



## **Himadri Credit & Finance Limited**

29<sup>th</sup> Annual Report  
2023 - 24

## CORPORATE INFORMATION

### CORPORATE IDENTIFICATION NUMBER (CIN)

L65921WB1994PLC062875

### DIRECTORS

Mr. Anurag Choudhary (DIN: 00173934)

Mr. Amit Choudhary (DIN: 00152358)

Mr. Santimoy Dey (DIN: 06875452)

Ms. Sucharita Basu De (DIN: 06921540)

### COMPANY SECRETARY & CFO

Mr. Pintu Singh

### AUDITORS

M/S. S. Jaykishan

Chartered Accountants

Suite No. 2D, 2E & 2F

12 Ho Chi Minh Sarani

Kolkata – 700 071

### BANKERS

Central Bank of India

ICICI Bank

### SECRETARIAL AUDITOR

CS Rajarshi Ghosh

AB-198, Sector 1,

Salt Lake City

Kolkata - 700 064

### REGISTERED OFFICE

23A, Netaji Subhas Road, 8<sup>th</sup> Floor

Kolkata – 700 001

Ph No.: (033) 2230-9953

Website: [www.himadricredit.in](http://www.himadricredit.in)

E-mail: [hcfl@himadri.com](mailto:hcfl@himadri.com)

### CORPORATE OFFICE

8, India Exchange Place

Ruby House, 2<sup>nd</sup> Floor

Kolkata - 700 001

Ph No.: (033) 2230-4363

### REGISTRAR & SHARE TRANSFER AGENT

M/s. S.K. Infosolutions Pvt. Ltd.

D/42, Katju Nagar Colony, Ground Floor,

PO & PS-Jadavpur,

Kolkata - 700 032.

Ph No.: (033) 2412-0027

E-mail: [skcdilip@gmail.com](mailto:skcdilip@gmail.com)

Web Site: [www.skcinfo.com](http://www.skcinfo.com)

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## Himadri Credit & Finance Limited

CIN: L65921WB1994PLC062875

Regd. Office: 23A, Netaji Subhas Road, 8<sup>th</sup> Floor, Kolkata- 700 001

Corp. Office: 8, India Exchange Place, 2<sup>nd</sup> Floor, Kolkata- 700 001

E-mail: hcfl@himadri.com; Website: www.himadricredit.in

Ph. No: 033 22309953

### Notice to the Members

**NOTICE** is hereby given that the 29<sup>th</sup> Annual General Meeting ("AGM") of the Members of Himadri Credit & Finance Limited ("the Company") will be held on **Thursday, 12 September 2024 at 11:00 a.m. (IST) 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 31 March 2024 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anurag Choudhary (DIN: 00173934) who retires by rotation and being eligible offers himself for re-appointment.

#### SPECIAL BUSINESS:

3. **To approve Material Related Party Transactions with Ms. Sheela Devi Choudhary**

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

**"RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act 2013 and the other applicable provisions, if any of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules 2014, as amended from time to time and pursuant to Regulation 23 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended from time to time and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with the Company's Policy on Materiality of and Dealing with Related Party Transactions, as may be applicable from time to time, any other rules / regulations / guidelines, if any, prescribed

by the Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), Ministry of Corporate Affairs ("MCA"), stock exchange where the shares of the Company are listed i.e. Calcutta Stock Exchange, and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities (including regulatory or statutory authorities) and pursuant to the approval of the Audit Committee and Board of the Company, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, transaction/contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement, with Ms. Sheela Devi Choudhary, who is a related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and such related party, for an aggregate value of upto ₹ 4,00,00,000/- (Rupees Four Crore Only), which is in excess of 10% of the annual consolidated turnover of the Company as per last audited financial statements, to be entered during Financial Year 2024-25, as per the details provided in the explanatory statement, annexed to this Notice, subject to such related party transaction(s) / contract(s)/ arrangement(s) being carried out at arm's length;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do or cause to be done all such acts, deeds and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, from time to time

for giving effect to the above resolution, and to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution;

**RESOLVED FURTHER THAT** the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any one Director(s) or Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s);

**RESOLVED FURTHER THAT** all actions taken by the Board or any other person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved and confirmed in all respects."

