted under MGFL ESOP Scheme 2023 as prescribed under applicable Accounting Standard, notified by appropriate authorities from time to time.
(q)	Period of lock- in	The Shares issued under the MGFL ESOP Scheme 2023 shall not have a lock in period.
(r)	Terms & conditions for buyback, if any, of specified securities covered under the SEBI SBEB & SE Regulations.	The shares issued pursuant to exercise of options shall be subject to an approved scheme of buy-back by the Company in accordance with the law and the procedure will be pursuant to the following terms and conditions: (i) permissible sources of financing for buy-back; (ii) any minimum financial thresholds to be maintained by the Company as per its latest financial statements; and (iii) limits upon quantum of specified securities that the Company may buy-back in a financial year

The directors, key managerial personnel or their relatives may be deemed to be concerned or interested in these resolutions to the extent of options that be granted to them and to the extent of their shareholding as members.

By **Order of the Board**

**Registered Office:**

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

**Place: New Delhi**

**Dated: August 29, 2023**

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

**Annexure-A**

Brief profile of Directors seeking appointment/re-appointment at the 7th Annual General Meeting to be held on **September 28, 2023**

**Mr. Aishwarya Mani Kachhal**

Mr. Aishwarya Kachhal is a consultant and advisor to the World Bank. At the World Bank he is working on unlocking EV financing in India and shaping a multimillion USD financing program that will make financing available for over a million vehicles in India. In his 20 years of professional experience, Aishwarya has built businesses across 5 sectors - e-mobility, cleantech, digital infrastructure, banking & insurance: one as a founder, two as a founding team member (top 100 listed companies in India), and two, as the person responsible. He is also on the investment committee of the seed fund at IIT Delhi, Co- Chairs HBS Alumni Angels India and on a selection committee for funding of incubators across universities, at a Govt of India enterprise. He dropped out of the full-time MBA at London Business School, and is an alumnus of Harvard Business School.

**Mrs. 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 Cinepolis India. During her stint with Cinepolis 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 Cinepolis, 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

## BOARD'S REPORT

**To**  
**The Members**  
**Mufin Green Finance Limited**

The Board of Directors are pleased to present the 7th (Seventh) Annual Report of the Company, together with the Audited Financial Statements for the Financial Year (FY) ended March 31, 2023.

### 1. FINANCIAL SUMMARY

Particulars	(Rs. in lakhs)	
	2022-23	2021-22
Total Revenue	3,530.16	1,527.82
Total Expenses	2,451.04	259.92
Profit Before Tax	1,079.12	1,267.90
Less:- Tax (including deferred tax)	267.45	180.71
Profit for the period	811.67	1,088.19
Other Comprehensive Income	(2.04)	0.19
Total comprehensive profit for the year	809.63	1,088.38
Paid up Equity Share Capital (Face Value of Rs. 1/- per Share)	503.32	503.32
Basic and diluted EPS (In Rs.)	1.73	2.52

### 2. STATE OF COMPANY AFFAIRS & OPERATIONS

The Company is registered with Reserve Bank of India as a Non-Deposit taking Non-Banking Financial Company (NBFC) and engaged primarily in the business of Investments and providing loans. The Company is listed on BSE Limited.

Indian economy has moved on after its encounter with the COVID-19 pandemic, staging a full recovery in FY 22 ahead of many developing nations and positioned itself to ascend to pre-pandemic growth path in FY 23. Yet in the current year, India also faced the challenge of reigning in inflation that the European strife accentuated. RBI raised policy rates cumulatively by 250 bps during the financial year. Despite high inflation sales of EV vehicles have increased due to improved fleet utilizations and passenger vehicles in FY 23.

For the year ended March 31, 2023 the Company earned Total Revenue of Rs. 3,530.16 lakhs and a Net Profit (after tax expense) of Rs. 811.67 lakhs, resulting in an EPS of 1.73.

Your company has achieved its highest ever disbursements, collections in FY 23. The disbursements for FY 23 grew by 507% to 273.45 crores. The business AUM of the company stood at 261.61 crores which is a growth of 441% YOY.

The company continued to hold a strong liquidity position with 1714.84 lakhs as cash balance and cash equivalent as at end of 31 March, 2023. The Asset Liability Management (ALM) is comfortable with no negative cumulative mismatches across all time buckets.

The company will look to scale up by improving efficiencies and the company's strong sales and collections set-up combined with digital initiatives will support in improving efficiencies.

### 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. 162.43 lakhs to statutory reserves constituting 20% of the net profits made during the year under review.

### 6. DIVIDEND

After careful assessment of the available profit during the financial year ended 31st March, 2023, your Directors have not recommended any dividend for the financial year ended 31st March, 2023.

## 7. CAPITAL STRUCTURE

### Authorised Share Capital

During the year under review Authorized Share Capital of the Company has been increased from Rs. 4,50,00,000 (Rupees Four Crore Fifty Lakh only) comprising of 2,25,00,000 (Two Crores Twenty Five Lakh) Equity Shares of Rs. 2 (Rupees Two) each to Rs. 7,00,00,000 (Rupees Seven Crores only) comprising of 3,50,00,000 (Three Crores Fifty Lakh) Equity Shares of Rs. 2 (Rupees Two) each.

Further, Equity Shares of Rs. 2 each has been splitted into two Equity Shares of Rs. 1 each.

### Paid up Share Capital

During the year under review, the Company has allotted 35,54,502 Equity Shares of face value of Rs. 2 each at a premium of 124.60/- per Equity Share by way of preferential allotment on a private placement basis. Accordingly, paid up share capital of your Company stands increased from 2,16,11,360 Equity Shares of Rs. 2 each to 2,51,65,862 Equity Shares of Rs. 2 each.

## 8. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company doesn't have any subsidiary, joint venture or associate Company.

## 9. NON-CONVERTIBLE DEBENTURES

During the year under review, your Company has issued 11,63,550 Secured, Rated, Redeemable, Non-Convertible Debentures ("NCD"), having face value of Rs. 500 each aggregating to 58.17 Crore on a private placement basis. Non-Convertible Debentures amounting Rs. 58.17 Crore were outstanding as on 31st March, 2023.

## 10. 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 and Key Managerial Personnel of the Company, details of change in Directors and Key Managerial Personnel are as follows:

Sl. No.	Name	Designation	Date of Change	Appointment/Cessation
1.	Mr. Pankaj Gupta	Chief Executive Officer	18.05.2022	Appointment
2.	Mr. Adish Jain	Chief Financial officer	28.09.2022	Cessation
3.	Mrs. Gunjan Jain	Chief Financial officer	14.11.2022	Appointment
4.	Mr. Aishwarya Mani Kachhal	Independent Director	17.02.2023	Appointment

### 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 August 29, 2023 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 25, 2023 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 2022-23 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 28, 2023 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.

## **Meetings of the Board**

During the year, ten (10) 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.

## **11. 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.

## **12. AUDITORS' & AUDIT REPORTS**

### **Statutory Auditors**

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s. Chaturvedi & Partners, Chartered Accountants (Firm Registration No. 307068E), were re-appointed as the Company's Statutory Auditors by the shareholders at their 4th AGM held on September 30, 2020, for a period of five years i.e. till the conclusion of 9th AGM.

Further, M/s. Chaturvedi & Partners, Chartered Accountants (Firm Registration No. 307068E) has resigned from the office of the Statutory Auditors with effect from August 12, 2023 and The Board of Director in their meeting held on August 21, 2023 has appointment M/s Tattvam & Co., Chartered Accountants (Firm Registration No. 015048N) to fill the casual vacancy caused due to resignation M/s. Chaturvedi & Partners, Chartered Accountants and recommended to the members for appointment in the ensuing Annual General Meeting.

The Board received a certificate from M/s Tattvam & Co., Chartered Accountants (Firm Registration No. 015048N) intimating that, if that firm will be appointed at ensuing Annual General Meeting, it shall be in accordance with the limits specified under Section 139(1) read with qualification as prescribed under Section 141 of the Companies Act, 2013.

The reports of Statutory Auditors on Financial Statements for the FY 2022-23 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, Practicing Company Secretary, to undertake the Secretarial Audit of the Company for the FY ended March 31, 2023. The Secretarial Auditors in their Secretarial Audit Report have reported that The Company has received notice for non-compliance of Regulation 27(2) of SEBI (LODR) 2015 regarding delay in filing of Corporate Governance Report for the quarter ended June 30, 2022 by 4 days.

BSE has imposed a fine of Rs. 8,000 against the non-compliance, which was paid by the Company as per the mail dated August 22, 2022. 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 2023-24.

## 13. 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, 2023 and of the profit and loss of the Company for the year ended March 31, 2023;
- 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 2022-23; 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.

## 14. 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.

## 15. RESERVE BANK OF INDIA GUIDELINES

Your Company complies with the direction(s), circular(s), notification(s) and guideline(s) issued by the Reserve Bank of India as applicable to your Company as Non-Deposit taking Non-Banking Financial Company ("NBFC").

## 16. 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.

## 17. 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.

## 18. COMMITTEES OF BOARD

The Company has the following committees of the Board of Directors as on March 31, 2023 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

## 19. 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.

## 20. 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, 2022. 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.

## 21. 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 2022-2023, details of which are as follows:

### (Rs. In Lakhs)

Nature	For the year ended March 31, 2023	For the year ended March 31, 2022
Professional Fee	58.18	Nil
Sponsorship Fee	2.79	Nil
Travelling Expenses	2.93	Nil

## **22. 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 2022-23 there was no employee drawing remuneration in excess of the limits set out in the said rules.

## **23. 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, 2023 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.

## **24. 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, 2023. 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.

## **25. 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.

## **26. 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.

## **27. 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.

## **28. MATERIAL CHANGES AND COMMITMENTS**

No material changes or commitment has occurred after the close of the FY 2022-23 till the date of this Report, which affects the financial position of the Company.

## **29. 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 - training & awareness program extending support to children for their education, provided different facilities for schools, provided apprentices training to the nearby students to increase their skill.

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.

### **30. 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.

### **31. 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.

### **32. 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 2022-23, there were no complaints received.

### **33. 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.

### **34. 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.mufingreenfinance.com](http://www.mufingreenfinance.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.

### **35. 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.  
For and on behalf of the Board

**Mufin Green Finance Limited**

**Place:** New Delhi  
**Dated:** 29.08.2023

**Manoj Kumar Bhatt**  
Chairman  
DIN: 09452843



**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023**

[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, 2023 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 31st March, 2023 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 27(2) of SEBI (LODR) 2015 regarding delay in filing of Corporate Governance report for the quarter ended June 20, 2022 by 4 days.

BSE has imposed a fine of Rs. 8,000, which was paid by the Company as per the mail dated August 22, 2022.

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-1" and form an integral part of this report.

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

**Abhay Kumar**  
**ACS NO.60309|CP NO. 22630**  
**UDIN: A06039E0008715592**  
**Peer Review Number: 2050/2022**

Dated:29.08.2023

Place: New Delhi

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: A06039E0008715592**  
**Peer Review Number: 2050/2022**

Dated: 29.08.2023

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, 2023

<b>Nature of Disclosure</b>	<b>Particulars</b>		
<b>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	% increase of Remuneration in 2023 as compared to 2022	Ration of Remuneration to Median Remuneration of employee
	<b>Non-Executive Directors</b>		
	Mr. Manoj Kumar Bhatt Non-executive/Independent Director/Chairman	Nil	0.75:1
	Mr. Hemant Bhageria Non-executive/Independent Director	Nil	0.75:1
	Mr. Nitin Goel Non-executive/Independent Director	Nil	0.75:1
	Mr. Abhinav Tambi Non-executive/Independent Director	Nil	0.38:1
	Mrs. Neha Agarwal Non-executive	Nil	Nil
	<b>Executive Director</b>		
	Mr. Kapil Garg Executive Director/Managing Director	Nil	Nil
<b>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	% increase in remuneration in 2023 as compared to 2022	
	Mr. Pankaj Gupta, Chief Executive Officer	Nil	NA
	Mr. Adish Jain, Chief Financial Officer (Upto September 28, 2022)	Nil	NA
	Mrs. Gunjan Jain, Chief Financial Officer (From November 14, 2022)	Nil	NA
	Mr. Mayank Pratap Singh, Company Secretary	13%	NA
<b>c) Percentage increase in median remuneration of employees in the financial year</b>	6.5%		

<b>d) Number of permanent employees on the rolls of company (as of 31 March, 2023)</b>	241		
<b>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</b>	For employees other than managerial personnel who were in employment for the whole of FY 22 and FY 23, the average increase is 10.69%. The average increase for managerial personnel is 23.35%.		
<b>f) Affirmation that the remuneration is as per the remuneration policy of the company</b>	The remuneration is in line with the remuneration policy of the company.		

For and on behalf of the Board

**Mufin Green Finance Limited**  
**Manoj Kumar Bhatt**  
 Chairman

**Place:** New Delhi  
**Dated:** 29.08.2023

**Annexure-3**

## **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.	Shri Manoj Kumar Bhatt	March 09, 2022	March 08, 2027
2.	Shri Nitin Goel	March 09, 2022	March 08, 2027
3.	Shri Hemant Bhageria	March 09, 2022	March 08, 2027
4.	Shri Abhinav Tambi	March 09, 2022	March 08, 2027
5.	Shri Aishwarya Mani Kachhal	February 17, 2023	February 16, 2028

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 2022-23, the Board met Ten times as per the details mentioned below:-

S. No.	Date of Board Meeting
1.	May 18, 2022
2.	June 11, 2022
3.	July 19, 2022
4.	August 13, 2022
5.	September 01, 2022
6.	September 29, 2022
7.	November 14, 2022
8.	December 05, 2022
9.	February 14, 2023
10.	February 17, 2023

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 2022-2023 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
Mr. Manoj Kumar Bhatt (Chairman)	09452843	Non-Executive Director (Independent Director)	Attended	Attended
Mr. Kapil Garg	01716987	Executive Director	10	Yes
Mrs. Neha Agarwal*	03539327	Non-Executive Director	9	Yes
Mr. Abhinav Tambi*	00860844	Non-Executive - Independent Director	6	Yes
Mr. Hemant Bhageria	06476292	Non-Executive - Independent Director	5	No
Mr. Nitin Goel	01737352	Non-Executive - Independent Director	10	No
Mr. Aishwarya Mani Kachhal**	08074112	Non-Executive - Independent Director	10	Yes
Mrs. Srishti Agarwal**	10229578	Non-Executive - Director	-	-

\*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.

\*\* Mr. Aishwarya Mani Kachhal was appointed as an Additional Director (Non-Executive and Independent) with effect from February 17, 2023 and Mrs. Srishti Agarwal was appointed as an Additional Director (Non-Executive) with effect from August 11, 2023.

**(d) Other Directorships**

The details of other Directorship and Committee Membership/Chairpersonship as at March 31, 2023 are as follows:-

Name of the Director	No. of other Directorships and Committee memberships and Chairmanships	No. of other Directorships and Committee memberships and Chairmanships		
		Directorships	Chairman#	Member#
Mr. Kapil Garg	None	7	Nil	3
Mr. Manoj Kumar Bhatt	None	Nil	1	2
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	2	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.

\*\* Mr. Aishwarya Mani Kachhal was appointed as an Additional Director (Non-Executive and Independent) with effect from February 17, 2023 and Mrs. Srishti Agarwal was appointed as an Additional 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 2023. 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 28, 2023, 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, 2023. 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://mufingreen-finance.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.

Directors	Area of Expertise					
	Industrial Knowledge and Experience	Leadership Qualities	Financials Expertise	Corporate Governance	Understanding of relevant laws, rules, regulation and Policy	Risk Management
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.

\*\* Mr. Aishwarya Mani Kachhal was appointed as an Additional Director (Non-Executive and Independent) with effect from February 17, 2023 and Mrs. Srishti Agarwal was appointed as an Additional 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, 2023:**

Details of the shareholding held by Board of Directors as on March 31, 2023 are given in the table below:

Name of Directors	Number of Shares	% of shareholding
Mr. Kapil Garg	1,80,000	0.36
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.

\*\* Mr. Aishwarya Mani Kachhal was appointed as an Additional Director (Non-Executive and Independent) with effect from February 17, 2023 and Mrs. Srishti Agarwal was appointed as an Additional 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://mufingreen-finance.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, 2023, 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 2022-23, the Committee met six times i.e. on 18th May, 2022, 11th June, 2022 19th July, 2022, 13th August, 2022, 14th November, 2022 and 14th February, 2023.

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	6	6
Mr. Manoj Kumar Bhatt, Member	6	6
Mr. Kapil Garg, Member	6	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, 2023, the Committee comprises of Mr. Abhinav Tambi, 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 2022-23 the Committee met Five times i.e. on 18th May, 2022, 11th June, 2022, 13th August, 2022, 14th November, 2022 and 17th February, 2023. 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. Abhinav Tambi, Chairperson	5	3
Mr. Hemant Bhageria, Member	5	5
Mr. Manoj Kumar Bhatt, Member	5	5

### 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:

- 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;
- Review of measures taken for effective exercise of voting rights by shareholders;
- 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;
- To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.
- 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
- 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, 2023, the Committee comprises of Mr. Hemant Bhageria, Chairperson, Mrs. Neha Agarwal, 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 2022-23 the Committee met twice i.e. on 18th May, 2022 and 17th February, 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. Hemant Bhageria, Chairperson	2	2
Mrs. Neha Agarwal, Member	2	2
Mr. Kapil Garg, Member	2	2

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

During the year 2022-23, the Company received two complaints and all were resolved. Accordingly, no complaint was pending as on March 31, 2023.

During the year 2022-23, the Company received 9 cases (involving 2,065 equity shares) for share transfer/transmission, all cases were transferred/transmitted.

The Company had 10,521 shareholders as on March 31, 2023.

**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, 2023, the Committee comprises of Mr. Manoj Kumar Bhatt, Chairperson, Mrs. Neha Agarwal, Mr. Kapil Garg, Members.

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

The Committee shall meet at least once in a year. During the year 2022-23 the Committee met once i.e. on 18th May, 2022. 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
Mrs. Neha Agarwal, Member*	1	1
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

Mr. Kapil Garg (Managing Director of Company) has not received any remuneration and sitting fees for attending Board and Committee Meetings during the financial year 2022-23.

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

Mr. Manoj Kumar Bhatt, Mrs. Neha Agarwal, Mr. Abhinav Tambi, 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, 2023 are as follows:

(Amount in Rs.)			
Name of Director	Board Meetings	Committee Meetings	Total
Mr. Manoj Kumar Bhatt	1,00,000	50,000	1,50,000
Mrs. Neha Agarwal*	Nil	Nil	Nil
Mr. Abhinav Tambi*	50,000	25,000	75,000
Mr. Hemant Bhageria	1,00,000	50,000	1,50,000

Mr. Nitin Goel	1,00,000	50,000	1,50,000
Mr. Aishwarya Mani Kachhal**	Nil	Nil	Nil
Mrs. Srishti Agarwal**	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.