**By Order of the Board**

**Sd/-**

**Pintu Singh**

**Company Secretary**

**FCS: 10733**

**Place: Kolkata**

**Date: 08 August 2024**

## Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("Act") setting out material facts relating to Special Business under Item No. 3 of the Notice to be transacted at the 29<sup>th</sup> AGM is annexed hereto. The recommendation of the Board of Directors of the Company ("Board") in terms of Regulation 17(11) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") is also provided in the said Statement.
2. Pursuant to the Circulars No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 20/2020 dated May 20, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 02/2021 dated January 13, 2021, No.10/2021 dated June 23, 2021, No. 20/2021 dated December 8, 2021, No. 21/2021 dated December 14, 2021, No. 3/2022 dated May 5, 2022, No. 10/2022 and 11/2022 dated December 28, 2022 respectively and General Circular No. 9/2023 dated September 25, 2023 and other applicable circulars, (hereinafter, collectively referred as the "**MCA Circulars**"), the Ministry of Corporate Affairs ("**MCA**") has permitted companies to conduct their annual general meetings through Video Conferencing ("**VC**") or Other Audio Visual Means ("**OAVM**"), which does not require physical presence of the Members, Directors, Auditors and other persons at common venue. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 29<sup>th</sup> AGM of the Company is being conducted through VC / OAVM facility. The deemed venue for the 29<sup>th</sup> AGM shall be the Corporate Office of the Company situated at Ruby House, 8 India Exchange Place, 2<sup>nd</sup> Floor, Kolkata – 700 001. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC / OAVM is given in the Notice under Note No. 26.
3. The 29<sup>th</sup> AGM of the Company is being convened through VC/OAVM in compliance with the applicable provisions of the Act, SEBI Listing Regulations and read with all the applicable MCA and SEBI Circulars.
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations, Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("**NSDL**") for facilitating voting through electronic means, as the authorized agency. NSDL will be providing facility for voting through remote e-Voting, for participation in the 29<sup>th</sup> AGM through VC/OAVM facility and e-Voting during the 29<sup>th</sup> AGM. The instructions and other information relating to e-Voting are given in the Notice under Note No. 26.
5. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement for the appointment of proxies. Accordingly, the facility to appoint proxies to attend and cast vote for the Members is not available for this AGM. However, in pursuance of Section 113 of the Act, and rules made thereunder, the Members who are Body Corporate(s) are entitled

to appoint their authorised representatives to attend the AGM through VC/OAVM and participate and cast their votes through remote e-Voting and e-Voting during the 29<sup>th</sup> AGM of the Company.

6. Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., with attested specimen signature of the duly authorized signatory(ies) authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-Voting and e-Voting during AGM, to the Scrutinizer by email through its registered email address to [csbandanasaha016@gmail.com](mailto:csbandanasaha016@gmail.com) with a copy marked to [pintu.singh@himadri.com](mailto:pintu.singh@himadri.com) and [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
7. The quorum for the AGM, as provided in Section 103 of the Act, is five (5) Members (including a duly authorized representative of a body corporate) and the Members present in the meeting through VC/OAVM shall be counted for the purpose of quorum pursuant to MCA Circulars and other applicable circulars.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from 06 September 2024 to 12 September 2024 (both days inclusive) for the purpose of the AGM.
9. **Dispatch of Annual Report through E-mail**

In accordance with the MCA Circulars and Circular No. [SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167](#) dated October 07, 2023 issued by SEBI, the Notice of the 29<sup>th</sup> AGM along with the Annual Report of the Company for the financial year ended 31 March 2024 are being sent only through electronic mode (e-mail) to those Members whose email addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA") or with their respective Depository Participant/s (DPs).

Members may note that the Notice and Annual Report for the financial year ended 31 March 2024 is also available on the Company's website [www.himadricredit.in](http://www.himadricredit.in) and also on the website of NSDL (agency for providing the remote e-Voting facility) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The Company will also be sending printed copies of the Annual Report 2023-24 to the shareholders on receipt of specific request.

#### 10. Updation of PAN and other details

SEBI vide its Circular No. [SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37](#) dated March 16, 2023, mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination

details by holders of physical securities through Form ISR-1. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.

In terms of above Circular, folios of physical shareholders wherein any one of the above said details such as PAN, email address, mobile number, bank account details and nomination are not available, were required to be frozen with effect from October 1, 2023. Further, in terms of the said Circular, such physical shareholders will not be eligible, unless the requirements of this Circular has been complied with by such shareholders, for the following-

- a. to lodge grievance or avail service request from the RTA of the Company; and
- b. for receipt of dividend, interest or redemption payment in respect of such frozen folios.

The timeline for furnishing the above mentioned details were further extended till December 31, 2023 vide SEBI Circular No. [SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/158](#) dated September 26, 2023

Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. As per the above SEBI Circular, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, after December 31, 2025.

In this connection, shareholders holding shares in physical form are requested to update their PAN, KYC, Nomination details. The Forms for updating KYC can be downloaded from our website [www.himadricredit.in](http://www.himadricredit.in) under Investor Section.

We urge the shareholders for registration and/ or updation of their email id, Permanent Account Number (PAN), address and bank mandate with the Company to ensure receipt of Annual Report, dividend and/or any other consideration and other communication timely, faster and easier and more importantly to avoid fraudulent encashment of dividend warrants.

Accordingly, to update the KYC details with the Company or intimate about change in their KYC, the following procedure may be followed:

#### Demat Holding:

Update the PAN and KYC (i.e. postal address with pin code, email address, mobile number, bank account details) through your Depository Participants (DPs).

#### Physical Holding:

PAN and KYC documents can be sent directly to the RTA in any of the following manner:

- Through 'In Person Verification' (IPV): Shareholders can submit their required documents at the office of the RTA.
- Through hard copies: Shareholders can send duly self-attested and dated hard copies of the required documents to below mentioned address of the RTA.
- Electronic Mode: Shareholders can send the required documents with E-sign from their registered email ID, as prescribed by SEBI.

The Company has also issued public notice urging the shareholders for registration and/or updation of their email id, Permanent Account Number (PAN) and bank mandate with the Company to ensure receipt of Annual Report, dividend and/or any other consideration and other communication timely, faster and easier and more importantly avoids fraudulent encashment of warrants.