\*\* Mr. Aishwarya Mani Kachhal was appointed as an Additional Director (Non-Executive and Independent) with effect from February 17, 2023 and Mrs. Srishti Agarwal was appointed as an Additional 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 2022-23:**

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**

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

Financial Year	Date	Time	Location
2021-2022 (6th AGM)	September 28, 2022	02.30 PM	Meeting conducted through Video conferencing / other Audio visual means facility pursuant to the MCA Circular
2020-2021 (5th AGM)	September 30, 2021	02:30 PM	Meeting conducted through Video conferencing / other Audio visual means facility pursuant to the MCA Circular
2019-2020 (4th AGM)	September 30, 2020	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
6th 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
5th AGM	Nil
4th AGM	Nil

**(c) Whether any Special Resolution(s) passed through Postal Ballot during Financial Year 2022-23**

The details of the special resolution passed through Postal Ballot during the financial year 2022-23 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
Shifting of Registered Office from The State of Rajasthan to The NCT Of Delhi	Special Resolution	41,204	40,989	215	Nil
Approval For Alteration in Object Clause of the Memorandum of Association of the Company	Special Resolution	2,00,759	2,00,292	467	Nil
Approval for change of Name of the Company and consequential amendment to Memorandum of Association and Articles of Association of the Company	Special Resolution	2,01,254	2,00,788	466	Nil
Approval of Mufin Green Finance Limited Employee Stock Option Plan, 2022 ("MGFL ESOP Scheme 2022")	Special Resolution	2,01,254	2,00,768	486	Nil
Approval for issuance of 35,54,502 Equity Shares on Preferential Basis	Special Resolution	60,346	52,738	7,608	Nil
Approval for issuance of 4,65,000 fully convertible warrants into Equity Shares on Preferential Basis to an entity belonging to Promoter Category	Special Resolution	60,346	51,253	9,093	Nil
Approval for issue of Secure Non-Convertible Debentures	Special Resolution	48,604	48,405	199	Nil

To approve sub-division/ split of every 1 (one) equity share of the company having face value of Rs. 2/- (rupees two) each fully paid up into 2 (two) equity shares of face value of Rs. 1/- (rupees one each):	Special Resolution	4,49,741	4,49,439	302	Nil
To alteration in Capital Clause of the Memorandum of Association of the Company	Special Resolution	4,49,775	4,49,473	302	Nil
To approve Alteration in Object Clause of the Memorandum of Association of the Company	Special Resolution	4,49,775	4,49,473	302	Nil
To approve alterations in Articles of Association of the Company	Special Resolution	4,49,775	4,49,473	302	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**

- (a) 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>.
- (b) 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.
- (c) 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>.

- (d) **Annual Report is emailed to such members whose email ids are registered with the Company/ Depositories.**
- (e) **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. 32.1 to the financial Statements forming part of Annual Report.
- (e)** Details relating to Proceeds raise by Company during the financial year 2022-23:  
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 2022-23, there were no complaints received.

**10. GENERAL SHAREHOLDERS' INFORMATION**

- (a) Date, Time and venue for 7th Annual General Meeting:**  
As per Notice of 7th 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 2023-24 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, 2023
Second Quarter Results	November 14, 2023
Third Quarter Results	February 13, 2024
Audited Annual Results for the year	May 25, 2024

\* 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 7th Annual General Meeting. Further, no dividend has been recommended for the year ended March 31, 2023.

**(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

Listing fees for the financial year 2022-23 and 2023-24 have been paid to the Stock Exchange where the shares of the Company are listed.

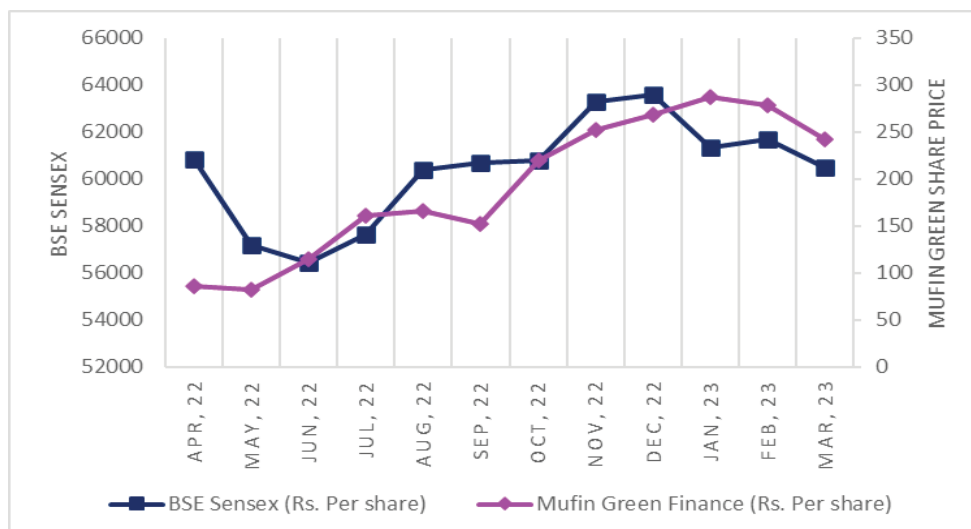
**(e) Market Price Data and Performance of the Company's equity shares**

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 2022-23 is given hereinafter:

Months	High Price (Rs. Per share)	Low Price (Rs. Per share)
April, 22	85.50	59.65
May, 22	82.45	70.00
June, 22	115.40	75.50
July, 22	161.20	107.80
August, 22	166.45	137.80
September, 22	152.35	127.90
October, 22	219.60	159.95
November, 22	252.40	194.80
December, 22	268.70	219.10
January, 23	286.80	213.95
February, 23	278.90	227.60
March, 23	242.00	205.35

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

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



**(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".

**(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, 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	Acuite BBB Stable

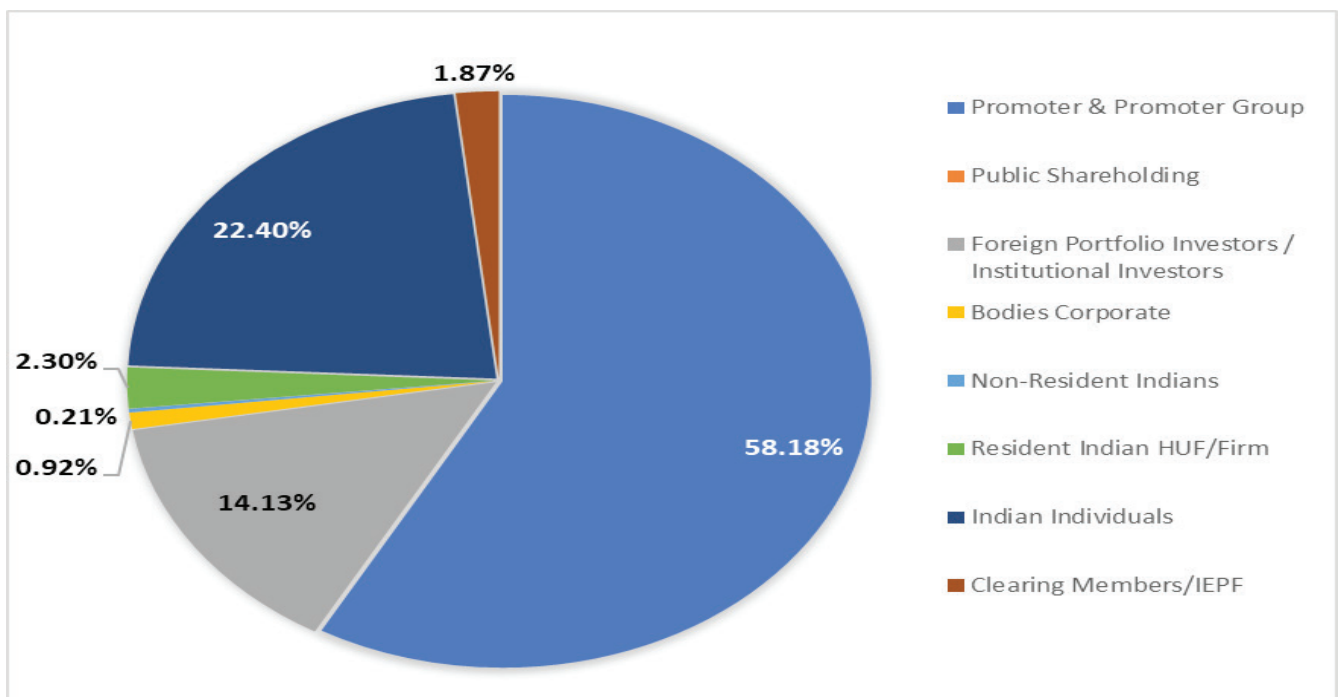


**(I) Distribution of shareholding as on March 31, 2023**

No. of Shares	Shareholders		Shareholding	
	Number	% of Total	Number	% of Total
Up to 500	9245	87.87	2739228	5.44
501 to 1000	636	6.05	1042438	2.07
1001 to 2000	264	2.51	788124	1.57
2001 to 3000	113	1.07	570364	1.13
3001 to 4000	56	0.53	408186	0.81
4001 to 5000	44	0.42	410756	0.82
5001 to 10000	75	0.71	1057164	2.10
10000 and above	88	0.84	43315464	86.06
<b>Total</b>	<b>10521</b>	<b>100</b>	<b>50331724</b>	<b>100</b>

**(i) Category wise**

S. No.	Category	No. of Shares	Shareholding as a % of total number of shares
A	Promoter & Promoter Group	2,92,85,204	58.57
B	Public Shareholding		
1	Foreign Portfolio Investors / Institutional Investors	71,09,504	14.13
2	Bodies Corporate	4,62,753	0.92
3	Non-Resident Indians	1,04,007	0.20
4	Resident Indian HUF/Firm	11,56,659	1.92
5	Indian Individuals	1,12,71,870	22.40
6	Clearing Members/IEPF	9,41,727	1.86
	<b>Total</b>	<b>5,03,31,724</b>	<b>100</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
2022-23	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 95.99 % of total issued Share Capital of the Company were in dematerialized form as on March 31, 2023. 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.

**(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, 2023, the Company does not have any outstanding GDRs / ADRs or any convertible instruments, but company issued 4,65,000 convertible warrants into Equity shares to Hindon Mercantile Limited (Promoter of the company).

**(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, 2nd Floor, Best Sky Tower, Netaji Subhash Place Delhi-110034  
Tel: 011-43094300  
Email:- apmfinvestltd@gmail.com  
Website:- 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, 2023 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**

**Manoj Kumar Bhatt**  
Chairman  
DIN: 09452843

**Place:** New Delhi  
**Dated:** 29.08.2023

**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, 2023.

For and on behalf of the Board

**Place:** New Delhi  
**Dated:** 29.08.2023

**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 2022-23 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 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:
- No significant changes in internal control over financial reporting during the year;
  - No significant changes in accounting policies during the year; and
  - 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:- 29.08.2023**

**Gunjan Jain**  
Chief Financial Officer

**Pankaj Gupta**  
Chief Executive Officer

**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 31st March, 2023 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: A060309E000871317**  
**Peer Review Cert. No.: 2050/2022**

Dated: 29.08.2023  
Place: New Delhi

**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, 2023, 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, 2023.
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: A060309E000871471**  
**Peer Review Cert. No.: 2050/2022**

Dated: 29.08.2023  
Place: New Delhi

**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 2022-23**

Financial year 2023 began on a mixed note. On the positive side, after wreaking havoc for almost two years, the impact of the COVID-19 pandemic on lives and livelihoods started receding. This was aided by a mass immunisation programme and the advent of a less virulent variant called omicron. However, the flip side was the impact of inflationary trends, supply chain disruptions emanating from China, and the start of the Russia-Ukraine conflict impacting commodity prices.

In FY2023, the Indian economy faced multiple challenges. The country's retail inflation indicator, consumer price inflation (CPI) inched above the RBI's tolerance range in January 2022. It remained above the target range for almost twelve months before retracting within the upper tolerance of 6% in November 2022. Rising international crude prices coupled with domestic weather conditions like excessive heat and unseasonal rains kept food prices high, fuelling retail inflation. The Government cut excise and customs duties and restricted exports to cool off inflation. The RBI, like other central banks, raised the monetary policy rates and reduced excess systemic liquidity. Major areas of concern for the economy were elevated commodity prices leading to a depreciation of the Indian rupee, higher retail inflation (both core and food inflation) leading to the RBI raising interest rates and rationalising systemic liquidity, and a rising current account deficit (CAD).

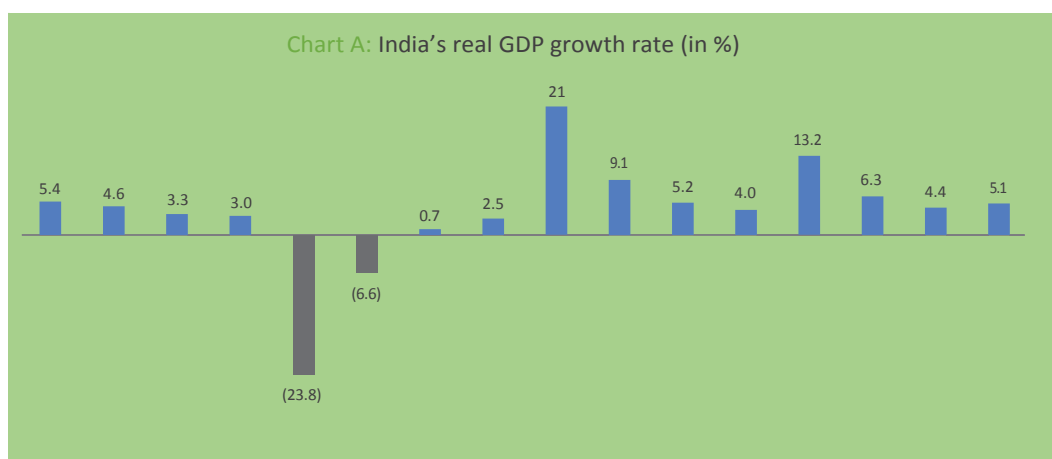
However, despite these critical challenges, India emerged as the fastest growing major economy in the world. The second advance estimate of national income released by the central statistics office (CSO) on 28 February 2023 expects real GDP growth in FY2023 to be 7.0%.

**Table 1: Real GDP and GVA and growth, India**

	FY 2020 (2nd RE)	FY 2021 (2nd RE)	FY 2022 (1st RE)	FY 2023 (2nd AE)
Real GDP (H in trillion)	145.2	136.9	149.3	159.7
Real GVA (H in trillion)	132.2	126.8	138.0	147.1
Real GDP growth	3.7%	(5.7%)	9.1%	7.0%
Real GVA growth	3.8%	(4.1%)	8.8%	6.6%

Source: Government of India, Central Statistics Office (CSO). AE denotes Advance estimate, and RE denotes revised estimate.

Chart A depicts India's real GDP growth over the same period by quarters for the last four financial years.



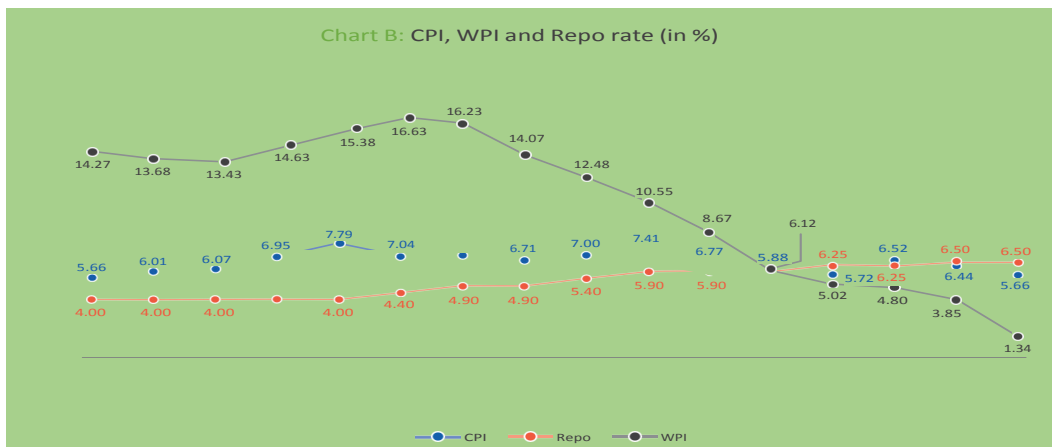
The quarterly trend of GDP growth in FY2023 pegs the year-on-year growth of 5.1% in Q4 FY2023, 4.4% in Q3 FY2023, 6.3% in Q2 FY2023 and 13.2% in Q1 FY2023. Private consumption showed some signs of slowdown. A weaker trend in government final consumption expenditure is understandable as the spend on welfare schemes has moderated in comparison to what was spend during the pandemic. Government led capital expenditure has continued to be an important driver of the economy with gross fixed capital formation (GFCF) expected to contribute to 34.0% of the GDP in FY2023 versus 32.7% of the GDP in FY2022.

The current account deficit (CAD) widened in FY2023 on account of (i) rising commodity prices, (ii) appreciation of the US dollar and (iii) a slowdown in economic growth and world trade owing to aggressive and synchronised monetary policy tightening across the world. For the first three quarters of FY2023, the CAD stood at 2.7% of GDP.

Consumer price inflation (CPI) remained at elevated levels during the year. Though it dropped from 7.79% in April 2022 to 5.66% in December 2022, it again rose to 6.52% in January 2023 before dropping to 5.66% in March 2023. In May 2022, the RBI increased the policy repo rate by 40 basis points (bps); and thereafter continued to increase policy repo rates by 50 bps in June 2022, August 2022 and September 2022. This was followed by smaller increases of 35 bps in December 2022 and 25 bps in February 2023. The cumulative increase in FY2023 was 250 bps. This was preceded by the introduction of the Standing Deposit Facility (SDF) at a rate 40 bps higher than the fixed rate reverse repo. Thus, the effective rate hike during the year has been 290 bps.

At its Monetary Policy Committee (MPC) meeting held in April 2023, the RBI unanimously decided to keep the policy rates unchanged with an emphatic statement that the pause was only for this meeting and the MPC would not hesitate to take further action as may be required in future. The MPC also decided to remain focused on withdrawal of accommodation which was favoured by five out of six members.

Chart B below depicts the movement of consumer price index (CPI), wholesale price index (WPI) and the repo rate since Dec 2021 over the respective month.



Non-food credit growth of the scheduled commercial banks was 15.9% as on 24 February 2023 over 25 February 2022 against 9.2% for the same period in the previous year. This credit growth was largely driven by services industry and personal loans which recorded a growth of 20.7% and 20.4% respectively as on 24 February 2023 versus 6.2% and 12.5% for the same period in the previous year.