#### 11. Awareness about Online Resolution of Disputes in the Indian Securities Market through Online Dispute Resolution ('ODR') Portal

- This is to inform the members that Securities and Exchange Board of India ("SEBI") vide circular no. SEBI/HO/OIAE/OIAE\_IAD1/P/CIR/2023/131 dated July 31, 2023 issued guidelines for online resolution of disputes in the Indian securities market through establishment of a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising between investors/clients and listed companies (including their RTA's) or specified intermediaries/regulated entities in the securities market.
- SEBI vide circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023 has further clarified that the investor shall first take up his/her/their grievance with the Market Participant (Listed Companies, specified intermediaries, regulated entities) by lodging a complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor may escalate the same through the SCORES Portal <https://scores.gov.in/scores/Welcomes.html> in accordance with the process laid out. After exhausting the above options for resolution of the grievance, if the investor is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal.
- The SMART ODR Portal can be accessed at: <https://smartodr.in/login>.

12. Members may please note that in view of the proviso to Regulation 40(1) of the Listing

Regulations, securities of listed companies can be transferred only in dematerialised form (DEMAT) with effect from 1 April 2019. Dematerialisation of shares would help to eliminate risks associated with Physical Shares. In this regard, SEBI has clarified by a Press Release No. 12/2019 dated 27 March 2019, that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after 1 April 2019. However, any investor who is desirous of transferring shares (which are held in physical mode) after 1 April 2019 can do so only after the shares are dematerialized.

13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company or its RTA.

14. As per the provisions of Section 72 of the Act the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website, [www.himadricredit.in](http://www.himadricredit.in). Members are requested to submit the said details to their Depository Participants (DPs) in case the shares are held by them in electronic form and to the RTA in case the shares are held in physical form.

15. Members may please 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 demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. 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, [www.himadricredit.in](http://www.himadricredit.in).

16. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's RTA for consolidation into single folio.



17. Non-Resident Indian Members are requested to inform Company's RTA, M/s S. K. Infosolutions Pvt. Ltd., D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, email: [skcdilip@gmail.com](mailto:skcdilip@gmail.com), immediately of :
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
18. The Board has appointed Mrs. Bandana Saha, Practising Company Secretary (ACS 46329, C. P. No. 27041), as the Scrutinizer to scrutinize the remote e-Voting process and also e-Voting during the meeting in a fair and transparent manner. The Scrutinizer shall after the conclusion of e-Voting at the 29<sup>th</sup> AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.
19. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.himadricredit.in](http://www.himadricredit.in) and on the website of the NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after declaration. The Company shall simultaneously forward the results to the Stock Exchange where the shares of the Company are listed.
20. Recorded transcript of the meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company.
21. The scanned copies of the relevant documents referred to in the accompanying notice/explanatory statement will be made available at [www.himadricredit.in](http://www.himadricredit.in) for inspection by the Members at the AGM, up to the date of this AGM.  
 During the AGM, the scanned copy of Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Memorandum and Articles of Association of the Company shall be available for inspection upon login to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
22. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's RTA/ Depositories for receiving all communications including Annual Reports, Notices, Circulars etc. from the Company electronically.
23. Mr. Pintu Singh, Company Secretary and Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this AGM including e-Voting. The Members may contact at Email id: [hcfl@himadri.com](mailto:hcfl@himadri.com); Phone No.: 033-2230 9953
24. Details as required under Regulation 36(3) of the SEBI Listing Regulations and Revised Secretarial Standards on General Meeting (SS-2) with respect to Director seeking appointment/re-appointment at ensuing AGM is given in the **Annexure- I** to this Notice.
25. Since the AGM will be held through VC / OAVM facility, the Attendance slip and Route Map are not annexed to this Notice.
26. **Conduct of AGM through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility.**
  - A. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
    - i. The Members are requested to join the 29<sup>th</sup> AGM through VC/OAVM mode 15 minutes before the scheduled time of the commencement of the meeting i.e 11:00 a.m. (IST) by clicking on the link <https://www.evoting.nsdl.com> under Members login, where the EVEN of the Company will be displayed, by using the remote e-Voting credentials and the same shall be kept open throughout the meeting. The Members are also requested to follow the procedure mentioned in these notes.
    - ii. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
    - iii. In line with the MCA Circulars, the Notice calling the 29<sup>th</sup> AGM has been uploaded on the website of the Company at [www.himadricredit.in](http://www.himadricredit.in) and is also available on the website of NSDL (agency for providing the remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - iv. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-Voting credentials. The link for VC/OAVM will be available in shareholder/ members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

- v. Members who would like to express their views or ask questions during the 29<sup>th</sup> AGM of the Company will be required to register themselves as a speaker by sending e-mail to the Company Secretary & Compliance Officer at [hcfl@himadri.com](mailto:hcfl@himadri.com) from their registered e-mail address mentioning their name, DP ID and Client ID number/folio number, email id, mobile number. Only those members who have registered themselves as speaker by 4 p.m. (IST) on 06 September 2024 will be able to speak at the meeting.

Further, Members who would like to have their questions/queries responded to during the AGM are requested to send such questions/queries in advance within the aforesaid date and time, by following the similar process as stated above.

- vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- vii. When a pre-registered speaker is invited to speak at the meeting, but he/she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good internet speed. Please note that Members connecting from mobile devices or tablets or through laptops etc 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.
- viii. Members desiring any information regarding the Financial Statements of the Company to be placed at the AGM are requested to write to the Company through email on [hcfl@himadri.com](mailto:hcfl@himadri.com) latest by 4 p.m. (IST) on 06 September 2024 so as to enable the management to keep the information readily available at the meeting.
- ix. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [hcfl@himadri.com](mailto:hcfl@himadri.com). The same will be replied by the Company suitably.
- x. The Company reserves the right to restrict the

number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

- xi. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not casted their vote by remote e-Voting shall be eligible to cast their vote through e-Voting during the AGM. After the members participating through VC/OAVM facility, eligible and interested to cast votes, have casted their votes, the e-Voting will be closed with the formal announcement of the closure of the 29<sup>th</sup> AGM of the Company.
  - a. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 29<sup>th</sup> AGM of the Company through VC/OAVM facility.
  - b. Members who need assistance before or during the AGM with use of technology, can:
    - Send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at 022 - 4886 7000 and 022 - 2499 7000.
- xii. The Members who have casted their vote by remote e-Voting prior to the AGM may also attend / participate in the AGM through VC / OAVM, but shall not be entitled to cast their vote again.

#### **B. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM ARE AS UNDER:**

- i. The remote e-Voting period shall begin at 09:00 a.m. (IST) on **08 September 2024 and ends at 5:00 p.m. (IST) on 11 September 2024**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 05 September 2024**, may cast their vote electronically. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. The remote e-Voting module shall be disabled by NSDL for voting thereafter and the facility shall forthwith be blocked.
- ii. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the **cut-off date i.e. 05 September 2024**. Members are eligible to cast vote electronically only if they are holding shares either in physical form or demat form as on that date. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the



Notice and holding shares as of the **cut-off date i.e. 05 September 2024**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### **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 (DPs). Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing <b>IDeAS</b> 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 “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider</b> i.e. <b>NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
	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 “ <b>Register Online for IDeAS Portal</b> ” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a> .
	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 “ <b>Login</b> ” which is available under ‘ <b>Shareholder/Member</b> ’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or 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.
	4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.
	<p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;">   </div>

Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DPs)	You can also login using the login credentials of your demat account through your respective Depository Participants (DPs) 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 & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at 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
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.

**B) Login Method for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

<b>How to Login to NSDL e-Voting website?</b>
1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. 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 e-Services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-Services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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

5. 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 email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. 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.

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

8. Now, you will have to click on "Login" button.

9. 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

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

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

### **Process for those shareholders whose email IDs are not registered with the Depositories for procuring user id and password and registration of e mail IDs for e-Voting for the resolutions set out in this Notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company's email id at [hcfl@himadri.com](mailto:hcfl@himadri.com) or, Company's RTA email id at [skcdilip@gmail.com](mailto:skcdilip@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company's email id at [hcfl@himadri.com](mailto:hcfl@himadri.com) or, Company's Registrar and Share Transfer Agent email id at [skcdilip@gmail.com](mailto:skcdilip@gmail.com) If you are an individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](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 (DPs). Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
2. Members are encouraged to join the meeting through laptops for better experience.
3. Further Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

**General Guidelines for Shareholders**

1. 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.
2. 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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**EXPLANATORY STATEMENT**

[Pursuant to Section 102 of the Act]

**Item No. 3**

As per clause (zc) of Regulation 2(1) read with the proviso to Regulation 23(1) of the SEBI Listing Regulations, transactions involving transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand will be considered as 'related party transactions', regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.

Further, Regulation 23(1) of the SEBI Listing Regulations states that all Material Related Party Transaction with an aggregate value exceeding ₹ 1,000 crore or 10% of annual consolidated turnover of the listed company as per the last audited financial statements of the Company, whichever is lower, shall require prior approval of shareholders.

Further, as per Section 188 of the Companies Act 2013 read with Rule 15 of Companies (Meeting of Board and

its Powers) Rules 2014, sale, purchase or supply of any goods or material, directly or through appointment of agent, amounting to ten percent or more of the turnover of a company, requires prior approval of Shareholders by way of an ordinary resolution.

It is in the above context that Item No. 3 is placed for the approval of the Members of the Company. The value ( i.e. ₹ 4 Crore) of the proposed transaction in Item No. 3 exceeds the materiality threshold specified in Regulation 23(1) i.e. ₹ 1,000 crore or ₹ 0.23 Crores (10% of annual consolidated turnover of the Company for the financial year 2023-24), whichever is lower or any other materiality threshold as may be applicable under law/ regulations from time to time.

The Independent Directors of the Audit Committee of the Company and the Board of Directors have, based on relevant details provided by the Management, at their respective meetings held on 08 August 2024, reviewed and approved the said transaction(s) and recommended to Shareholders for their approval, while noting that such transactions shall be on arms' length basis and are in accordance with Policy on Materiality



of and Dealing with Related Party Transactions.

The Board accordingly recommends the resolution set out at Item No. 3 of this Notice for approval by the Members by way of an ordinary resolution.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolution under item no. 3.