Credit to industry registered a growth of 7.0% in February 2023 over the previous year against 6.7% in February 2022. Credit to large industry rose by 5% versus 0.9% a year ago; to medium industries it was 13.5% as against 53.8%; to micro and small industries it was a growth of 13.2% in February 2023 as against 24.0% a year ago.

The previous year had seen substantial support to micro and small industries which had been impacted by the pandemic.

Fortnightly data released by the RBI on 05 April 2023 reflected non-food credit growth of the scheduled commercial banks remained strong at 15.4% as on 24 March 2023.

The Government of India announced a growth oriented and expansionary budget for the FY2024. It has tried to strike balance between fiscal consolidation and growth by continuing its focus on capital expenditure and creating fiscal space for that by curtailing revenue expenditure. It has set a target of reducing the central government's fiscal deficit to 5.9% of the GDP in FY2024 from 6.4% (revised estimate or RE) in FY2023, while using the infrastructure capex tool to support the economy. The Government has budgeted for H 10 trillion towards capital expenditure for FY2024, an increase of 33% year-on-year.

On balance, we believe that the Indian economy has weathered the external shocks reasonably well. The proof of it



is that the country has emerged as the fastest growing major economy in the world.

The calendar year 2023 began on a promising note with improved supply conditions, resilient economic activity, and some degree of stability in financial markets. In just a few weeks of March 2023 the sentiment changed as fresh headwinds emerged from the banking sector turmoil in some

advanced economies. Bank failures in the USA and Switzerland with their contagion risks came to the forefront. However, the banking and non-banking financial services sector in India remained healthy and evolved in an orderly manner.

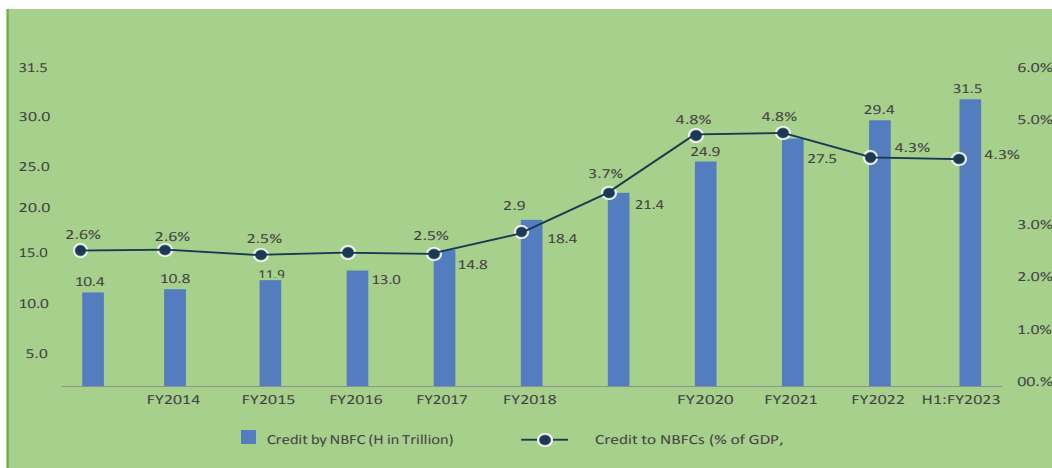
The general expectation is that India’s GDP for FY2024 would record a growth in excess of 6%. Of course, much depends on a normal rainfall in the coming year. The risk of monsoon falling below normal levels (after four consecutive years of normal rainfall) remains a wildcard and could hit agricultural production and impact food prices.

**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. Lower transaction costs, innovative products, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, these are well-suited to bridge the financing gap in a large country like India. Systemically important NBFCs have demonstrated agility, innovation and frugality to provide formal financial services to millions of Indians.

The growing importance of NBFCs is reflected in the consistent rise of their credit as a proportion to GDP as well as in relation to credit extended by SCBs to the NBFC sector.

Chart C depicts the growth of NBFCs and credit to NBFCs (% of GDP) over the last decade.



This is an enviable track record despite the business models of the NBFCs being severely tested by four large external events in the last few years, namely, (i) demonetisation, (ii) GST implementation, (iii) failure of few large NBFCs, and (iv) the pandemic. The fact that many NBFCs have managed to overcome these stresses without significant impact on financial position is a testimony to their resilience and agility.

In recent years as the impact of the second COVID-19 wave waned and the third wave turned out to be short-lived, the NBFC sector regained momentum, cushioned by proactive policy measures announced by the RBI and the Government. The economic survey has observed that credit extended by NBFCs is picking up momentum, with the aggregate outstanding amount at H 31.5 trillion as on September 2022. NBFCs continued to deploy the largest quantum of credit to the industrial sector, followed by retail, services, and agriculture. Loans to the services sector (share in outstanding credit being 14.7%) and personal loans (share of 29.5%) registered a double digit growth.

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 UNR 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 NBFCs are being recognised as being vital for the growth of Indian economy. NBFCs are here to stay and play an important role in economic growth and financial inclusion. As India's economy grows, the requirement for credit will rise more than proportionately. We need both Banks and NBFCs to rise to the occasion and power the economy with free flowing credit lines. NBFCs with robust business models, strong liquidity mechanisms and governance & risk management standards are poised to reap the benefit of the market opportunity.

NBFCs that are well prepared with their business continuity and contingency plans can quickly bounce back in the post COVID-19 era. With proper planning and strategic initiatives, NBFCs can limit and overcome the impact of this disruption. As we step into the next financial year, we have been hit by the second wave of the pandemic and it is uncertain what impact it would leave on the economy and the performance of the various sectors.

We would take every step into the coming year cautiously. Protecting the portfolio, ensuring safety of our employees, containing cost and improving efficiency would be our key focus areas for the coming months till the environment becomes clear.

**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, an outside 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 2022-23 was Rs. 1,079.12 lakhs as against 1,267.90 lakhs in the year 2021-22. This has been a down fall in the year for your Company due to increase in business operations by which operational cost has increased. 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.

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, 2023, the Company had 241 employees.

#### i) LONG TERM AND SHORT TERM STRATEGY

Your Company is continuously reviewing the evolving situation in the light of COVID-19 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 2022-23	FY 2021-22	Change in %	Reason for Change
Debtors Turnover Ratio	Not Applicable	Not Applicable	-	-
Inventory Turnover (RM)	Not Applicable	Not Applicable	-	-
Interest Coverage Ratio	3.24	88.39	(96.33)%	Decreased mainly due to increase in debt raised during the current year.
Current Ratio	Not Applicable	Not Applicable	-	-
Debt equity Ratio	1.47	-	-	Improved due to borrowings raised during the year.
Operating Profit Margin (%)	0.52	0.84	(38.44)%	On account of high operating expenses due to expansion of business in EV segment.
Net Profit margin (%)	0.23	0.71	(67.64)%	On account of high operating expenses due to expansion of business in EV segment.
Return on Net worth (%)	5.28%	10.71%	(50.68)%	On account of high operating expenses due to expansion of business in EV segment.

#### 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: 29.08.2023

**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.	Ms. Neha Agarwal	Director/Non-Executive & Women	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. 2,13,61,859/-  
 (b) Two percent of average net profit of the company as per section 135(5): Rs. 4,27,237.18/-  
 (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. 4,27,237.18/-
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 18,87,436/-  
 (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. 18,87,436/-  
 (e) CSR amount spent or unspent for the Financial Year: - Rs. 18,87,436/-

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
	NA		NA		

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

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

1	2	3	4	5	6		7	8
Sr. No.	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							

7. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
8. 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**  
**Date:- 29.08.2023**

**Manoj Kumar Bhatt**  
Chairman-CSR Committee

**Kapil Garg**  
Executive Director

## Independent Auditor’s Report

To The Members of Mufin Green Finance Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Mufin Green Finance Limited** (formerly APM Finvest Limited) (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report: -

Key audit matter	How the matter was addressed in our audit
<b>Impairment of loans (Expected Credit Loss)</b>	
<p>In case of the Company, the loans to the customers form a major portion of its assets. As per Indian Accounting Standard (Ind AS) 109 – Financial Instruments, the Company is required to provide for impairment loss on its loan assets using the Expected Credit Loss (ECL) approach along with compliance of applicable regulatory norms. The calculation of impairment loss or ECL involves an estimation of probability of weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, forward looking analysis to the extent possible and other factors which impact the credit quality of the Company’s loan assets.</p> <p>In the process of calculation of ECL, a significant degree of judgement and estimates are applied by the management for:</p> <ul style="list-style-type: none"> <li>• Grouping of borrowers</li> <li>• Staging of loans</li> <li>• Determination of exposure at default</li> </ul>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated appropriateness of the impairment principles used by management based on the requirements of Ind AS 109.</li> <li>• Assessed the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge.</li> <li>• Evaluated management’s controls over collection of relevant information used for determining estimates for management overlays.</li> <li>• Assessed the accuracy of the system generated reports of ageing and defaults.</li> <li>• Performed substantive procedures over validating completeness and correctness of the data.</li> <li>• Tested assumptions used by the management in determining the overlay for macro-economic and other factors.</li> </ul>
	• Performed cut-off procedures on a sample basis relating to the recoveries at year end that would impact staging of loans.

<ul style="list-style-type: none"> <li>• Calculation of probability of default/loss given default</li> <li>• Consideration of probability weighted scenarios and forward looking macro-economic factors</li> </ul>	<ul style="list-style-type: none"> <li>• Tested the arithmetical accuracy of computation of ECL provision.</li> <li>• Obtained management representations wherever considered necessary.</li> </ul>
<p>The application of ECL model requires several data inputs which increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</p> <p>In view of the high degree of management’s judgement involved in estimation of ECL and the overall significance of ECL to the financial statements, it is considered a key audit matter.</p> <p>The Company’s disclosures are included in Notes 2.5.2.6, 6, 7 and 34 to the financial statements, which outline the accounting policy for loans and ECL and details of loans and ECL.</p>	<ul style="list-style-type: none"> <li>• Evaluated the disclosures made in the financial statements in respect of ECL.</li> </ul>

**Information Other than the Financial Statements and Auditor’s Report thereon**

The Company’s Management and Board of Directors are responsible for preparation of the other information. The other information comprises the information included in the Board’s Report and its annexures, but does not include the financial statements and our auditor’s report thereon. The other information is expected to be made available to us after the date of this Auditor’s Report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 ‘The Auditor’s Responsibilities Relating to Other Information’.

**Management’s and Board of Directors Responsibility for the Financial Statements**

The Company’s Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and the 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

**Auditor’s Responsibility for the Audit of the Financial Statements**

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

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

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

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 to the Company, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2023 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 Section 143(11) of the Act, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable to the Company.
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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, as applicable to the Company;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 these financial statements and the operating effectiveness of such controls, refer to our separate Report in Annexure "B" to this report;
- g) with respect to the other matters to be included in the Auditor's Report under Section 197(16) of the Act, as amended, the Company has not paid/ provided any managerial remuneration covered under Section 197 of the Act to its directors during the year.
- 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 March 31, 2023 having impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023.
  - iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
  - iv. (a) The management of the Company has represented 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 the borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any person or entity 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The Management of the Company has represented 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 from any person or entity, including foreign entity ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us on the Company, 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 dividend paid by the Company during the year is in compliance with Section 123 of the Act.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company w.e.f. April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable for the financial year ended March 31, 2023.

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Registration No. 307068E

**LAXMI NARAIN JAIN**

Partner  
Membership No. 072579  
UDIN – 23072579BGZBMS6363

New Delhi  
May 25, 2023

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

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the members of **Mufin Green Finance Limited** on the Financial Statements for the year ended March 31,2023)

- (i) (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. The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us, the Property, Plant and Equipment (including Right of Use assets) have been physically verified by the management at the end of the year and no material discrepancies were noticed on such verification. Having regard to the nature and size of the assets held by the Company, in our opinion, the physical verification has been done by the Company at reasonable interval.
- (c) The immovable property held by the Company includes land only which has been mortgaged in favour of a lender. The original title deed of land is in possession of the lender. According to the information and explanations given to us and on the basis of the copy of the deed available in the record of the Company, the title deed of the immovable property (other than properties where the Company is the lessee, are duly executed in favour of the Company) disclosed in the financial statements is held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of the records examined by us, no proceedings have been initiated or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988), as amended and rules made thereunder.
- (ii) (a) The Company does not have any inventory. Accordingly, the clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has been sanctioned overdraft limits by the banks in excess of Rs. 5 crore, in aggregate, on the basis of the security of term deposits with the respective banks during the year. According to the information and explanations given to us, the Company is not required to file any periodical return/statement with the banks in this regard. Other than this, the Company has not been sanctioned any working capital limit on the basis of security of current assets during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company being a Non-Banking Finance Company having principal business to give loans and make investments,
  - (a) The clause 3(iii)(a) of the Order is 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 or advances in the nature of loans, prima facie, are 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 the loans or advances in the nature of loans, 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 34 and 46.2 to the financial statements including the irregular loan accounts).
  - (d) The total amount overdue for more than 90 days as at March 31, 2023 in respect of loans or advances in the nature of loans given by the Company, aggregate to Rs. 366.29 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 clause 3(iii)(e) of the Order is not applicable to the Company.
- (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 during the year either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of the records examined by us, during the year the Company has not provided any guarantee or security as specified under Section 185 and 186 of the Act. In respect of the investment made and loans granted by the Company during the year, the provisions of Section 185 and 186 of the Act, as applicable, have been complied with.
- (v) According to the information and explanations given to us and on the basis of the records examined by us, during the year the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the directives issued by the Reserve Bank of India or the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules made thereunder.
- (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 Act for the Company.
- (vii) According to the information and explanations given to us and on the basis of the records examined by us:
  - (a) The Company has been regular in depositing undisputed statutory dues including Goods and service tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other statutory dues applicable to the Company with the appropriate authorities. There were no undisputed amounts payable in respect of statutory dues outstanding as at March 31, 2023 for a period of more than six months from the date they became payable.
  - (b) There are no statutory dues referred to in sub-clause (a) above outstanding as at March 31, 2023, which have not been deposited by the Company on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of the records examined by us, the Company does not have any transactions not recorded in the books of account but surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- (ix) According to the information and explanations 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 the payment of interest thereon to any lender during the year;
  - (b) the Company has not been declared willful defaulter by any bank or financial institution or any other lender;
  - (c) the term loans were applied by the Company for the purposes for which the loans were obtained during the year;
  - (d) there are no transactions of funds raised by the Company on short term basis and utilized, prima facie, for long term purposes during the year;
  - (e) the Company does not have any subsidiary or associate or joint venture during the year. Accordingly, the clause 3 (ix)(e) of the Order is not applicable to the Company;
  - (f) the Company does not have any subsidiary or joint venture or associate company during the year. Accordingly, the clause 3(ix)(f) of the Order is not applicable to the Company.
- (x)
  - (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the clause 3(x)(a) of the Order is not applicable to the Company.
  - (b) The Company has not made any preferential allotment or private placement of convertible debentures (fully or partly or optionally convertible) during the year. The requirements of Section 42 and Section 62 of the Act have been complied with in respect of the preferential allotment of shares by way of private placement during the year and the funds raised have been used for the purposes for which the funds were raised.
- (xi)
  - (a) According to the information and explanations given to us and on the basis of the records examined by us, no fraud by the Company or on the Company has been noticed or reported during the year.
  - (b) According to the information and explanations given to us, no report under Section 143(12) of the Act in form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 has been filed with the Central Government.

- (c) According to the information and explanations given to us, no whistleblower complaint has been received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and on the basis of the records examined by us, all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standard.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) During the course of our audit, we have considered the reports of the Internal Auditor issued for the period under audit.
- (xv) According to the information and explanations 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 them during the year.
- (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 explanations 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 the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given to us, there is no Core Investment Company within the Group.
- (xvii) The Company has not incurred cash losses in the financial year under audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, the clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of examination of the financial ratios, ageing and expected dates of realization 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 the 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.
- (xxi) Reporting under clause 3(xxi) of the Order is not applicable in respect of audit of the standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Registration No. 307068E

**LAXMI NARAIN JAIN**

Partner  
Membership No. 072579  
UDIN: 23072579BGZBMS6363

New Delhi  
May 25, 2023

## Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the members of Mufin Green Finance Limited on the Financial Statements for the year ended March 31, 2023)

Report on the Internal Financial Controls with reference to the financial 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 the financial statements of Mufin Green Finance Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to the financial statements based on the internal control 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 ('the Guidance Note') 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 the financial statements based on our audit. We conducted our audit in accordance with 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 the 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 these financial statements were 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 the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls With reference to the financial statements

A company's internal financial control with reference to the 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 controls with reference to the 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 the financial statements

Because of the inherent limitations of internal financial controls with reference to the 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 the financial statements to future periods are subject to the risk that the internal financial controls with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate or for other reasons.