Except, Mr. Anurag Choudhary and Mr. Amit Choudhary, Directors of the Company, none of the other Directors and the Key Managerial Personnel(s) of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions no. 3 except to the extent of their shareholding, if any, in the Company.

#### Background and details of the transaction:

The Company is holding 21,41,016 no of 1% Non-cumulative redeemable preference shares (NCRPS) of Modern Hi-Rise Private Limited (Script). The Company intends to transfer the NCRPS to Ms. Sheela Devi Choudhary('buyer'), relative of Mr. Anurag Choudhary and Mr. Amit Choudhary, Directors of the Company. The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed Related Party Transactions including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering the above-mentioned RPT. The Committee has noted that the said transactions will be on an arms' length basis. Accordingly, based on the approval of the Audit Committee, the Board of Directors recommends the resolution contained in Item No. 3 of the accompanying Notice to the shareholders for approval.

The details as required under Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, Regulation 23(4) of the SEBI Listing Regulations read with Chapter III-B of SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 are as follows:

- (i) **Name of the Related Party:** Ms. Sheela Devi Choudhary, being a relative of the Directors of the Company and being part of Promoter & Promoter Group.
- (ii) **Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise):** Relative of Mr. Anurag Choudhary and Mr. Amit Choudhary,

Directors of the Company and also being part of the Promoter & Promoter Group

- (iii) **Name of the Director /Key Managerial personnel who is related, if any:** Mr. Anurag Choudhary and Mr. Amit Choudhary
- (iv) **The nature/ type and material terms/particulars of the contract or arrangement:** The Company is holding 21,41,016 no of 1% Non-cumulative redeemable preference shares (NCRPS) of Modern Hi-Rise Private Limited. The Company intends to transfer the NCRPS to Ms. Sheela Devi Choudhary, relative of Mr. Anurag Choudhary and Mr. Amit Choudhary, Directors of the Company.
- (v) **Tenure:** Financial Year 2024-25
- (vi) **Monetary Value of the Contract (₹):** Not exceeding ₹ 4,00,00,000/- (Rupees Four Crore Only) to be entered during Financial Year 2024-25 (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise)
- (vii) **Any advance paid or received for the contract or arrangement, if any:** NA
- (viii) **Manner of determining the pricing and other commercial terms, both included as a part of the contract and not considered as a part of contract:** The buyer has agreed to purchase the Script at a price equivalent to the arm's length price or higher. The buyer and the Company are in process of negotiating and finalising the price at which the transaction shall be executed which shall be in interest of the stakeholders of the Company.  
  
The Company has obtained a valuation report from a Registered Valuer with respect to the 1% Non-cumulative redeemable preference shares (NCRPS) for the purpose of measuring the NCRPS at fair value through profit or loss (FVTPL) as per Ind AS 109 wherein the fair value per NCRPS was arrived at ₹ 10 each.
- (ix) **Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors:**  
  
Yes, all relevant factors have been considered.
- (x) **The percentage of listed entity's annual consolidated turnover, for the immediately**

preceding financial year, that is represented by value of the proposed transaction: Not more than 171% approx

- (xi) **Details about valuation or other external report, if any, relied upon:** The Company has obtained a valuation report dated 05 August, 2024 from Ms. Vidhi Chandak, independent registered valuer (registration no. IBBI/RV/06/2019/11186, having office at 8 Lake Range, Kolkata- 700026) with respect to the 1% Non-cumulative redeemable preference shares (NCRPS) for the purpose of measuring the NCRPS at fair value through profit or loss (FVTPL) as per Ind AS 109 wherein the fair value per NCRPS was arrived at ₹ 10 each.

The transaction is proposed to be executed at a value higher than the fair value of the Script. The buyer and the Company are in process of negotiating and finalising the price at which the transaction shall be executed which shall be in interest of the stakeholders of the Company.

- (xii) **Rationale/ benefit of the transactions with Related Party or the justification as to why the transactions with Related Party are in the interest of the Company:**

The proposed sale of Script shall result in the following benefits:

- a. **Attractive Sale Price** - The buyer is offering higher than the fair value per NCRPS as determined in accordance with Ind AS 109. This makes the buyer's offer a financially attractive proposition for our company.

- b. **Immediate Cash Inflow** - The sale will generate a huge cash inflow. This immediate liquidity boost can be used to strengthen our financial position by investing in core operations or supporting other strategic initiatives.

- c. **Buyer's investment objectives** - The buyer is trying to consolidate her investments in Non-cumulative redeemable preference shares (NCRPS) of Modern Hi-Rise Private Limited and is exploring legal options for enhancing the returns after consolidation of the said investments. Hence is willing to acquire the Script at a premium price.

- d. **Market Conditions** - The market for non-cumulative redeemable preference shares can often be illiquid, making it challenging to find buyers willing to pay a premium at a later stage. The offer from Ms. Sheela Devi Choudhary presents a unique opportunity to divest these shares at a favorable price in an otherwise limited market.

- (xiii) **Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity and / or its subsidiaries:** Not Applicable

- (xiv) **Any other information that may be relevant:** All important information forms part of this statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forms part of this Notice.