**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 the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial controls with reference to the financial statements, established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Registration No. 307068E

**LAXMI NARAIN JAIN**

Partner  
Membership No. 072579  
UDIN: 23072579BGZBMS6363

New Delhi  
May 25, 2023

**BALANCE SHEET AS AT MARCH 31, 2023**
**(Rs. in lakhs)**

S. No.	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>				
<b>1)</b>	<b>Financial Assets</b>			
	a) Cash and cash equivalents	4	<b>1,714.84</b>	923.45
	b) Bank balances other than cash and cash equivalents	5	<b>10,107.64</b>	490.00
	c) Receivables			
	- Trade Receivables		-	-
	- Other Receivables	6	<b>33.60</b>	-
	d) Loans	7	<b>25,853.45</b>	4,826.69
	e) Investments	8	<b>299.99</b>	999.95
	f) Other financial assets	9	<b>152.69</b>	1,867.03
	<b>Total</b>		<b>38,162.21</b>	9,107.12
<b>2)</b>	<b>Non-Financial Assets</b>			
	a) Current tax assets (net)	10	<b>74.15</b>	-
	b) Deferred tax assets (net)	11	<b>60.10</b>	-
	c) Property, plant and equipment	12	<b>42.58</b>	68.33
	d) Intangible assets	13	<b>29.52</b>	132.93
	e) Right of use assets	13	<b>243.05</b>	-
	f) Other non-financial assets	14	<b>935.68</b>	981.13
	<b>Total</b>		<b>1,385.08</b>	1,182.39
	<b>Total Assets</b>		<b>39,547.29</b>	10,289.51
<b>LIABILITIES AND EQUITY</b>				
<b>1)</b>	<b>Financial Liabilities</b>			
	a) Payables			
	- Trade payables			
	i) Total outstanding dues of micro enterprises and small enterprises		-	-
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	b) Debt securities	15	<b>5,827.19</b>	-
	c) Borrowings (other than debt securities)	16	<b>16,771.78</b>	-
	d) Other financial liabilities	17	<b>900.86</b>	22.74
	<b>Total</b>		<b>23,499.83</b>	22.74
<b>2)</b>	<b>Non-Financial Liabilities</b>			
	a) Current tax liabilities (net)	18	-	86.62
	b) Provisions	19	<b>15.67</b>	0.17
	c) Deferred tax liabilities (net)	11	-	6.50
	d) Other non-financial liabilities	20	<b>663.65</b>	12.68
	<b>Total</b>		<b>679.32</b>	105.97
<b>3)</b>	<b>Equity</b>			
	a) Equity share capital	21	<b>503.32</b>	432.23
	b) Other equity	22	<b>14,864.82</b>	9,728.57
	<b>Total</b>		<b>15,368.14</b>	10,160.80
	<b>Total Liabilities and Equity</b>		<b>39,547.29</b>	10,289.51

**Significant Accounting Policies and Notes forming part of the Financial Statements 1-51**

As per our report of even date attached

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Registration No.307068E

**LAXMI NARAIN JAIN**  
Partner  
Membership No.072579

**Manoj Kumar Bhatt**  
Director  
DIN: 09452843

**Mayank Pratap Singh**  
Company Secretary  
Membership No. A46666

**FOR AND ON BEHALF OF THE BOARD**
**Kapil Garg**  
Managing Director  
DIN: 01716987

**Pankaj Gupta**  
Chief Executive Officer

**Gunjan Jain**  
Chief Financial Officer

**Place : New Delhi**  
**Date : May 25, 2023**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**
**(Rs. in lakhs)**

S.No.	Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
	<b>Revenue from operations</b>			
	i) Interest income	23	<b>3,505.90</b>	369.55
	ii) Dividend income	24	<b>0.26</b>	23.35
	iii) Net gain on sale of investments	25	<b>5.36</b>	1,132.72
	iv) Other operating revenue	26	<b>4.76</b>	0.07
<b>I)</b>	<b>Total Revenue from operations</b>		<b>3,516.28</b>	1,525.69
II)	Other income	27	<b>13.88</b>	2.13
<b>III)</b>	<b>Total Income (I+II)</b>		<b>3,530.16</b>	1,527.82
	<b>Expenses</b>			
	i) Finance costs	28	<b>563.27</b>	14.56
	ii) Impairment on financial instruments	29	<b>326.65</b>	7.35
	iii) Employee benefits expenses	30	<b>881.51</b>	19.01
	iv) Depreciation and amortization	31	<b>183.52</b>	4.44
	v) Other expenses	32	<b>496.09</b>	214.56
<b>IV)</b>	<b>Total Expenses</b>		<b>2,451.04</b>	259.92
V)	<b>Profit before exceptional items and tax (III-IV)</b>		<b>1,079.12</b>	1,267.90
VI)	Exceptional items		-	-
VII)	<b>Profit before tax (V-VI)</b>		<b>1,079.12</b>	1,267.90
VIII)	<b>Tax expense</b>	36		
	1) Current tax		<b>342.54</b>	330.26
	2) Deferred tax		<b>(65.91)</b>	(159.84)
	3) Tax related to earlier years		<b>(9.18)</b>	9.29
<b>IX)</b>	<b>Profit for the year (VII-VIII)</b>		<b>811.67</b>	1,088.19
<b>X)</b>	<b>Other Comprehensive Income</b>			
A) i)	Items that will not be reclassified to profit or loss		<b>(2.73)</b>	0.26
ii)	Income tax relating to items that will not be reclassified to profit or loss	36	<b>0.69</b>	(0.07)
	<b>Sub Total (A)</b>		<b>(2.04)</b>	0.19
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>Total Other Comprehensive Income (A+B)</b>		<b>(2.04)</b>	0.19
<b>XI)</b>	<b>Total Comprehensive Income for the year (IX+X)</b>		<b>809.63</b>	1,088.38
<b>XII)</b>	<b>Earnings per share (Face value of Re. 1 each) (Refer Note 21(a))</b>			
	Basic (Rs.)	42	<b>1.73</b>	2.52
	Diluted (Rs.)	42	<b>1.73</b>	2.52

**Significant Accounting Policies and Notes forming part of the Financial Statements 1-51**

As per our report of even date attached

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Registration No.307068E

**FOR AND ON BEHALF OF THE BOARD**
**LAXMI NARAIN JAIN**  
Partner  
Membership No.072579

**Manoj Kumar Bhatt**  
Director  
DIN: 09452843

**Kapil Garg**  
Managing Director  
DIN: 01716987

**Place : New Delhi**  
**Date : May 25, 2023**
**Mayank Pratap Singh**  
Company Secretary  
Membership No. A46666

**Pankaj Gupta**  
Chief Executive Officer

**Gunjan Jain**  
Chief Financial Officer



**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023**

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,079.12</b>	1,267.90
Adjustment for:		
Depreciation and amortization	<b>183.52</b>	4.44
Impairment on financial instruments	<b>326.65</b>	7.35
Net gain on sale of investments	<b>(5.36)</b>	(1,132.72)
Interest expenses on lease liabilities	<b>9.03</b>	0.51
Gain on derecognition of lease	-	(0.83)
Interest expense	<b>554.24</b>	14.05
Interest income	<b>(3,303.16)</b>	(369.55)
Liabilities written back	<b>(13.26)</b>	(0.26)
<b>Operating profit before working capital changes</b>	<b>(1,169.22)</b>	(209.11)
(Increase)/decrease in other receivables	<b>(33.77)</b>	-
(Increase)/decrease in loans (net)	<b>(18,682.10)</b>	(2,918.17)
Increase/(decrease) in financial liabilities	<b>641.45</b>	16.71
(Increase)/decrease in bank balances other than cash and cash equivalents	<b>(187.64)</b>	-
Increase/(decrease) in provisions	<b>12.77</b>	0.19
Increase/(decrease) in other non-financial liabilities	<b>650.97</b>	12.39
(Increase)/decrease in other non-financial assets	<b>(869.32)</b>	(980.68)
(Increase)/decrease in other financial assets	<b>562.43</b>	(1,863.36)
Interest paid	<b>(458.40)</b>	(14.70)
Interest received	<b>2,493.49</b>	363.39
<b>Cash (used in) operating activities</b>	<b>(17,039.34)</b>	(5,593.34)
Direct tax paid (net)	<b>(491.54)</b>	(249.16)
<b>Net cash (used in) operating activities (A)</b>	<b>(17,530.88)</b>	(5,842.50)
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	<b>(17.04)</b>	(69.22)
Purchase of intangible assets	<b>(1.10)</b>	(134.68)
Purchase of investments	<b>(1,099.95)</b>	(8,286.79)
Proceeds from sale of investments	<b>2,005.27</b>	15,721.55
(Increase) in term deposits with banks	<b>(10,420.00)</b>	(490.00)
Decrease in term deposits with banks	<b>990.00</b>	-
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>(8,542.82)</b>	6,740.86
<b>Cash flow from financing activities</b>		
Proceeds from issue of Equity Shares	<b>4,500.00</b>	-
Proceeds from issue of Share warrants	<b>147.17</b>	-
Share issue expenses	<b>(206.22)</b>	-
Proceeds from debt securities	<b>5,747.87</b>	-
Proceeds from term loans (other than debt securities)	<b>10,275.22</b>	1,010.00
Repayments of term loans (other than debt securities)	<b>(1,940.00)</b>	(1,028.00)
Proceeds from overdraft facilities with banks (net)	<b>8,420.03</b>	-
Dividend paid	<b>(40.98)</b>	-
Payment of lease liabilities	<b>(38.00)</b>	(2.26)
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>26,865.09</b>	(20.26)
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>791.39</b>	878.10
Cash and cash equivalents at the beginning of the year	<b>923.45</b>	45.35
<b>Cash and cash equivalents at the end of the year</b>	<b>1,714.84</b>	923.45
<b>Components of cash and cash equivalents:</b>		
Cash on hand	<b>255.73</b>	-
Term deposit with bank	<b>500.05</b>	-
Balances with banks on current accounts	<b>959.06</b>	923.45
<b>Total cash and cash equivalents</b>	<b>1,714.84</b>	923.45

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**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023**

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**Notes:**

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1. 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'.
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**Significant Accounting Policies and Notes forming part of the Financial Statements 1-51**

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As per our report of even date attached

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Registration No.307068E

**FOR AND ON BEHALF OF THE BOARD****LAXMI NARAIN JAIN**

Partner  
Membership No.072579

**Manoj Kumar Bhatt**

Director  
DIN: 09452843

**Kapil Garg**

Managing Director  
DIN: 01716987

**Place : New Delhi**

**Date : May 25, 2023**

**Mayank Pratap Singh**

Company Secretary  
Membership No. A46666

**Pankaj Gupta**

Chief Executive Officer

**Gunjan Jain**

Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**
**A. EQUITY SHARE CAPITAL**

Equity shares of Re. 1 (March 31, 2022 : Rs. 2) each Issued, Subscribed and Fully paid-up

Particulars	Number of Shares	Amount (Rs. in lakhs)
As at April 1, 2021	2,16,11,360	432.23
Add : Issued during the year	-	-
<b>As at March 31, 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 21(a))	2,51,65,862	-
<b>As at March 31, 2023</b>	<b>5,03,31,724</b>	<b>503.32</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			
Balance as at April 1, 2021	6,850.86	454.69	-	1,334.63	-	-	8,640.19
Profit for the year	-	-	-	1,088.19	-	-	1,088.19
Remeasurement of the defined benefits plan (net)	-	-	-	-	-	-	0.19
Transfer from Retained Earnings	-	217.64	-	-	7.26	-	224.90
Transfer to Impairment Reserve	-	-	-	(7.26)	-	-	(7.26)
Transfer to Reserve Fund	-	-	-	(217.64)	-	-	(217.64)
<b>Balance as at March 31, 2022</b>	<b>6,850.86</b>	<b>672.33</b>	<b>-</b>	<b>2,197.92</b>	<b>7.26</b>	<b>0.20</b>	<b>9,728.57</b>
Profit for the year	-	-	-	<b>811.67</b>	-	-	<b>811.67</b>
Remeasurement of the defined benefits plan (net)	-	-	-	-	-	<b>(2.04)</b>	<b>(2.04)</b>
Transfer from Retained Earnings	-	<b>162.33</b>	-	-	-	-	<b>162.33</b>
Dividend Paid	-	-	-	<b>(43.23)</b>	-	-	<b>(43.23)</b>
On issue of Shares	-	-	<b>4,222.68</b>	-	-	-	<b>4,222.68</b>
Money received against share warrants	-	-	-	-	-	<b>147.17</b>	<b>147.17</b>
Transfer to Reserve Fund	-	-	-	<b>(162.33)</b>	-	-	<b>(162.33)</b>
<b>Balance as at March 31, 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>14,864.82</b>

**Significant Accounting Policies and Notes forming part of the Financial Statements 1-51**

As per our report of even date attached

**For CHATURVEDI & PARTNERS**

Chartered Accountants

Firm Registration No.307068E

**LAXMI NARAIN JAIN**  
 Partner  
 Membership No.072579

**Manoj Kumar Bhatt**  
 Director  
 DIN: 09452843

**Mayank Pratap Singh**  
 Company Secretary  
 Membership No. A46666

**Pankaj Gupta**  
 Chief Executive Officer

**Gunjan Jain**  
 Chief Financial Officer

**FOR AND ON BEHALF OF THE BOARD**
**Kapil Garg**  
 Managing Director  
 DIN: 01716987

**Place : New Delhi**  
**Date : May 25, 2023**

## Notes forming part of the financial statements for the year ended March 31, 2023

### 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. The Company is engaged in the business of Investment and Credit. The Company Equity shares are listed in Bombay Stock Exchange w.e.f. August 02, 2019.

### 2. Basis of Preparation and Significant accounting policies

#### 2.1 Statement of Compliance and Basis of Preparation and Presentation

The Balance Sheet, the Statement of Profit and Loss and the 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 Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity are together referred as the financial statements of the Company.

The financial statements of the Company are prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of Act and relevant amendment rules issued thereafter ("Ind AS").

The 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 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 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 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 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 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 disclosure purposes in the 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;

## Notes forming part of the financial statements for the year ended March 31, 2023

- 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 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 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 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, Income taxes and employee benefits.

### 2.5 Significant 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 statement of profit and loss at initial recognition.

Interest income/expenses is calculated by applying the EIR to the gross carrying amount 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).

##### 2.5.1.2 Dividend Income

Dividend income is recognized when the Company's 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 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 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 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 "Expenses", in the statement of profit and loss.

##### 2.5.1.5 Other operational revenue

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

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**Notes forming part of the financial statements for the year ended March 31, 2023**

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**2.5.1.6 Other Income**

Other Income represents income earned from the activities incidental to the business and 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 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 statement of profit and loss.

**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 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.

The Company measures all equity investments at fair value through profit or loss, unless the investments is not for trading and 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: Presentation' and are not held for trading. Such classification is determined on an instrument- by-instrument basis.

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**Notes forming part of the financial statements for the year ended March 31, 2023**

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**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 statement of profit and loss.

**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 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.

## Notes forming part of the financial statements for the year ended March 31, 2023

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 and impairment loss are recognized in statement of profit and loss. Any gain or loss on derecognition is recognized in statement of profit and loss.

#### ***Debt Instrument at FVOCI***

These assets are subsequently measured at fair value. Interest income and impairment loss are recognized in 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 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 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 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 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 statement of profit and loss. Any gain or loss on derecognition is recognized in statement of profit and loss.



## Notes forming part of the financial statements for the year ended March 31, 2023

### 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 are measured at fair value and 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 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 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 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2.

**Stage 3:** When loans are considered credit-impaired, the Company records an allowance for the life time expected credit losses.

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 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.

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**Notes forming part of the financial statements for the year ended March 31, 2023**

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**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.

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 'watch list'. 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.

## Notes forming part of the financial statements for the year ended March 31, 2023

As a back-stop when a financial asset becomes past due but not Stage 3; the Company considers that a significant increase in credit risk has occurred and the asset is classified in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

### 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.

### 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. Recoveries resulting from the Company's enforcement activities could result in impairment gains.

### 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).

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**Notes forming part of the financial statements for the year ended March 31, 2023**

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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 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.

## Notes forming part of the financial statements for the year ended March 31, 2023

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 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 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 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 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 statement of profit and loss.

### 2.5.2.9 Assets acquired under settlement of claims

Assets acquired under settlement of claims are initially recognized on acquisition of the assets based on the fair value of the assets, including cost of acquisition. Asset acquired under settlement of claims are subsequently measured at the prevailing market price/fair valuation or acquisition cost, whichever is lower, on periodic basis. Any profit or loss arising on the sale of complete unit is recognized in Statement of Profit and Loss.

### 2.5.3 Property, Plant and Equipment ("PPE")

PPE held for use are stated in the 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 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 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 statement of profit and loss when the asset is derecognized.

**Notes forming part of the financial statements for the year ended March 31, 2023**
**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.

**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 held by the Company is as follows:

Class of Assets	Useful Life
Computer/Laptop	3 years
Server	6 years
Office Equipment	5 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.

The company has changed the method of calculation of amortization on Intangible Assets from straight line method to written down value method w.e.f April 01, 2021. The impact of this change on the net profit before tax of the Company for the year ended March 31, 2022 was Rs. 0.03 lakh.

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

**2.5.7 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.

**2.5.8 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. Company's provident fund contribution is made to a government administered fund and charged as an expense to the 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.

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**Notes forming part of the financial statements for the year ended March 31, 2023**

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**Post-employment Benefits**

The Company operates defined benefit plan in the form of gratuity and compensated absence. The liability or asset recognized in the 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 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 Statement of Changes in Equity and in the 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 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 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 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.

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**Notes forming part of the financial statements for the year ended March 31, 2023**

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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 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 company.
- (ii) The issue expenses of securities which qualify as equity instruments are written off 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 2022' ("ESOP 2022"/" 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.

**2.5.12 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.

**2.5.13 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 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 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 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.



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**Notes forming part of the financial statements for the year ended March 31, 2023**

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**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 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 statement of profit and loss except when they relate to items that are recognized outside statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside 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.

**2.5.19 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 only 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.

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**Notes forming part of the financial statements for the year ended March 31, 2023**

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(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 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.

**2.5.21 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**

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 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.

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**Notes forming part of the financial statements for the year ended March 31, 2023**

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**3.2 Amendments in Ind AS**

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

1. Ind AS 1 - Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is expected to be insignificant on the financial statements.
2. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of ‘accounting estimates’ and distinguishes changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.
3. Ind AS 12 - Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note 4 : Cash and cash equivalents (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	255.73	-
Balances with banks in current accounts	959.06	923.45
Term deposit with bank having original maturity less than 3 months	500.05	-
	<b>1,714.84</b>	923.45

**Note 5 : Bank balances other than Cash and Cash equivalents (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked Balance with Bank		
-Unclaimed Dividend account	5.49	-
Term deposits with banks having original maturity of more than 3 months*	10,102.15	490.00
	<b>10,107.64</b>	490.00

\*Under lien with the lenders (Refer note 16)

**Note 6 : Other Receivables (Unsecured, considered good) (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
- Undisputed Other Receivables - considered good	33.77	-
- Undisputed Other Receivables - considered doubtful	-	-
- Disputed Other Receivables - considered good	-	-
- Disputed Other Receivables - considered doubtful	-	-
	<b>33.77</b>	-
Less :- Impairment Loss Allowance (Expected Credit Loss)	(0.17)	-
	<b>33.60</b>	-

**Ageing of other receivables 2023 (Rs. in lakhs)**

Particulars	Ageing schedule from due date of payment					
	Less than 6 Months	6 months to 1 Year	1 Years to 2 Years	2 Years to 3 Years	More than 3 Years	Total
- Undisputed Other Receivables - considered good	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)	(0.17)	-	-	-	-	(0.17)
	<b>33.60</b>	-	-	-	-	<b>33.60</b>

**Ageing of other receivables 2022 (Rs. in lakhs)**

Particulars	Ageing schedule from due date of payment					
	Less than 6 Months	6 months to 1 Year	1 Years to 2 Years	2 Years to 3 Years	More than 3 Years	Total
- Undisputed Other Receivables - considered good	-	-	-	-	-	-
- Undisputed Other Receivables - considered doubtful	-	-	-	-	-	-
- Disputed Other Receivables - considered good	-	-	-	-	-	-
- Disputed Other Receivables - considered doubtful	-	-	-	-	-	-
Less :- Impairment Loss Allowance (Expected Credit Loss)	-	-	-	-	-	-
	-	-	-	-	-	-

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 Partnership(LLPs), private companies in which any director is a partner or a director or a member.

Refer Note 34B for reconciliation of gross carrying amount of other receivable and expected credit loss thereon.

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note 7 : Loans**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>At Amortised Cost</b>		
<b>(A)</b>		
(i) Loans repayable on demand	-	322.73
(ii) Term Loans	<b>22,475.55</b>	4,510.95
(iii) Leasing	<b>3,666.94</b>	-
(iv) Others		
-Staff loans	<b>18.72</b>	5.11
<b>Total gross loans</b>	<b>26,161.21</b>	4,838.79
Less: Impairment Loss Allowance	<b>(307.76)</b>	(12.10)
<b>Total net loans</b>	<b>25,853.45</b>	4,826.69
<b>(B)</b>		
(i) Secured by tangible assets*	<b>23,233.96</b>	4,460.53
(ii) Unsecured	<b>2,927.25</b>	378.26
<b>Total gross loans</b>	<b>26,161.21</b>	4,838.79
Less: Impairment Loss Allowance	<b>(307.76)</b>	(12.10)
<b>Total net loans</b>	<b>25,853.45</b>	4,826.69
<b>(C)</b>		
(I) Loans in India		
(a) Public Sector	-	-
(b) Others	<b>26,161.21</b>	4,838.79
(II) Loans outside India	-	-
<b>Total gross loans</b>	<b>26,161.21</b>	4,838.79
Less: Impairment Loss Allowance	<b>(307.76)</b>	(12.10)
<b>Total net loans</b>	<b>25,853.45</b>	4,826.69
<b>(D)</b>		
(i) To Corporates	<b>8,506.19</b>	770.14
(ii) To other than corporates	<b>17,655.02</b>	4,068.65
<b>Total gross loans</b>	<b>26,161.21</b>	4,838.79
Less: Impairment Loss Allowance	<b>(307.76)</b>	(12.10)
<b>Total net loans</b>	<b>25,853.45</b>	4,826.69

\* Term loans are secured by way of hypothecation of vehicles financed by the Company. Hypothecation deeds are yet to be executed.

**Notes:**

- 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 respectively in which any director is a partner or a director or a member.
- Impairment Loss Allowance includes Rs. 3.27 lakhs against loan commitments pending disbursement.
- Refer Note 34A for reconciliation of gross carrying amount of loans and expected credit loss thereon.
- Refer to Note 15 and 16 for the charge created on loan assets in favour of the lenders of the Company.

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note 8 : Investments**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023			As at March 31, 2022	
	Face Value (Rs.)	Nos.	Amount	Nos.	Amount
<b>A. At fair value through profit or loss - Investment in Mutual Fund</b>					
SBI Magnum Low Duration Fund	1,000	-	-	35,121	999.95
SBI Corporate Bond Fund	10	22,96,255	299.99	-	-
			299.99		999.95
<b>B. Investments in India</b>					
(i) At Amortised cost			-		-
(ii) At Fair value through profit or loss			299.99		999.95
			299.99		999.95
<b>Investments outside India</b>					

**Note 9 : Other financial assets**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Advances to others	4.22	-
Security Deposits	12.76	8.15
Other Receivables*	135.71	1,858.88
	152.69	1,867.03

\*for related party outstanding: Refer note 41.

**Note 10 : Current tax assets (net)**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Income tax (net)	74.15	-
	74.15	-

**Note 11 : Deferred tax assets/(liabilities) (net) (Refer Note 36)**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	206.14	3.08
Deferred tax liabilities	(146.04)	(9.58)
<b>Deferred tax assets/(liabilities) (net)</b>	<b>60.10</b>	<b>(6.50)</b>

**Note 12 : Property, Plant and Equipment**
**(Rs. in lakhs)**

	Computer, Server and Office Equipments	Land	Total
<b>Gross carrying Amount (at cost)</b>			
As at April 01,2021	-	-	-
Addition	69.22	-	69.22
Disposals/Adjustments	-	-	-
As at March 31,2022	69.22	-	69.22
Addition	16.05	1.00	17.05
Disposals/Adjustments	-	-	-
<b>As at March 31,2023</b>	<b>85.27</b>	<b>1.00</b>	<b>86.27</b>
<b>Accumulated Depreciation</b>			
As at April 01,2021	-	-	-
For the year	0.89	-	0.89
As at March 31,2022	0.89	-	0.89
For the year	42.80	-	42.80
<b>As at March 31,2023</b>	<b>43.69</b>	<b>-</b>	<b>43.69</b>
<b>Net carrying Amount</b>			
As at March 31,2022	68.33	-	68.33
<b>As at March 31,2023</b>	<b>41.58</b>	<b>1.00</b>	<b>42.58</b>

The land is mortgaged in favour of a lender as a security against loan.

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note 13 : Intangible Assets and Right of Use Assets**
**(Rs. in lakhs)**

Particulars	Intangible Assets	Right of Use Assets
	Computer Software	Building
<b>Gross carrying Amount (at cost)</b>		
As at April 01,2021	0.17	9.10
Addition	134.68	-
Disposals/Adjustments	-	9.10
As at March 31,2022	134.85	-
Addition	1.10	279.26
Disposals/Adjustments	-	-
<b>As at March 31,2023</b>	<b>135.95</b>	<b>279.26</b>
<b>Accumulated Depreciation/Amortization</b>		
As at April 01,2021	0.08	2.88
For the year	1.84	1.71
Disposals/Adjustments	-	(4.59)
As at March 31,2022	1.92	-
For the year	104.51	36.21
Disposals/Adjustments	-	-
<b>As at March 31,2023</b>	<b>106.43</b>	<b>36.21</b>
<b>Net carrying Amount</b>		
As at March 31,2022	132.93	-
<b>As at March 31,2023</b>	<b>29.52</b>	<b>243.05</b>

**Note 14 : Other non-financial assets**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Government Authorities	<b>246.26</b>	26.29
Advances to others	<b>338.10</b>	954.84
Prepaid Expenses	<b>351.32</b>	-
	<b>935.68</b>	981.13

**Note 15 : Debt Securities**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
At Amortised Cost		
1,163,550 Redeemable non convertible debentures (NCD) of Rs. 500 each	<b>5,827.19</b>	-
	<b>5,827.19</b>	-

**Notes:**

(i) Details of debenture holders:

Name	Numbers	Amount (Rs. in lakhs)
AAV SARL	<b>581,775</b>	2,908.88
Masala Investments SARL	<b>581,775</b>	2,908.88

(ii) 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.

(iii) 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."

(iv) The above NCDs have been issued in Indian Rupee. The repayments of the principal and interest are also to be made in Indian Rupee.

**Notes forming part of the financial statements for the year ended March 31, 2023**

- (v) Debt securities in India : Nil (March 31, 2022 : Nil), outside India : Rs. 5,827.19 lakhs (March 31, 2022 : Nil)
- (vi) The above amount is net of processing fee of Rs. 68.41 lakhs to be amortised in future.
- (vii) Includes interest accrued but not due amounting to Rs. 77.85 lakhs as at March 31, 2023 (March 31, 2022 - Nil)
- (viii) 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.

**Note 16 : Borrowings (other than debt securities)**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
At Amortised Cost		
<b>Secured loan</b>		
<b>Term Loans</b>		
- from banks	4,444.13	-
- from other party	3,907.62	-
<b>Overdraft facilities from banks</b>	8,420.03	-
	<b>16,771.78</b>	-

**Notes:**

- (i) Borrowings in India :- Rs.16,771.78 lakhs (March 31, 2022 : Nil), outside India :- Nil (March 31, 2022 : Nil)
- (ii) Overdraft facilities of sanctioned limits of Rs.8,568 lakhs in aggregate from Banks are secured by Term deposits of 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) Interest payable @ 6.50% p.a. on monthly basis.  
Balance as at March 31,2023 - Rs.4,047.88 lakhs (March 31,2022 - NIL)
- (b) State Bank of India (Limit - Rs.4,275 lakhs) Interest payable @ 8.17% p.a. on monthly basis.  
Balance as at March 31,2023 - Rs.4,266.85 lakhs (March 31,2022 - NIL)
- (c) HDFC Bank (Limit - Rs.153 lakhs) Interest payable @ 6.20% p.a. on monthly basis.  
Balance as at March 31,2023 - Rs.105.30 lakhs (March 31,2022 - NIL)
- (d) Kotak Mahindra Bank (Limit - Rs.90 lakhs) Interest payable @ 6.25% p.a. on monthly basis.  
Balance as at March 31,2023 - NIL (March 31,2022 - NIL)
- (iii) Term Loans from banks
- (a) State Bank of India (Sanctioned Limit - Rs.1,500 lakhs) Repayable in 36 equated monthly 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 10% p.a.  
Balance as at March 31,2023 - Rs.1,103.07 lakhs (March 31,2022 - NIL)
- (b) State Bank of India (Sanctioned Limit - Rs.3,500 lakhs) Repayable in 48 equated monthly instalment of Rs.72.92 lakhs per month from 20.03.2023 to 20.02.2027 along with interest @ 6 month MCLR + 1.50, present effective rate is 9.55% p.a.  
Balance as at March 31,2023 - Rs.3,341.06 lakhs (March 31,2022 - NIL)
- (iv) Term Loans from other party
- (a) Indian Renewable Energy Development Agency Limited (IREDA) (Sanctioned Limit - Rs.5,000 lakhs) Repayable in 20 equated quarterly instalment of Rs.200 lakhs per month from 31.03.2024 to 31.12.2028 along with interest @ Average cost of borrowing of IREDA + 312 bps. Present applicable interest rate is 10.70% p.a.  
Balance as at March 31,2023 - Rs.3,907.62 lakhs (March 31,2022 - NIL)



**Notes forming part of the financial statements for the year ended March 31, 2023**

- (v) 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.155.09 lakhs in case of State Bank of India and Rs.508.01 lakhs in case of IREDA."
- (vi) The above amount is net of processing fee of Rs. 208.25 lakhs to be amortised in future.
- (vii) The Company has not made any default in repayments of loans and interest thereon to any lender during the year.
- (viii) 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."
- (ix) Term Loan of Rs. 1,000 lakhs is pending for disbursement from IREDA out of the sanctioned limit of Rs. 5,000 lakhs, repayable in 20 equated quarterly instalment of Rs. 50 lakhs each along with the interest. "
- (x) IREDA has sanctioned an aggregate term loan of Rs.9,648 lakhs for different categories of vehicles, repayable in 36 EMIs (in case of 2/3 wheelers) and 60 EMIs (in case of 4 wheelers) against which disbursement is pending. The land held by the Company has been mortgaged against this sanction."
- (xi) Acuite rating and research limited has assigned ACUITE BBB(STABLE) rating for companies long term instruments of aggregate amount of Rs. 10,000 lakhs vide their letter dated November, 11, 2022.

**Note 17 : Other financial liabilities**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities (Refer Note 43)	245.09	-
Salary and Other benefits payable	104.57	-
Security Deposits	386.05	-
Liabilities for Expenses	31.72	22.74
Unclaimed Dividend	2.24	-
Other payable	131.19	-
	<b>900.86</b>	22.74

**Note 18 : Current tax liabilities (net)**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Income tax (net)	-	86.62
	-	86.62

**Note 19 : Provisions**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Provisions for Employee Benefits (Refer Note 35)		
- Gratuity	8.48	0.17
- Compensated Absence	7.19	-
	<b>15.67</b>	0.17

**Note 20 : Other non-financial liabilities**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	53.82	12.68
Advance from customers	609.83	-
	<b>663.65</b>	12.68

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note 21 : Equity Share Capital**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised share capital</b>		
70,000,000 (March 31, 2022: 22,500,000) equity shares of Re. 1 each (March 31, 2022 : Rs. 2 each) (Refer Note (a) below)	<b>700.00</b>	450.00
<b>Issued, Subscribed and Fully paid-up share capital</b>		
50,331,724 (March 31, 2022 - 21,611,360) equity shares of Re. 1 each (March 31, 2022 : Rs. 2 each) (Refer Note (a) below)	<b>503.32</b>	432.23
	<b>503.32</b>	432.23

(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, 2023	As at March 31, 2022
<b>At the beginning of the year</b>	<b>2,16,11,360</b>	2,16,11,360
Issued during the year	<b>35,54,502</b>	-
Number of Shares splitted during the year	<b>2,51,65,862</b>	-
<b>At the end of the year</b>	<b>5,03,31,724</b>	2,16,11,360

**(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, 2022 : Rs. 2/- 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, 2023		As at March 31, 2022	
	Nos.	% of total share	Nos.	% of total share
Hindon Mercantile Limited	<b>2,91,05,204</b>	<b>57.83%</b>	1,45,52,602	67.34%
Incofin India Progress Fund (Alternative Investment Fund)	<b>71,09,004</b>	<b>14.12%</b>	-	-

**(e) Shares held by the promoters as defined in the Companies Act, 2013 at the end of the year**

Name of the Promoters	As at March 31, 2023		As at March 31, 2022		% change during the year
	Nos.	% of total share	Nos.	% of total share	
Hindon Mercantile Limited	<b>2,91,05,204</b>	<b>57.83%</b>	1,45,52,602	67.34%	-9.51%
Shri Kapil Garg	<b>1,80,000</b>	<b>0.36%</b>	90,000	0.42%	-0.06%
	<b>2,92,85,204</b>	<b>58.19%</b>	1,464,2,602	67.76%	

**(f) Shares held by the Holding Company**

Name	As at March 31, 2023		As at March 31, 2022	
	Nos.	% of total share	Nos.	% of total share
Hindon Mercantile Limited	<b>2,91,05,204</b>	<b>57.83%</b>	1,45,52,602	67.34%
	<b>2,91,05,204</b>	<b>57.83%</b>	1,45,52,602	67.34%

**Notes forming part of the financial statements for the year ended March 31, 2023**
**(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.
- (h) (i) The authorized share capital of the Company has been increased from Rs. 450 lakhs to Rs. 700 lakhs comprising of 350 lakh Equity shares of Rs. 2 each w.e.f July 11, 2022.
- (ii) 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, Hindon Mercantile Limited, which are convertible into Equity Shares of the Company within the period of 18 months from the date of allotment, subject to the compliance of regulatory/statutory guidelines.
- (i) (i) The Board of Directors and the members of the Company in their meetings held on June 11, 2022 and July 11, 2022 respectively have approved APM Finvest Limited Employee Stock option Plan, 2022 ('APM ESOP Scheme, 2022') for the maximum number of options to be granted to the eligible employees under the Scheme not to exceed 16,20,852 equity shares in aggregate, subject to the approval of regulatory/statutory authorities."
- (ii) The Board of Directors in their meeting held on May 25, 2023 have approved increase in authorised capital from Rs. 700 lakhs to Rs. 2000 lakhs subject to approval of shareholders of the Company.
- (iii) The Board of Directors in their meeting held on May 25, 2023 have approved issue of bonus shares in the ratio of 2:1 (i.e. two new equity shares as fully paid up on one existing equity share of Re. 1 each) subject to approval of shareholders of the Company and other regulatory authorities as may be applicable.

**Note 22 : Other Equity**
**(Rs. in lakhs)**

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Capital Reserve	6,850.86	6,850.86
Reserve Fund u/s 45-IC of RBI Act, 1934	834.66	672.33
Securities Premium	4,222.68	-
Retained Earnings	2,804.03	2,197.92
Impairment Reserve	7.26	7.26
Other Comprehensive Income	(1.84)	0.20
Money received against share warrants	147.17	-
	<b>14,864.82</b>	<b>9,728.57</b>

(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) **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.
- (c) **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.
- (d) **Retained earnings:** Retained earnings comprise of the profits of the Company earned till date net of distributions and other adjustments.
- (e) **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 financial statements for the year ended March 31, 2023**

**(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 21(h)(ii).

**Note 23 : Interest Income**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>- On Financial Assets measured at Amortised Cost</b>		
Interest on Loans	3,303.16	353.08
Interest on Term Deposits with Banks	202.74	-
Interest on Investments	-	9.00
<b>- On Financial Assets measured at FVTPL</b>		
Interest on Investments	-	7.47
	<b>3,505.90</b>	369.55

**Note 24 : Dividend Income**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Dividend	0.26	23.35
	<b>0.26</b>	23.35

**Note 25 : Net Gain on Fair Value changes**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>- On Financial Assets measured at FVTPL</b>		
Net gain on sale of investments	5.36	1,132.72
	<b>5.36</b>	1,132.72
Fair value changes		
<b>- Realised gain on sale of investments (net)</b>	<b>5.36</b>	1,132.72
- Unrealised gain on investments (net)	-	-
Total Net gain on Fair Value changes	<b>5.36</b>	1,132.72

**Note 26 : Other Operating Revenue**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Miscellaneous Income	4.76	0.07
	<b>4.76</b>	0.07

**Note 27 : Other Income**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Liabilities no longer required, written back	13.26	0.26
Gain on termination of lease	-	0.83
Interest on Security Deposit	0.61	-
Interest on Income tax refund	0.01	1.04
	<b>13.88</b>	2.13

**Note 28 : Finance Costs**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
On Financial Liability measured at Amortised Cost		
Interest on debt securities	83.58	-
Interest on Borrowings other than debt securities	468.98	3.05
Interest on lease liabilities	9.03	0.51
Interest on Income tax	1.38	10.98
Others	0.30	0.02
	<b>563.27</b>	14.56

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note 29 : Impairment on Financial Instruments**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>On Financial Instruments at Amortised Cost</b>		
-Loans	326.48	7.35
-Others	0.17	-
	<b>326.65</b>	7.35

**Note 30 : Employee Benefits Expenses**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Wages	825.35	17.34
Contribution to Provident and other Funds (Refer Note35(a))	32.17	0.98
Gratuity and Compensated Absence	12.58	0.69
Staff Welfare	11.41	-
	<b>881.51</b>	19.01

**Note 31 : Depreciation and Amortization**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation	79.01	2.60
Amortization	104.51	1.84
	<b>183.52</b>	4.44

**Note 32 : Other Expenses**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Bank charges	36.62	0.79
Commission paid	23.88	15.20
IT Expenses	16.98	-
Portfolio management expenses	-	15.29
Travelling and conveyance expenses	44.31	-
Director Sitting fees	5.72	4.95
Advertisement	3.28	83.43
Business Promotion	16.20	-
Payment to Auditors (Refer Note 32.1)	6.70	3.56
CSR Expenses (Refer Note 32.2)	18.87	-
Donation	2.60	-
Fees and Subscription	12.09	-
Listing fee and Processing fee	7.63	3.81
Office Maintenance Exp	42.73	-
Postage and telegram	11.24	0.09
Printing and stationary	20.59	0.61
Professional fee	204.08	81.81
Rates and Taxes	16.12	1.25
Miscellaneous expenses	6.35	1.30
Sundry Balances written off	0.10	2.47
	<b>496.09</b>	214.56

**Note 32.1 : Payment to Auditors (net of GST input credit)**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Audit fees	3.27	2.18
Limited Review fees	1.63	0.53
Certification fees	1.26	0.47
Tax Audit Fees	0.54	-
Out of pocket expenses	-	0.38
	<b>6.70</b>	3.56

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note 32.2 : Discloser related to CSR Expenditure**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent by the Company during the year	18.87	-
Amount of expenditure incurred	18.87	-
Excess/(shortfall) at the end of the year	-	-
Expenditure incurred during the year	-	-
i) On Construction/acquisition of the assets	18.87	-
ii) On purposes other than (i) above	18.87	-
<b>Nature of CSR activities</b>	Promotion of Educational activities	

**Note 33 : Contingent Liabilities and Commitments**

(a) Contingent Liabilities – Nil (March 31, 2022 – Nil).