### ANNEXURE-I

Disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and and Clause 1.2.5 of SS-2 with respect to Directors seeking appointment / re-appointment at ensuing AGM is given hereunder:

<b>Name of Director</b>	<b>Mr. Anurag Choudhary</b>
<b>Designation/ Category of the Director</b>	Managing Director
<b>DIN</b>	00173934
<b>Date of Birth / Age</b>	03.08.1972 (51 years)
<b>Date of first appointment on the Board</b>	07.04.1994
<b>Qualifications</b>	B. Com (Hons)
<b>Experience (approx.)</b>	31 years
<b>Nature of Expertise and Brief resume.</b>	Mr. Anurag Choudhary has been associated with the Company since 1994. He is a Commerce graduate from the Calcutta University. Under his leadership the Company has achieved growth in its key products and expanded into new products and markets. He has a firm belief that true value stems from innovation.
<b>Terms and conditions of appointment or re-appointment</b>	In terms of applicable provisions of the Act, Mr. Anurag Choudhary who was appointed as Managing Director for a period of five years w.e.f 09 August 2022 at the AGM held on 30 September 2022, is liable to retire by rotation.
<b>Details of remuneration sought to be paid</b>	₹ 1/- per annum
<b>Remuneration last drawn</b>	NIL
<b>Number of Board Meetings attended during the financial year 2023-24</b>	5
<b>Relationship with other Directors &amp; KMP</b>	Mr. Amit Choudhary, Director- Brother
<b>Shareholding in the Company</b>	1,50,100
<b>Directorship in other Companies including listed entities</b>	<ul style="list-style-type: none"> <li>- AAT Techno Info Private Limited,</li> <li>- Himadri Speciality Chemical Limited,</li> <li>- Next Generation Condominiums Private Limited,</li> <li>- Perfect Hi-Rise Private Limited,</li> <li>- Peaklevel Infrastructure Private Limited,</li> <li>- Modern Hi-Rise Private Limited,</li> <li>- Sri Agro Himghar Limited,</li> <li>- Next Generation Traders Private Limited,</li> <li>- Himadri Birla Tyre Manufacturer Private Limited,</li> <li>- Birla Tyres Limited,</li> <li>- Himadri Green Technologies Innovation Limited,</li> <li>- Himadri Anoion Limited,</li> <li>- Himadri Clean Energy Limited,</li> <li>- Himadri Future Material Technology Limited,</li> <li>- Himadri Li Recycle Limited,</li> <li>- Invati Creations Private Limited,</li> </ul>

Names of listed entities in which the person also holds the directorship and Chairman/Member of the Committee of Board of other Companies (excluding foreign companies)	<b>Directorship of the Board:</b> Himadri Speciality Chemical Ltd.  <b>Membership of the committees of the Board:</b> Himadri Speciality Chemical Ltd.: Audit Committee, Risk Management Committee, ESG Committee, Share Transfer Committee, Finance & Management Committee, Strategy & Investment Committee, Commodity Committee, Share Issue & Allotment Committee and Project Committee
Listed entity from which resigned in the past 3 years	NIL

Place: Kolkata  
Date: 08 August 2024

By Order of the Board  
Sd/-  
Pintu Singh  
Company Secretary  
FCS: 10733

BOARD’S REPORT

Dear Shareholders,

Your Board of directors (“the Board”) take pleasure in presenting the Board’s Report as a part of the 29<sup>th</sup> Annual Report of your Company (“the Company” or “HCFL”), together with the Audited Financial Statements and the Auditors’ Report thereon for the financial year ended 31 March 2024.

1. STATE OF AFFAIRS OF THE COMPANY

The financial performance of the Company for the financial year ended 31 March 2024 as compared to the previous financial year are summarised as under:

	Amount in ₹ Lakhs	
Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Revenue from operations	234.73	211.45
Other Income	–	0.12
Total Income	234.73	211.57
Less: Total Expenditure	28.50	37.89
Profit before tax	206.23	173.68
Less: Tax Expenses		
- Current Tax	51.78	51.67
- Deferred Tax	(9.00)	(13.28)
- Income tax for earlier year	3.66	0.56
Profit after tax	159.79	134.73

2. YEAR IN RETROSPECT

The Company is involved in non- banking financial activities and during the year the Company earned a total revenue from operations of ₹ 234.73 lakhs for the year ended 31 March 2024 as against ₹211.45 lakhs for the year ended 31 March 2023 and profit after tax was ₹ 159.79 lakhs for the year ended 31 March 2024 as against profit of ₹134.73 lakhs for the year ended 31 March 2023. Your directors are optimistic for achieving better results by optimum utilisation of the available resources.

3. DIVIDEND

In order to conserve resources for future operations, no Dividend has been recommended by the Board for the financial year 2023-24.

4. SHARE CAPITAL

The paid up Equity Capital as on 31 March 2024 was ₹ 3,00,02,000/- consisting of 30,00,200 equity shares of ₹ 10/- each. During the financial year, there is no change in paid up capital of the Company. The Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity shares.

5. RESERVES

During the year, ₹ 31.96 lakhs was transferred to reserves u/s 45-IC of the Reserve Bank of India Act, 1934.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the financial year 2023-24, Mr. Santosh Kumar Agrawala, Director (DIN: 00364962) has resigned from Directorship of the Company with effect from 07 August 2023 due to his personal reason. The Board places on record its appreciation for the services and contributions made by him.