(b) Commitments

Estimated amount of contracts remaining to be executed on capital account not provided for – Nil (March 31, 2022 - Nil).

**Note 34 : 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, 2023	As at March 31, 2022
<b>Gross Carrying Amount at the beginning of the year</b>	<b>4,838.79</b>	1900.00
New Assets originated or purchased	30,653.81	11,278.88
Transfers to/ (from) Stage 1	(8,643.03)	(1,343.68)
Transfers to/ (from) Stage 2	7,959.14	1,343.68
Transfers to/ (from) Stage 3	683.89	-
Amount written off	30.82	-
Net Recovery	(9,362.21)	(8,340.09)
<b>Gross Carrying amount at the end of the year</b>	<b>2,6161.21</b>	4,838.79

**Reconciliation of Expected Credit Loss on Loan**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Expected Credit Loss at the beginning of the year (A)</b>	<b>12.10</b>	4.75
New Assets originated or purchased (B)	156.01	28.20
Impact on Expected Credit Loss of Exposure transferred between stages during the year (C)	174.79	-
Increase/(decrease) in provision on financial assets (net of recovery) (D)	(38.41)	(20.85)
Amount written off (E)	30.82	-
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	326.48	7.35
<b>Expected Credit Loss at the end of the year (H)=A+G-E</b>	<b>307.76</b>	12.10*

\*excluding amount of Rs. 7.26 lakhs of Impairment Reserve (Refer Note 46.2).

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note 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 (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Gross Carrying Amount at the beginning of the year</b>	-	-
New Assets originated	33.77	-
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>33.77</b>	-

**Reconciliation of Expected Credit Loss on Other Receivables (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Expected Credit Loss at the beginning of the year</b>	-	-
On New Assets originated	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>Expected Credit Loss during the year (net of recovery)</b>	<b>0.17</b>	-
<b>Increase/(Decrease) in Expected Credit Loss during the year</b>	<b>0.17</b>	-
<b>Expected Credit Loss at the end of the year</b>	<b>0.17</b>	-

**Note 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 Statement of Profit and Loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contribution to provident fund	26.28	0.77
Contribution to ESI	5.89	0.21
Total	32.17	0.98

**b) Post Retirement Benefit Plan**
**(i) Amount recognized in the Balance Sheet**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
Present value of plan liabilities	8.48	7.19	0.24	0.06
Fair value of plan assets	-	-	-	-
<b>Deficit/(Surplus) of funded plans</b>	-	-	(0.07)	(0.06)
Unfunded plans	-	-	-	-
<b>Net plan liabilities/(assets)</b>	<b>8.48</b>	<b>7.19</b>	0.17	-

**Notes forming part of the financial statements for the year ended March 31, 2023**
**(ii) Amount recognized in the Statement of Profit and Loss as Employee Benefit Expenses**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
Current service cost	5.40	7.07	0.69	(0.06)
Past service cost	-	0.12	-	-
Interest cost	0.18	-	0.02	-
Expected return on plan assets	-	-	-	-
Actuarial (Gains)/Losses	2.73	-	(0.26)	-
<b>Total expenses</b>	<b>8.31</b>	<b>7.19</b>	0.45	(0.06)

**(iii) Assumptions**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial Assumption</b>		
Discount rate	7.39	7.18
Salary Escalation Rate #	5.00	5.00
<b>Demographic Assumptions</b>		
Retirement age (Years)	60	60
Mortality rates inclusive of provision for disability – (Gratuity)	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition at ages		
- Up to 30 years	5.00	5.00
- From 31 to 44 years	3.00	3.00
- Above 44 years	2.00	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, 2023			As at March 31, 2022		
	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	0.50%	(0.67)	0.74	0.50%	(0.02)	0.02
Salary Escalation Rate	0.50%	0.76	(0.69)	0.50%	0.02	(0.02)
<b>Compensated Absence</b>						
Discount rate	0.50%	(0.51)	0.54	0.50%	-	-
<b>Salary Escalation Rate</b>	<b>0.50%</b>	<b>0.56</b>	<b>(0.51)</b>	0.50%	-	-

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)



**Notes forming part of the financial statements for the year ended March 31, 2023**

used to calculate the liability recognized in the 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, 2023**
**(Rs. in lakhs)**

Maturing within	As at March 31, 2023	
	Gratuity	Compensated Absence
0 – 1 year	0.02	0.28
1 – 2 years	0.01	6.91
2 – 3 years	0.02	-
3 – 4 years	0.09	-
4 – 5 years	0.24	-
5 – 6 years	0.26	-
6 year onwards	7.84	-

**The defined benefit obligations maturing after year ended March 31, 2022**
**(Rs. in lakhs)**

Maturing within	As at March 31, 2022	
	Gratuity	Compensated Absence
0 – 1 year	-*	-
1 – 2 years	-*	-
2 – 3 years	-*	-
3 – 4 years	-*	-
4 – 5 years	-*	-
5 – 6 years	-*	-
6 year onwards	0.16	-

\* Amount less than one thousand

**Note 36 : Income Tax Expense**
**a) Tax expense recognized in the Statement of Profit and Loss**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current tax</b>		
Current tax on taxable income for the year	342.54	330.26
<b>Total Current tax expense</b>	<b>342.54</b>	330.26
<b>Deferred tax</b>		
Deferred tax charge/(credit)	(65.91)	(159.84)
<b>Total deferred tax expense/(credit)</b>	<b>(65.91)</b>	(159.84)
<b>Tax expense for the year</b>	<b>276.63</b>	170.42
Tax related to earlier year	(9.18)	9.29
<b>Total tax expense recognized for the year</b>	<b>267.45</b>	179.71

**Notes forming part of the financial statements for the year ended March 31, 2023**

- 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, 2023	For the year ended March 31, 2022
Effective Tax Rate	25.168%	25.168%
Profit before tax	1,079.12	1,267.90
Current tax expense on profit before tax	271.60	319.10
Tax effect of the amounts which are not deductible/ (taxable) in calculation of current taxable income	(0.72)	(34.22)
Tax effects of the amounts which are permanently disallowed	5.75	-
Differential Tax on income taxable at different tax rate	-	(114.46)
<b>Tax Expense for the year</b>	<b>276.63</b>	<b>170.42</b>
Effect of earlier year tax adjustment	(9.18)	9.29
<b>Tax Expense recognised in the Statement of Profit and Loss</b>	<b>267.45</b>	<b>179.71</b>

c) **Tax Assets and Liabilities**

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax assets (net)	74.15	-
Current tax liabilities (net)	-	86.62

d) **Deferred Tax Assets and Liabilities**

(Rs. in lakhs)

Particulars	As at April 1, 2021 -Deferred tax Asset/ (Liabilities)	(Credit)/ charge in statement of profit and loss	(Credit)/ charge in other comprehensive Income	As at March 31, 2022 -Deferred tax Assets/ (Liabilities)	(Credit)/ charge in statement of profit and loss	(Credit)/ charge in other comprehensive Income	As at March 31, 2023 -Deferred tax Asset/ (Liabilities)
Fair Valuation of Investments	(167.73)	(167.73)	-	-	-	-	-
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	0.18	9.76	-	(9.58)	66.83	-	(76.41)
Unamortized Processing Fees Expenses	-	-	-	-	69.63	-	(69.63)
<b>Deferred Tax Liabilities (A)</b>	<b>(167.55)</b>	<b>(157.97)</b>	<b>-</b>	<b>(9.58)</b>	<b>136.46</b>	<b>-</b>	<b>(146.04)</b>
Provision for Employee Benefits	0.08	(0.03)	0.07	0.04	(3.21)	(0.69)	3.94
Unamortized Processing Fees Income	-	-	-	-	(116.72)	-	116.72
Allowance for Impairment Loss	1.20	(1.84)	-	3.04	(80.77)	-	83.81
Other Temporary differences	-	-	-	-	(1.67)	-	1.67
<b>Deferred tax Assets (B)</b>	<b>1.28</b>	<b>(1.87)</b>	<b>0.07</b>	<b>3.08</b>	<b>(202.37)</b>	<b>(0.69)</b>	<b>206.14</b>
<b>Deferred tax (Liabilities) / Assets (Net) (A+B)</b>	<b>(166.27)</b>	<b>(159.84)</b>	<b>0.07</b>	<b>(6.50)</b>	<b>(65.91)</b>	<b>(0.69)</b>	<b>60.10</b>

**Note 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

## Notes forming part of the financial statements for the year ended March 31, 2023

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.

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, 2023	As at March 31, 2022
Debt securities	5,827.19	-
Borrowings (other than debt securities)	16,771.78	-
Other financial liabilities	900.86	22.74
Less: Cash and cash equivalents	(1,714.84)	(923.45)
Net Debt (A)	21,784.99	(900.71)
Total Equity (B)	15,368.14	10,160.80
Capital and Net debt (C)=(A+B)	37,153.13	9,260.09
Gearing ratio (%) (A/C)	58.64%	(9.73%)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022

### Note 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 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 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.

As at March 31, 2023, 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 financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

**Notes forming part of the financial statements for the year ended March 31, 2023**
**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 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:

Particulars	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Financial assets		
<b>Non-interest bearing</b>		
Cash and cash equivalents	1,214.79	923.45
Other receivables	33.60	-
Investments	299.99	999.95
Others Financial Assets	152.69	1,867.03
Bank balances other than cash and cash equivalents		
-Unclaimed Dividend account	5.49	-
Loans*	746.49	92.03
<b>Interest bearing</b>		
Cash and cash equivalents – Term Deposit with Bank	500.05	-
Bank balances other than cash and cash equivalents		
Term Deposits – Fixed interest rate	9,439.05	490.00
Term Deposits – Floating interest rate	663.10	-
Loans	25,106.96	4,734.66
Financial liabilities		
Non-interest bearing		
Trade Payable	-	-
Other Financial Liability	900.86	22.74
<b>Interest bearing</b>		
Debt securities	5,827.19	-
Borrowings (other than debt securities)		
Fixed interest rate	8,420.03	-
Floating interest rate	8,351.75	-

\*represents interest on loans Rs. 746.49 lakhs (March 31, 2022 - Rs. 87.88 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.

**(a) Interest rate sensitivity – Debt securities**

Particulars	(Rs. in lakhs)	
	F.Y. 2022-23	F.Y. 2021-22
50 bp increase would decrease the profit before tax by	(29.14)	-
50 bp decrease would Increase the profit before tax by	29.14	-

**Notes forming part of the financial statements for the year ended March 31, 2023**
**(b) Interest rate sensitivity – Borrowings (other than Debt Securities)**
**(Rs. in lakhs)**

Particulars	F.Y. 2022-23	F.Y. 2021-22
50 bp increase would decrease the profit before tax by	<b>(41.76)</b>	-
50 bp decrease would Increase the profit before tax by	<b>41.76</b>	-

**(c) Interest rate sensitivity - Loans**
**(Rs. in lakhs)**

Particulars	F.Y. 2022-23	F.Y. 2021-22
50 bp increase would decrease the profit before tax by	<b>125.53</b>	23.73
50 bp decrease would Increase the profit before tax by	<b>(125.53)</b>	(23.73)

**(d) Interest rate sensitivity – Term Deposits with Banks**
**(Rs. in lakhs)**

Particulars	F.Y. 2022-23	F.Y. 2021-22
50 bp increase would increase the profit before tax by	<b>3.32</b>	-
50 bp decrease would decrease the profit before tax by	<b>(3.32)</b>	-

**38.2.2 Currency Risk**

There is no foreign currency obligation/receivables as at March 31, 2023 therefore the company does not have any currency risk exposure.

**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 financial statements at fair value through profit or loss. Categories of Investments held by the Company is given below:

**(Rs. in lakhs)**

Particulars	Mutual Funds	Others
Market value as at March 31, 2023	<b>299.99</b>	-
Market value as at March 31, 2022	<b>999.95</b>	-

**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. 2022-23	F.Y. 2021-22
5% increase would increase the profit before tax by	<b>15.00</b>	<b>50.00</b>
5% decrease would decrease the profit before tax by	<b>(15.00)</b>	(50.00)

**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.

**Notes forming part of the financial statements for the year ended March 31, 2023**

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
Year ended March 31, 2023				
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	186.63	-	900.86
Year ended March 31 2022				
Borrowings (other than Debt Securities) (including interest)	-	-	-	-
Other financial liabilities	22.74	-	-	22.74

**Note 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, 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	152.69	-	-	152.69	152.69
(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	900.86	-	-	900.86	900.86

The carrying value and fair value of financial instruments by categories as at March 31, 2022 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	-	999.95	-	999.95	999.95
(b) Other receivables	-	-	-	-	-
(c) Loans	4,826.69	-	-	4,826.69	4,826.69
(d) Other financial assets	1,867.03	-	-	1,867.03	1,867.03
(e) Cash and cash Equivalents	923.45	-	-	923.45	923.45
(f) Bank balance other than cash and cash equivalents	490.00	-	-	490.00	490.00
<b>Liabilities:</b>					
(a) Borrowings (other than Debt Securities)	-	-	-	-	-
(b) Other financial liabilities	22.74	-	-	22.74	22.74

**Notes forming part of the financial statements for the year ended March 31, 2023**
**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 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, 2023			March 31, 2022		
	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	299.99	-	-	999.95	-	-
<b>Financial Assets and Liabilities which are measured at amortized cost for which fair values are disclosed</b>						
<b>Assets:</b>						
(a) Bonds	-	-	-	-	-	-
<b>Liabilities:</b>						
(a) Lease Liabilities	-	-	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:

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

- Listed Equity shares are measured on the basis of closing rate of the stock exchange where equity shares are listed.
- Mutual Funds are measured based on the published net asset value (NAV) by AMFI and are classified as Level 1.

(i) Fair value of financial assets and liabilities measured at amortized cost: -

**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Bonds	-	-
Lease liabilities	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.
- (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.

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note 40 : Maturity profile of Assets and Liabilities**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>Financial Assets</b>				
Cash and cash equivalents	1,714.84	-	923.45	-
Bank balance other than cash and cash equivalents	9,444.54	663.10	490.00	-
Other receivables	33.60	-	-	-
Loans	16,831.48	9,021.97	3,548.73	1,277.96
Investments	299.99	-	999.95	-
Others Financial Assets	139.93	12.76	1,858.88	8.15
<b>Non-Financial Assets</b>				
Current tax assets (Net)	74.15	-	-	-
Deferred Tax Assets (Net)	-	60.10	-	-
Property, plant and equipment	-	42.58	-	68.33
Intangible Assets	-	29.52	-	132.93
Right of Use Assets	-	243.05	-	-
Other non-financial assets	935.68	-	981.13	-
<b>Financial Liabilities</b>				
Debt securities	77.85	5,749.34	-	-
Borrowing (other than debt securities)	9,954.68	6,817.10	-	-
Other financial liabilities	714.23	186.63	22.74	-
<b>Non-Financial Liabilities</b>				
Current tax liabilities (net)	-	-	86.62	-
Provisions	0.30	15.37	-	0.17
Deferred tax liabilities (net)	-	-	-	6.50
Other Non-Financial Liabilities	108.62	555.03	12.68	-

**Note 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	Managing Director w.e.f. March 09,2022
		Shri Adish Kumar Jain	Chief Financial Officer till September 30,2022
		Shri Mayank Pratap Singh	Company Secretary w.e.f. March 09,2022
		Shri Pankaj Gupta	Chief Executive Officer w.e.f. May 18,2022
		Smt. Gunjan Jain	Chief Financial Officer w.e.f. November 14,2022
		Shri Sanjay Rajgarhia	Executive Director and Vice-Chairman till March 09,2022
		Shri Ajay Rajgarhia	Managing Director till March 09,2022
		Shri Manoj Kumar Rinwa	Chief Financial Officer till March 09,2022
3	Fellow Subsidiaries	Smt. Nidhi	Company Secretary till March 09,2022
		Hindon Peer to Peer Finance Private Limited	w.e.f. March 09,2022
		Hindon Account Aggregation Services Private Limited	w.e.f. March 09,2022
		Mufinpay Payment Solutions Private Limited	w.e.f. May 05,2022
		Bimapay Finsure Private Limited	w.e.f. April 11,2022



**Notes forming part of the financial statements for the year ended March 31, 2023**

4	Subsidiary of Fellow Subsidiary	Fintelligence Data Science Private Limited	w.e.f. March 09,2022
5	Non-Executive Directors	Shri Manoj Kumar Bhatt	Non-Executive and Independent Director w.e.f. March 09,2022
		Shri Abhinav Tambi	Non-Executive and Independent Director w.e.f. March 09,2022
		Shri Nitin Goel	Non-Executive and Independent Director w.e.f. March 09,2022
		Shri Hemant Bhageria	Non-Executive and Independent Director w.e.f. March 09,2022
		Smt. Neha Agarwal	Non-Executive Director w.e.f. March 09,2022
		Shri Aishwarya Mani Kachhal	Non-Executive and Independent Director w.e.f. February 17,2023
		Shri Tribhuwan Nath Chaturvedi	Chairman and Non-Executive Director till March 09,2022
		Smt. Nirmala Bagri	Non-Executive and Independent Director till March 09,2022
		Ms. Anisha Mittal	Non-Executive and Independent Director till March 09,2022
		Shri Manish Garg	Non-Executive and Independent Director till March 09,2022
6	Entities over which Directors/KMPs have significant influence / Relatives of Directors/KMP with whom transactions have taken place	APM Industries Limited till March 09,2022 Rajgarhia Leasing and Financial Services Private Limited till March 09,2022 Electric Mobility Financiers Association of India w.e.f. March 09,2022	

**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, 2023	For the Year ended March 31, 2022
APM Industries Limited	Interest Income	-	12.09
	Payment made on their behalf	-	3450.62
	Payment received on our behalf	-	3450.62
	Loan received back	-	641.00
	Reimbursements of payments made on our behalf	-	39.18
	Loan given	-	641.00
Shri Tribhuwan Nath Chaturvedi	Director Sitting fees	-	1.20
Smt. Nirmala Bagari	Director Sitting fees	-	0.90
	Conveyance expenses	-	0.12
Shri Sanjay Rajgarhia	Security deposit refunded back	-	0.53
	Rent Paid	-	2.09
	Reimbursement of expenses	-	0.31
	Director Sitting fees	-	1.10
Shri Manish Garg	Conveyance expenses	-	0.14
	Director Sitting fees	-	1.05
Ms. Anisha Mittal	Director Sitting fees	-	0.70
	Conveyance expenses	-	0.12
Shri Ajay Kumar Rajgarhia	Sale of Investments	-	15.11
Rajgarhia Leasing & Financial Services Private Limited	Sale of Investments	-	208.95
Fintelligence Data Science Private Limited	Purchase of Software	-	70.80
	Services Fees	<b>10.62</b>	-
	Professional Fees	-	35.40

**Notes forming part of the financial statements for the year ended March 31, 2023**

Hindon Mercantile Limited	Advances given	<b>1108.97</b>	7346.57
	Interest income	<b>95.99</b>	22.23
	Loan Portfolio acquired	<b>1062.99</b>	2828.28
	Loan Balances Transferred*	-	1479.42
	Money received against share warrants	<b>147.17</b>	-
	Dividend paid	<b>29.11</b>	-
	Advance received back	<b>1704.85</b>	1400.00
	Corporate guarantee to the lenders of the Company - Guarantee amount	<b>9000.00</b>	-
	Outstanding loan liability	<b>8560.00</b>	-
	EMI collected on our behalf and refunded back	<b>973.58</b>	-
	Reimbursements of payments made on our behalf (net)	<b>12.59</b>	-
Bimapay Finsure Private Limited	Professional Fees	<b>1.61</b>	-
Shri Nitin Goel	Director Sitting fees	<b>1.50</b>	-
Shri Hemant Bhageria	Director Sitting fees	<b>1.50</b>	-
Shri Manoj Kumar Bhatt	Director Sitting fees	<b>1.50</b>	-
Shri Abhinav Tambi	Director Sitting fees	<b>0.75</b>	-
Shri Kapil Garg	Personal guarantee to the lenders of the Company Guarantee amount	<b>9000.00</b>	-
	Outstanding loan liability	<b>8560.00</b>	-
	Dividend paid	<b>0.18</b>	-
Shri Rajendra Kumar Rajgarhia	Reduction in personal guarantee to the lender of the Company	-	18.00
Electric Mobility Financiers Association of India	Membership fees	<b>0.21</b>	-
Shri Manoj Kumar Rinwa	Remuneration	-	3.79
Smt. Nidhi	Remuneration	-	2.82
Shri Adish Kumar Jain	Remuneration	<b>10.01</b>	1.02
Shri Mayank Pratap Singh	Remuneration	<b>10.35</b>	0.52
Shri Pankaj Gupta	Remuneration	<b>25.75</b>	-
Smt. Gunjan Jain	Remuneration	<b>7.73</b>	-

\*Balances of loans transferred as requested by the concerned borrowers.

**41.3 Outstanding balances with Related parties**
**(Rs. in lakhs)**

Name of the Related party	Nature	As at March 31, 2023	As at March 31, 2022
APM Industries Limited	Maximum loan amount outstanding during the year	-	640.00
Shri Kapil Garg	Personal guarantee to the lenders of the Company (Outstanding loan amount)	<b>8,560.00</b>	-
Fintelligence Data Science Private Limited	Other payable	<b>0.47</b>	-
Hindon Mercantile Limited	Advance outstanding	-	1,658.88
	Money received against share warrants	<b>147.17</b>	-
	Corporate guarantee to the lender of the Company (Outstanding loan amount)	<b>8,560.00</b>	-

**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)**

**Notes forming part of the financial statements for the year ended March 31, 2023**

(Rs. in lakhs)

Name of the Related party	Nature of transaction	As at	As at
		March 31, 2023	March 31, 2022
APM Industries Limited	Loan given	-	641.00
	Maximum loan amount outstanding during the year	-	640.00

**41.5 Particulars of Remuneration to Key Management Personnel**

(Rs. in lakhs)

Particulars	Shri Manoj Kumar Rinwa, Chief Financial Officer		Smt. Nidhi, Company Secretary	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Salary and Allowances	-	3.79	-	2.82
Contribution to PF	-	-	-	-
Bonus	-	-	-	-
Value of perquisites *	-	-	-	-

Particulars	Shri Adish Kumar Jain, Chief Financial Officer		Shri Mayank Pratap Singh, Company Secretary	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Salary and Allowances	9.00	1.00	9.82	0.50
Contribution to PF	0.11	0.02	0.22	0.02
Bonus	0.90	-	0.31	-
Value of perquisites *	-	-	-	-

Particulars	Shri Pankaj Gupta, Chief Executive Officer		Smt Gunjan Jain, Chief Financial Officer	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Salary and Allowances	24.48	-	7.64	-
Contribution to PF	0.20	-	0.09	-
Bonus	1.07	-	-	-
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.

**41.7** Related party relationship is as identified by the Company.

**Note : 42 Earnings per Share (EPS)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit for the year (before OCI) (Rs. in lakhs)	811.67	1,088.19
Weighted average number of Equity Shares	46,806,437	43,222,720*
Diluted average number of Equity Shares	46,923,643	43,222,720*
Basic earnings per share (Rs.)	1.73	2.52
Diluted earnings per share (Rs.)	1.73	2.52
Face value of each share (Re.)	1	1*

\* recasted due to split of share (referred note 21(A))

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Note : 43 Disclosures of Leases pursuant to Ind AS 116**
**I) Company as Lessee**
**43.1** The Company has taken building on operating lease for office use.

**43.2 Amounts recognized in Statement of Profit and Loss**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation Expenses	36.21	1.71
Interest Expenses	9.03	0.51
<b>Total</b>	<b>45.24</b>	<b>2.22</b>

**43.3 The changes in the carrying value of right of use assets (ROU)**
**(Rs. in lakhs)**

Particulars	Buildings	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning of the year</b>	-	6.22
Additions	279.26	-
Deletion/Adjustment	-	(4.51)
Depreciation	(36.21)	(1.71)
<b>Balance at the end of the year</b>	<b>243.05</b>	<b>-</b>

The aggregate depreciation expense on ROU asset is included under depreciation and amortization expense in the statement of profit and loss.

**43.4 The break-up of current and non-current lease liabilities**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current lease liabilities	58.49	-
Non-current lease liabilities	186.60	-
<b>Total</b>	<b>245.09</b>	<b>-</b>

**43.5 The movement in lease liabilities**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning of the year</b>	-	7.09
Additions	274.06	-
Interest Expenses	9.03	0.51
Deletions	-	(5.34)
Payment of lease liabilities	(38.00)	(2.26)
<b>Balance at the end of the year</b>	<b>245.09</b>	<b>-</b>

**Notes forming part of the financial statements for the year ended March 31, 2023**
**43.6 The details regarding the contractual maturities of lease liabilities on an undiscounted basis**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2023
Less than one year	78.18	-
One to five years	217.71	-
More than five years	-	-
<b>Total</b>	<b>295.89</b>	-

**(II) Company as Lessor**
**Finance Lease**

- i) The Company has given certain property, plant and equipments on finance leases. The lease is for a fixed period and is non-cancellable. 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, 2023	As at March 31, 2023
Receivable not later than 1 year	1,256.16	-
Receivable later than 1 year but not later than 2 year	1,262.06	-
Receivable later than 2 year but not later than 3 year	1,592.89	-
Receivable later than 3 year but not later than 4 year	332.94	-
Receivable later than 4 year but not later than 5 year	332.94	-
Receivable later than 5 years	161.89	-
Gross investment in lease	4,938.88	-
Less: Unearned finance income	1,216.93	-
<b>Present value of minimum lease payment receivable</b>	<b>3,721.95*</b>	-

\*including processing fees of Rs. 48.81 lakhs and other charges of Rs. 6.20 lakhs to be amortized in future.

- iii) Finance lease income on net investment in lease recognized in statement of Profit and loss during the financial year 22-23 is 182.61 lakhs (March 31, 2022 - NIL)
- 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.

**(Rs. in lakhs)**

Particulars	Current	Non-Current	Total
<b>Opening value of Lease Receivables as on April 1,2021</b>	-	-	-
Add: Finance lease income recognized in Statement of Profit and Loss	-	-	-
Less: Lease rental received (cash payment)	-	-	-
Add/Less: Change on account of any other factors	-	-	-
<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 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>Opening value of Lease Receivables as on March 31,2023</b>	<b>784.56</b>	<b>2,882.38</b>	<b>3,666.94</b>

**Notes forming part of the financial statements for the year ended March 31, 2023**

**44** Pursuant to the Share Purchase Agreement, Hindon Mercantile Limited and Shri Kapil Garg have acquired entire stake from the sellers/Outgoing Promoters resulting in change in management control of the Company w.e.f March 09, 2022.

**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**

**46.1** Disclosures, to the extent applicable, in terms of Master Direction/Master Circular/Scale Based Regulation framework:

**(a) Investments: (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2023
<b>(1) Value of Investments :</b>		
(i) Gross Value of Investments		
(a) In India	299.99	999.95
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	299.99	999.95
(b) Outside India	-	-
<b>(2) 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	-	-

**(b) Derivatives:**

**i. Forward Rate Agreement / Interest Rate Swap (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2023
(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) Derivatives (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2023
(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

**Notes forming part of the financial statements for the year ended March 31, 2023**
**iii. Disclosures on Risk Exposure in Derivatives**
**(Rs. in lakhs)**

Particulars	Currency Derivatives		Interest Rate Derivatives	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
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

**(c) Exposure to Real Estate Sector:**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(A) Direct Exposure</b>		
<b>(i) 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) 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) Investments in Mortgage Backed Securities (MBS) and other securitized exposures:-</b>		
(a) Residential	-	-
(b) Commercial Real Estate	-	-
<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>	-	-

**(d) Exposure to Capital Market:**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
(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	-	-

**Notes forming part of the financial statements for the year ended March 31, 2023**

(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	-	-
(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	-	-
(xi) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>-</b>	<b>-</b>

**(e) Provisions and Contingencies**
**(Rs. in lakhs)**

<b>Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2023</b>
Provisions for depreciation on Investment	-	-
Provision towards NPA	<b>166.25</b>	-
Provision made towards Income tax (net)	-	86.62
Other Provision and Contingencies (Employee Benefit Payable)	<b>15.67</b>	0.17
Provision for Standard Assets	<b>141.51</b>	12.10

**(f) Concentration of Deposits, Advances, Exposures and NPAs**
**1. Concentration of Deposits: Not Applicable**
**2. Concentration of Advances**
**(Rs. in lakhs)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2023</b>
Total Advances to twenty largest borrowers	<b>8,522.76</b>	839.94
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	<b>32.58%</b>	17.36%



**Notes forming part of the financial statements for the year ended March 31, 2023**
**3. Concentration of Exposures (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to twenty largest borrowers / customers	<b>8,522.76</b>	839.94
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	<b>31.78%</b>	17.36%

**4. Concentration of NPAs (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to top four NPA accounts	<b>6.69</b>	-

**5. Movement of NPAs (Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) Net NPAs to Net Advances (%)</b>	<b>1.99%</b>	-
(ii) Movement of NPAs (Gross)		
(a) Opening balance	-	-
(b) Additions during the year	<b>714.71</b>	-
(c) Reductions during the year	<b>30.82</b>	-
(d) Closing balance	<b>683.89</b>	-
(iii) Movement of Net NPAs		
(a) Opening balance	-	-
(b) Additions during the year	<b>548.46</b>	-
(c) Reductions during the year	<b>30.82</b>	-
(d) Closing balance	<b>517.64</b>	-
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	-	-
(b) Provisions made during the year	<b>197.07</b>	-
(c) Write-off / write-back of excess provisions	<b>30.82</b>	-
(d) Closing balance	<b>166.25</b>	-

**(g) Sector-wise exposure and NPAs (Rs. in lakhs)**

Sectors	As at March 31, 2023			As at March 31, 2022		
	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)	-	-	-	5.30	-	-

**Notes forming part of the financial statements for the year ended March 31, 2023**

ii.Vehicles, Vehicle Parts and Transport Equipment	<b>299.90</b>	-	-	-	-	-
Total of Industry	<b>299.90</b>	-	-	5.30	-	-
<b>3. Services</b>						
i.Trade Wholesale Trade	-	-	-	150.90	-	-
ii.Commercial Real Estate	<b>252.36</b>	-	-	-	-	-
iii.Non-Banking Financial Companies (NBFCs)	<b>698.92</b>	-	-	313.27	-	-
iv.Transport Operators	<b>5,177.60</b>	-	-	296.52	-	-
v.Other Services	<b>2,077.41</b>	-	-	-	-	-
Total of Services	<b>8,206.29</b>	-	-	760.69	-	-
<b>4. Personal Loans</b>						
i.Vehicle Loans	<b>18,289.36</b>	<b>683.89</b>	<b>3.74%</b>	4,017.26	-	-
ii.Other Personal Loans	<b>18.72</b>	-	-	55.53	-	-
Total of Personal Loans	<b>18,308.08</b>	<b>683.89</b>	<b>3.74%</b>	4,072.79	-	-

**(h) Intra-group exposures**
**(Rs. in lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
i Total Amount of Intra-group exposures	-	1658.88
ii Total amount of top 20 intra-group exposures	-	1658.88
iii Percentage of intra-group exposures to total exposures of the NBFC on borrowers/customers	-	25.53%

**(i) Disclosure of complaints**
**1) Summary information on complaints received from customers and from the Offices of Ombudsman**

Particulars	For the Year ended March 31,2023	For the Year ended March 31,2022
Complaints received by the NBFC from its customers		
1. Number of complaints pending at beginning of the year	<b>Nil</b>	Nil
2. Number of complaints received during the year	<b>Nil</b>	Nil
3. Number of complaints disposed during the year	<b>Nil</b>	Nil
3.1 Of which, number of complaints rejected by the NBFC	<b>Nil</b>	Nil
4. Number of complaints pending at the end of the year	<b>Nil</b>	Nil
Maintainable complaints received by the NBFC from Office of Ombudsman	<b>Nil</b>	
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	<b>Nil</b>	Nil
5.1. Of 5, number of complaints resolved in favor of the NBFC by Office of Ombudsman	<b>Nil</b>	Nil
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	<b>Nil</b>	Nil
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	<b>Nil</b>	Nil
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	<b>Nil</b>	Nil

**Notes forming part of the financial statements for the year ended March 31, 2023**
**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
Not Applicable					

**(j) 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, 2023				As at March 31, 2022			
	Number Of significant counterparties	Amount	% of total deposits	% of total liabilities	Number Of significant counterparties	Amount	% of total deposits	% of total liabilities
1	5	22,875.63	N.A.	93.55%	0	0	N.A.	0

**2. Top 10 Borrowings (Rs. in lakhs)**

S. No	Name	As at March 31, 2023			As at March 31, 2022		
		Borrowings from Party	Total borrowing	% of total borrowings	Borrowings from Party	Total borrowing	% of total borrowings
1	State Bank of India	12,874.73	22,875.63	56.28%	0	0	0
2	AAV SARL	2,947.80	22,875.63	12.89%	0	0	0
3	Masala Investments SARL	2,947.80	22,875.63	12.89%	0	0	0
4	Indian Renewable Energy Development Agency Limited	4,000.00	22,875.63	17.48%	0	0	0
5	HDFC Bank	105.30	22,875.63	0.46%	0	0	0

**3. Funding concentration based on instrument/product (Rs. in lakhs)**

S. No	Name	As at March 31, 2023		As at March 31, 2022	
		Amount	% of total liabilities	Amount	% of total liabilities
1	Debt securities	5,895.60	24.11%	0	0
2	Term Loans from banks	4,560.00	18.65%	0	0
3	Term Loans from other party	4,000.00	16.36%	0	0
4	Overdrafts facility from Banks	8,420.03	34.43%	0	0

**4. Stock Ratios - Other Short Term Liabilities (Rs. in lakhs)**

S. No	As at March 31, 2023				As at March 31, 2022			
	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	823.15	NA	3.37%	2.08%	122.04	NA	94.82%	1.19%

**Notes forming part of the financial statements for the year ended March 31, 2023**
**(k) Disclosures on Asset Liability Management (ALM):**
**Maturity pattern of assets and liabilities as at March 31, 2023**

(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	-	-	111.61	111.61	111.61	4,382.69	5,237.16	3,888.49	2,342.45	5,749.34	5,827.19
b) Borrowings (other than debt securities)	-	-	-	-	-	-	-	-	-	586.16	16,771.78
c) Other financial liabilities	87.51	-	167.16	11.80	11.14	16.65	419.97	103.17	83.46	-	900.86
<b>Non-Financial Liabilities</b>											
a) Current tax liabilities (net)	-	-	-	-	-	-	-	-	-	-	-
b) Provisions	-	-	-	-	-	-	0.30	6.94	0.33	8.10	15.67
c) Deferred tax liabilities (net)	-	-	-	-	-	-	-	-	-	-	-
d) Other non-financial liabilities	1.03	0.74	77.22	29.63	-	-	-	319.80	101.07	134.16	663.65
<b>Equity</b>											
a) Equity share capital	-	-	-	-	-	-	-	-	-	503.32	503.32
b) Other equity	-	-	-	-	-	-	-	-	-	14,864.82	14,864.82
<b>A. TOTAL OUTFLOWS (A)</b>	<b>88.54</b>	<b>0.74</b>	<b>355.99</b>	<b>153.04</b>	<b>122.75</b>	<b>4,477.19</b>	<b>5,657.43</b>	<b>4,318.40</b>	<b>2,527.31</b>	<b>21,845.90</b>	<b>39,547.29</b>
<b>ASSETS</b>											
<b>Financial Assets</b>											
a) Cash and cash equivalents	1,214.79	-	-	-	500.05	-	-	-	-	-	1,714.84
b) Bank balances other than cash and cash equivalents	5.49	-	-	-	-	4,623.77	4,815.28	155.09	-	508.01	10,107.64
c) Receivables											
- Trade Receivables	-	-	-	-	-	-	-	-	-	-	-
- Other Receivables	-	-	33.60	-	-	-	-	-	-	-	33.60
d) Loans	1,347.07	612.17	1,593.07	1,321.81	1,327.22	3,886.92	6,743.22	8,173.25	691.35	157.37	25,853.45
e) Investments	-	-	-	-	-	-	299.99	-	-	-	299.99
f) Other financial assets	-	-	4.22	-	135.71	-	-	6.64	5.92	0.20	152.69
<b>Non-Financial Assets</b>											
a) Current tax assets (net)	-	-	-	-	-	-	74.15	-	-	-	74.15
b) Deferred tax assets (net)	-	-	-	-	-	-	-	-	-	60.10	60.10
c) Property, plant and equipment	-	-	-	-	-	-	-	33.09	0.45	9.04	42.58
d) Intangible assets	-	-	-	-	-	-	-	29.52	-	-	29.52
d) Right of use assets	-	-	-	-	-	-	-	66.45	176.60	-	243.05
e) Other non-financial assets	-	-	538.43	189.62	27.11	86.13	94.39	-	-	-	935.68
<b>B. TOTAL INFLOWS (B)</b>	<b>2,567.35</b>	<b>612.17</b>	<b>2,169.32</b>	<b>1,511.43</b>	<b>1,990.09</b>	<b>8,596.82</b>	<b>12,027.03</b>	<b>8,464.04</b>	<b>874.32</b>	<b>734.72</b>	<b>39,547.29</b>
<b>Mismatch ( B-A)</b>	<b>2,478.81</b>	<b>611.43</b>	<b>1,813.33</b>	<b>1,358.39</b>	<b>1,867.34</b>	<b>4,119.63</b>	<b>6,369.60</b>	<b>4,145.64</b>	<b>-1,652.99</b>	<b>-21,111.18</b>	
<b>Cumulative mismatch</b>	<b>2,478.81</b>	<b>3,090.24</b>	<b>4,903.57</b>	<b>6,261.96</b>	<b>8,129.30</b>	<b>12,248.93</b>	<b>18,618.53</b>	<b>22,764.17</b>	<b>21,111.18</b>	<b>-</b>	

**Note:** NPA is considered in "over 15 days to one month" bucket and the above other bucketing has been arrived on the extant regulatory guidelines and the management policy.