During the year, the Board upon recommendation of Nomination & Remuneration Committee has appointed Mr. Santimoy Dey (DIN: 06875452) as Additional Director in the capacity of Independent Director of the Company w.e.f. 08 August 2023 for a period of five years, subject to the approval of members. The members of the Company have approved the said appointment at the 28<sup>th</sup> Annual General Meeting (“AGM”) of the Company held on 19 September 2023, by passing Special Resolution.

During the financial year 2023-24, the constitution of the Board complies with the requirements of the Act and the SEBI Listing Regulations.



Further Mr. Koushik Ranjan Saha, Company Secretary & Chief Financial Officer has resigned from service of the Company with effect from 18 January 2024. The Board places on record his appreciation for the services and contributions made by Mr. Koushik during his tenure.

On the recommendation of the Audit Committee and Nomination & Remuneration Committee, the Board has appointed Mr. Pintu Singh, as Company Secretary & Chief Financial Officer (KMP) w.e.f 19 January 2024.

- **Re-classification of Promoter/Promoter Group**

The Board of Directors at its meeting held on 18 October 2022 had approved request from Mr. Bankey Lal Choudhary, Mr. Vijay Kumar Choudhary, Mr. Tushar Choudhary, Ms. Sushila Devi Choudhary, Ms. Saroj Devi Choudhary, Ms. Swaty Choudhary, Ms. Kanta Devi Choudhary, Damodar Prasad Choudhary & Others, Bankey Lal Choudhary & Others and Vijay Kumar Choudhary & Others ('Outgoing Promoters') for reclassification from 'Promoter/Promoter Group' to 'Public Category' in accordance with Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Thereafter, shareholders of the Company through Postal Ballot dated 16 December 2022 approved the reclassification. The application for reclassification is pending with Calcutta Stock Exchange.

- **Director retiring by rotation**

Mr. Anurag Choudhary (DIN: 00173934), Managing Director of the Company retires from the Board by rotation at the ensuing AGM of the Company and being eligible offers himself for re-appointment. In view of his considerable experience, the Board recommends the said re-appointment at the 29<sup>th</sup> AGM.

Further, the brief resume and other details relating to the Director seeking re-appointment, as stipulated under Regulation 36 of the Listing Regulations and Secretarial Standard 2, are provided in the Notice convening the 29<sup>th</sup> AGM.

None of the Directors of your Company is disqualified under the provisions of Section 164(2) of the Act. A certificate dated 20 May 2024 received from Mrs. Bandana Shah, Company Secretary in Practice (CP No. 27041) certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by Securities Exchange Board of India ("SEBI")/ Ministry of

Corporate Affairs or such statutory authority is annexed to the Corporate Governance Report.

Details pertaining to the remuneration of KMPs employed during the year is provided in the Annual Return. During the year under review, none of the Directors of the Company is disqualified as per the applicable provisions of the Act.

## 7. MEETINGS OF THE BOARD

The Board met 6 (Six) times during the financial year 2023-24. The composition of Board and Committees along with the dates of meetings of the Board and its Committees and attendance of each of the Directors thereat are provided separately in the Corporate Governance Report.

The maximum gap between two Board Meetings held during the year was not more than 120 days.

## 8. SEPARATE MEETING OF INDEPENDENT DIRECTORS

Schedule IV of the Act and Regulation 25(3) of the Listing Regulations mandates the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of non-independent directors and members of the management. During FY 2023-24, 1 (One) separate meeting of Independent Directors was held on 01 February 2024 without the presence of the non-independent directors and the members of the Management, inter alia, to review performance of Non-Independent Director & the Board as a whole to assess the quality, quantity and timelines of flow of information between the management of the Company and the Board.

## 9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Act and as per Schedule II Part C(A)(4)(a) of the Listing Regulations, the Board states the following for the year ended 31 March 2024—

- In the preparation of annual accounts for the year ended 31 March 2024, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- The Directors have selected such accounting policies and have 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 as at 31 March 2024 and of the profit & loss of the Company for the year under review;

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

#### 10. DECLARATION FROM INDEPENDENT DIRECTORS

During the financial year 2023-24, the Independent Directors of the Company have given necessary declarations regarding their independence to the Board as stipulated in Section 149(6) & 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) and 25(8) of the Listing Regulations.

In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Act with regard to integrity, expertise and experience (including the proficiency) of an Independent Director and are independent of the management.

#### 11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY & CHANGE IN THE NATURE OF BUSINESS

There were no material changes and commitments that occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

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

#### 12. NOMINATION & REMUNERATION POLICY

The Nomination and Remuneration Committee has framed a policy relating to the appointment, remuneration, independence and removal of Executive Directors, Independent Directors, Key Managerial Personnel and Other Senior

Management Personnel of the Company, in accordance with the provisions of Section 178 of the Act, and in terms of Regulation 19 read with Part D of Schedule II of the Listing Regulations. The Company's Policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters is available on Company's website at <http://himadricredit.in/>.