**Notes forming part of the financial statements for the year ended March 31, 2023**
**Maturity pattern of assets and liabilities as at March 31, 2022**

(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) Borrowings (other than debt securities)	-	-	-	-	-	-	-	-	-	-	-
b) Other financial liabilities	8.81	-	11.25	0.18	2.50	-	-	-	-	-	22.74
<b>Non-Financial Liabilities</b>											
a) Current tax liabilities (net)	-	-	50.00	-	-	36.62	-	-	-	-	86.62
b) Provisions	-	-	-	-	-	-	-	-	0.17	-	0.17
c) Deferred tax liabilities (net)	-	-	-	-	-	-	-	-	6.50	-	6.50
d) Other non-financial liabilities	-	1.79	10.89	-	-	-	-	-	-	-	12.68
<b>Equity</b>											
a) Equity share capital	-	-	-	-	-	-	-	-	432.23	-	432.23
b) Other equity	-	-	-	-	-	43.22	-	-	9,685.35	-	9,728.57
<b>A. TOTAL OUTFLOWS (A)</b>	<b>8.81</b>	<b>1.79</b>	<b>72.14</b>	<b>0.18</b>	<b>2.50</b>	<b>79.84</b>	<b>-</b>	<b>-</b>	<b>10,124.25</b>	<b>10,289.51</b>	
<b>ASSETS</b>											
<b>Financial Assets</b>											
a) Cash and cash equivalents	923.45	-	-	-	-	-	-	-	-	-	923.45
b) Bank balances other than cash and cash equivalents	-	-	-	-	-	-	490.00	-	-	-	490.00
c) Receivables											
- Trade Receivables	-	-	-	-	-	-	-	-	-	-	-
d) Loans	552.38	133.07	64.21	278.27	275.05	814.31	1,431.44	1,254.98	22.98	-	4,826.69
e) Investments	-	-	-	-	658.88	-	999.95	-	-	-	999.95
f) Other financial assets	200.00	-	-	-	-	1,000.00	-	8.15	-	-	1,867.03
<b>Non-Financial Assets</b>											
a) Current tax assets (net)	-	-	-	-	-	-	-	-	-	-	-
b) Property, plant and equipment	-	-	-	-	-	-	-	-	68.33	-	68.33
c) Intangible assets	-	-	-	-	-	-	-	-	132.93	-	132.93
d) Right of use assets	-	-	-	-	-	-	-	-	-	-	-
e) Other non-financial assets	113.36	453.24	386.87	1.37	-	-	26.29	-	-	-	981.13
<b>B. TOTAL INFLOWS (B)</b>	<b>1,789.19</b>	<b>586.31</b>	<b>451.08</b>	<b>279.64</b>	<b>933.93</b>	<b>1,814.31</b>	<b>2,947.68</b>	<b>1,263.13</b>	<b>22.98</b>	<b>201.26</b>	<b>10,289.51</b>
<b>Mismatch ( B - A)</b>	<b>1,780.38</b>	<b>584.52</b>	<b>378.94</b>	<b>279.46</b>	<b>931.43</b>	<b>1,734.47</b>	<b>2,947.68</b>	<b>1,263.13</b>	<b>22.98</b>	<b>-9,922.99</b>	
<b>Cumulative mismatch</b>	<b>1,780.38</b>	<b>2,364.90</b>	<b>2,743.84</b>	<b>3,023.30</b>	<b>3,954.73</b>	<b>5,689.20</b>	<b>8,636.88</b>	<b>9,900.01</b>	<b>9,922.99</b>	<b>-</b>	

**Notes forming part of the financial statements for the year ended March 31, 2023**
**(1) Schedule in terms of Paragraph 19 of Master Directions (Rs. in lakhs)**

Particulars	As at March 31, 2023		As at March 31, 2022	
	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	<b>5895.60</b>	-	-	-
: Unsecured	-	-	-	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	<b>8560.00</b>	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans (Overdrafts facilities with banks)	<b>8420.03</b>	-	-	-
<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	<b>23,233.96</b>		4,460.53	
(b) Unsecured	<b>2,927.25</b>		378.26	
<b>(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>				
(i) Lease assets including lease rentals under sundry debtors :				
(a) Financial lease	-		-	
(b) Operating lease	-		-	
(ii) Stock on hire including hire charges under sundry debtors :				
(a) Assets on hire	-		-	
(b) Repossessed Assets	-		-	
(iii) Other loans counting towards AFC activities				
(a) Loans where assets have been repossessed	-		-	
(b) Loans other than (a) above	-		-	
<b>(5) Break-up of Investments</b>				
<b>Long Term 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	-		-	
(iv) Government Securities	-		-	

**Notes forming part of the financial statements for the year ended March 31, 2023**

(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	<b>299.99</b>	999.95
(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.

Particulars	As at March 31, 2023		As at March 31, 2022	
<b>(6) Borrower group-wise classification of assets financed as in (3) and (4) above :</b>				
Category	Amount (net of provisions)		Amount (net of provisions)	
	Secured	Unsecured	Secured	Unsecured
<b>1. Related Parties</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
<b>2. Other than related parties</b>	<b>22,940.85</b>	<b>2,912.60</b>	4,449.38	377.31
	<b>22,940.85</b>	<b>2,912.60</b>	4,449.38	377.31
<b>(7) Investor group-wise classification of all investments in shares and securities:</b>				
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
<b>1. Related Parties</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
<b>2. Other than related parties</b>	<b>299.99</b>	<b>299.99</b>	999.95	999.95
	<b>299.99</b>	<b>299.99</b>	999.95	999.95
<b>(8) Other information</b>				
Particulars	Amount		Amount	
<b>(i) Gross Non-Performing Assets</b>				
(a) Related parties	-	-	-	-
(b) Other than related parties	<b>683.89</b>	-	-	-
<b>(ii) Net Non-Performing Assets</b>				
(a) Related parties	-	-	-	-
(b) Other than related parties	<b>517.64</b>	-	-	-
<b>(iii) Assets acquired in satisfaction of debt</b>	-	-	-	-

**Notes forming part of the financial statements for the year ended March 31, 2023**
**(m) Details of Gross Advances, Gross NPAs, Net Advances and Net NPAs for the year ended March 31, 2023:**

		(Rs. in lakhs)
<b>Particulars</b>		<b>Amount</b>
<b>Part A</b>		
1.	Standard Advances	<b>25,477.32</b>
2.	Gross Non-performing assets (NPAs)	<b>683.89</b>
3.	Gross Advances (1+2)	<b>26,161.21</b>
4.	Gross NPAs as a percentage of Gross Advances (2/3) (in %)	<b>2.61</b>
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).	<b>166.25</b>
(ii)	DICGC / ECGC claims received and held pending adjustment	<b>Nil</b>
(iii)	Part payment received and kept in Suspense Account or any other similar	<b>Nil</b>
(iv)	Balance in Sundries Account (Interest Capitalization – Restructured Accounts), in respect of NPA Accounts	<b>Nil</b>
(v)	Floating Provisions	<b>Nil</b>
(vi)	Provisions in lieu of diminution in the fair value of restructured accounts classified as	<b>Nil</b>
(vii)	Provisions in lieu of diminution in the fair value of restructured accounts classified as standard assets	<b>Nil</b>
6.	Net Advances (3-5)	<b>25,994.96</b>
7.	Net NPAs {2-5(i + ii + iii + iv + v + vi)}	<b>517.64</b>
8.	Net NPAs as percentage of Net Advances (7/6) (in %)	<b>1.99</b>
<b>Part B</b>		
1.	Provisions on Standard Assets excluding 5(vi) in Part A	<b>138.24</b>
2.	Interest recorded as Memorandum Item	<b>12.08</b>
3.	Amount of cumulative Technical Write - Off in respect of NPA accounts reported in Part A above	<b>Nil</b>

**Details of Gross Advances, Gross NPAs, Net Advances and Net NPAs for the year ended March 31, 2022:**

		Amount
<b>Particulars</b>		<b>Amount</b>
<b>Part A</b>		
1.	Standard Advances	4,838.79
2.	Gross Non-performing assets (NPAs)	Nil
3.	Gross Advances (1+2)	4,838.79
4.	Gross NPAs as a percentage of Gross Advances (2/3) (in %)	Nil
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).	Nil
(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)	4,838.79
7.	Net NPAs {2-5(i + ii + iii + iv + v + vi)}	Nil
8.	Net NPAs as percentage of Net Advances (7/6) (in %)	Nil
<b>Part B</b>		
1.	Provisions on Standard Assets excluding 5(vi) in Part A	19.36*
2.	Interest recorded as Memorandum Item	Nil
3.	Amount of cumulative Technical Write - Off in respect of NPA accounts reported in Part A above	Nil

\*including Impairment Reserve of Rs.7.26 lakhs



**Notes forming part of the financial statements for the year ended March 31, 2023**

- (n) Detail of financing of parent Company products: Nil
- (o) Details of the Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded as per prudential exposure limits during the year: Nil
- (p) Details of the advances given or offered that can be classified under Unsecured Advances i.e. advances against intangible securities such as Rights, Licenses, Authority, etc. as Collateral Security: Nil
- (q) Registration obtained from financial sector/other regulators:  
 RBI: vide registration number B-10.00247  
 Ministry of Corporate Affairs: L65990RJ2016PLC054921
- (r) Details of the Loans and Advances given against the collateral security of gold and gold jewellery: Nil
- (s) Details of Penalties imposed by RBI and other regulators: Nil
- (t) 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
- (u) Ratings assigned by Credit Rating Agencies during the year: ACUITE BBB (STABLE) rating by Acuite Ratings and Research Limited.  
 Migration of ratings during the year: Nil
- (v) During the year, a) no prior period items occurred which has material impact on 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.
- (w) The Company has no subsidiary and requirement of consolidation of its financial statements is not applicable to the Company.
- (x) The Company has not accepted/holds any public deposits during the year.
- (y) 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.
- (z) There is no Unhedged foreign currency exposure as at March 31, 2023 (March 31, 2022 – Nil)
- (aa) 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.

**46.2 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, 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>		<b>25,477.32</b>	<b>138.24</b>	<b>25,339.08</b>	<b>103.75</b>	<b>34.49</b>
<b>Non-Performing Assets (NPA)</b>						
Sub standard	Stage 3	683.89	166.25	517.64	130.54	35.71

**Notes forming part of the financial statements for the year ended March 31, 2023**

Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		683.89	166.25	517.64	130.54	35.71
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
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	653.06	3.27	649.79	2.61	0.66
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		653.06	3.27	649.79	2.61	0.66
<b>Total</b>	<b>Stage 1</b>	<b>17,744.56</b>	<b>90.14</b>	<b>17,654.42</b>	<b>72.11</b>	<b>18.03</b>
	<b>Stage 2</b>	<b>8,385.82</b>	<b>51.37</b>	<b>8,334.45</b>	<b>34.25</b>	<b>17.12</b>
	<b>Stage 3</b>	<b>683.89</b>	<b>166.25</b>	<b>517.64</b>	<b>130.54</b>	<b>35.71</b>
	<b>Total</b>	<b>26,814.27</b>	<b>307.76</b>	<b>26,506.51</b>	<b>236.90</b>	<b>70.86</b>

\*Note: Represents loan commitments pending disbursement.

**As at March 31, 2022**
**(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	3,495.11	8.74	3,486.37	13.98	(5.24)
	Stage 2	1,343.68	3.36	1,340.32	5.38	(2.02)
<b>Sub total</b>		<b>4,838.79</b>	<b>12.10</b>	<b>4,826.69</b>	<b>19.36</b>	<b>(7.26)</b>
<b>Non-Performing Assets (NPA)</b>						
Sub standard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-

**Notes forming part of the financial statements for the year ended March 31, 2023**

More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal	<b>Stage 1</b>	<b>3,495.11</b>	<b>8.74</b>	<b>3,486.37</b>	<b>13.98</b>	<b>(5.24)</b>
<b>Total</b>	<b>Stage 2</b>	<b>1,343.68</b>	<b>3.36</b>	<b>1,340.32</b>	<b>5.38</b>	<b>(2.02)</b>
	<b>Stage 3</b>	-	-	-	-	-
	<b>Total</b>	<b>4,838.79</b>	<b>12.10</b>	<b>4,826.69</b>	<b>19.36</b>	<b>(7.26)</b>

**Note:** The Company has transferred Rs. 7.26 Lakhs representing the amount of difference between the loss allowance as required under Ind AS-109 and the provision required as per prudential norms on Income Recognition, Asset Classification and Provisioning to 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.

**46.3.1** 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)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	As at March 31, 2022
Aggregate amount of loans acquired (Rs. in lakhs)	<b>866.47</b>	988.86
Weighted average maturity (in months)	<b>13.97</b>	11.76
Weighted average holding period (in months)	<b>10.89</b>	6.15
Retention of beneficial economic interest by the originator	<b>Nil</b>	Nil
Tangible security coverage	<b>100%</b>	100%
Rating-wise distribution of rated loans	<b>Not applicable</b>	Not applicable

**46.3.2** 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)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	As at March 31, 2022
Aggregate principal outstanding of loans acquired (Rs. in lakhs)	<b>228.12</b>	1,839.42
Aggregate consideration paid (Rs. in lakhs)	<b>234.71</b>	988.86
Weighted average residual tenor of loans acquired (in months)	<b>12.98</b>	10.76

**Notes forming part of the financial statements for the year ended March 31, 2023**

**46.4** Disclosures in terms of circular RBI/2021-2022/104/DOR.No.STR.REC.55/21.04.048/2021-22 dated October 1, 2021.

Particulars	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Gross NPAs as on 01 April of particular year (Opening Balance)	-	-
Additions (Fresh NPAs) during the year	<b>714.71</b>	-
Sub-total (A)	<b>714.71</b>	-
Less:-		
(i) Upgradations	-	-
(ii) Recoveries (excluding recoveries made from upgraded accounts)	-	-
(iii) Technical/ Prudential Write-offs	-	-
(iv) Write-offs other than those under (iii) above	<b>30.82</b>	-
Sub-total (B)	<b>30.82</b>	-
Gross NPAs as on 31 March of following year (closing balance) (A-B)	<b>683.89</b>	-

**47 Other disclosures/information**
**47.1 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, 2023 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 not borrowed any money from any bank or financial institution against security of current assets during the year except overdraft facilities from the banks against security of term deposits with them.

**(iii) Wilful defaulter**

The company is not declared wilful defaulter by any bank, financial institution or lender as at March 31, 2023.

**(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, 2023.

**(v) Compliance with number of layers of companies**

The Company does not have any subsidiary or Associate or Joint Venture company during the year.

**(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) 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

## Notes forming part of the financial statements for the year ended March 31, 2023

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 Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

### (viii) 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.

### (ix) 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, 2023.

### (x) 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, 2023.

### (xi) 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, 2023.

## 47.2 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, 2023.
- (ii) The Company has no long term contracts including derivative contracts having material foreseeable losses as at March 31, 2023.
- (iii) The Company has not received any whistleblower complaint during the year ended March 31, 2023.
- (iv) There are no pending litigations as at March 31, 2023 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, 2023 (March 31, 2022 – 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.

## 48. Ratios Analysis

Ratio	As at March 31, 2023	As at March 31, 2022	Variance (%)	Reason for variance
Capital to risk-weighted assets ratio (CRAR)	<b>54.10</b>	132.33	(59.12)	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>53.59</b>	132.16	(59.45)	
Tier II CRAR	<b>0.51</b>	0.17	200.00	
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

**Notes forming part of the financial statements for the year ended March 31, 2023**

The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with Circular dt. 04.11.2019 RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/ 2019-20 issued by RBI.

The figures of the above ratios are based on Ind AS financials in terms of RBI Circular dated March 13, 2020 RBI/2019-20/170 DOR (NBFC).CC. PD. No.109/22.10.106/2019-20 and are inclusive of subsequent realization of gains shown under Capital Reserve as per the scheme of arrangement.

**49. Income in Foreign Currency: Nil** (March 31, 2022 - Nil)

**Expenditure in Foreign Currency:**

Nature	(Rs. in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Professional Fees	58.18	Nil
Sponsorship Fees	2.79	Nil
Travelling Expenses	2.93	Nil

**50. Dividend**

The Shareholders of the Company in the Annual General Meeting held on September 28, 2022 have approved the dividend of Re. 0.20 per Equity share for the financial year ended March 31,2022 as recommended by the Board of Directors. Accordingly, the dividend amount has been paid by the Company in October,2022.

**51. Previous year figures have been regrouped / rearranged to confirm current year presentation wherever necessary.**

As per our report of even date attached

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
 Firm Registration No.307068E

**LAXMI NARAIN JAIN**  
 Partner  
 Membership No.072579

**Place : New Delhi**  
**Date : May 25, 2023**

**Manoj Kumar Bhatt**  
 Director  
 DIN: 09452843

**Mayank Pratap Singh**  
 Company Secretary  
 Membership No. A46666

**FOR AND ON BEHALF OF THE BOARD**

**Kapil Garg**  
 Managing Director  
 DIN: 01716987

**Pankaj Gupta**  
 Chief Executive Officer

**Gunjan Jain**  
 Chief Financial Officer



## 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

🌐 website: [www.mufingreenfinance.com](http://www.mufingreenfinance.com) @ email: [apmfinvestltd@gmail.com](mailto:apmfinvestltd@gmail.com)