#### 13. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has duly established a vigil mechanism and formulated Vigil Mechanism / Whistle Blower Policy for its Directors and its employees as per the provision of Section 177(9) of the Act read with the Rule 7 of Companies (Meeting of the Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations. The Audit Committee of Directors of the Company have been authorised to oversee the compliance of the Vigil Mechanism / Whistle Blower Policy of the Company. The Whistle Blower Policy is available on the website of the Company i.e., <http://himadricredit.in/>.

#### 14. PUBLIC DEPOSIT

During the financial year 2023-24, the Company has not accepted any deposits from the public within the meaning of Section 73 and 74 of the Act, therefore the disclosure pursuant to Rule 8(5) (v) & (vi) of the Companies (Accounts) Rules, 2014, is not applicable to the Company.

#### 15. AUDITORS AND AUDITOR'S REPORT

##### • STATUTORY AUDITORS

M/s S Jaykishan, Chartered Accountants (FRN: 309005E), the Statutory Auditors of the Company were re-appointed at the 26<sup>th</sup> AGM held on 22 September 2021 for a second term of 5 (Five) years commencing from the conclusion of the 26<sup>th</sup> AGM till the conclusion of the 31<sup>st</sup> AGM of the Company to be held in the year 2026.

The Report given by the Statutory Auditors of the Company for the financial year 2023-24 is a part of the Annual Report and there is no qualification, reservation, adverse remark, or disclaimer given by the Auditors in their Report. The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act. However 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, the Statutory Auditor in their Audit Report for the financial year ended

31.03.2024 has given their views and comments that the Company has used accounting software for maintaining its books of account which did not have a feature of recording audit trail (edit log) facility.

The Management has taken adequate steps and installed required feature of recording audit trail (edit log) in the accounting software for maintaining its books of account.

#### • SECRETARIAL AUDITOR

Pursuant to provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board based on the recommendation of the Audit Committee has appointed Mr. Rajarshi Ghosh (CP No. 8921), Practicing Company Secretary, to conduct Secretarial Audit for financial year 2023-24. The Secretarial Audit Report, pursuant to Section 204(1) of the Act for the financial year ended 31 March 2024 is given in **Annexure I** attached hereto and forms part of this Report.

The Secretarial Audit report does not contain any qualification, reservation or adverse remark.

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2023-24 pursuant to Regulation 24A (2) of the Listing Regulations. The Annual Secretarial Compliance Report for the financial year ended 31 March 2024 has been submitted to the Stock Exchange and the said Report may be accessed on the Company's website i.e., <http://himadricredit.in/>.

#### 16. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on 31 March 2024 is available on the website of the Company at <http://himadricredit.in/>.

The annual return uploaded on the website is a draft in nature and the final annual return shall be uploaded at the same link on the website of the Company once the same is filed with Ministry of Corporate Affairs after the AGM.

#### 17. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company, being a non-banking finance Company registered with the Reserve Bank of India is exempted from complying with the provisions of Section 186 of the Act. The details of loans granted, and investments made during the year, covered in the notes to the financial statements of

the Company forming part of this Annual Report.

#### 18. PARTICULARS OF REMUNERATION OF MANAGERIAL PERSONNEL AND EMPLOYEES AND RELATED DISCLOSURE

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure II** enclosed hereto and forms part of this Report. In accordance with the provisions of the Section, the names and other particulars of employees rules form part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company, excluding the aforesaid information. Any Member, who is interested in obtaining these particulars, may write to the Company Secretary of the Company.

#### 19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There were no significant and material orders passed by any regulatory authority or courts or tribunals impacting the going concern status of the Company and its' operation in future.

During the year under review, no Corporate Insolvency Resolution application was made, or proceeding was initiated, by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application/proceeding by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on 31 March 2024.

#### 20. PARTICULARS OF CONTRACTS & ARRANGEMENTS WITH RELATED PARTIES

The related party transactions entered into by the Company during the financial year 2023-24 were in ordinary course of business and on arm's length basis. Further, there have been no materially significant related party transactions between the Company and the Directors, the management, or relatives except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC – 2 does not form part of the Report.

There have been no materially significant related party transactions entered into by the Company which may conflict with the interests of the Company at large.

The details of the transaction with related parties during FY 2023-24 are provided in the accompanying financial statements.

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board in terms of Regulation 23 of the Listing Regulations can be accessed on the Company's website i.e., <http://himadricredit.in/>

## 21. SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY

The Company does not have any subsidiary / joint venture / associate Company, therefore the requirement under sub-rule (1) of Rule 8 of Companies (Accounts) Rules, 2014 with regards to providing details on performance of the same is not applicable to the Company.

Further during FY 2023-24, no company has become or ceased to be subsidiary, joint venture or associate of the Company.

## 22. RISK MANAGEMENT POLICY

The Company has a Policy on Risk Management to identify various kinds of risks in the business of the Company. The Board review the Policy from time to time and take adequate steps to minimize the risk in the business. There are no such risks, which, in the opinion of the Board, threaten the existence of the Company. However, some of the risks which are inherent in the business and the type of industry in which it operates are elaborately described in the Management Discussion and Analysis forming part of the Annual Report.

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

Since the Company has not been engaged in any manufacturing activity, the information as required in terms of clause (m) of sub-section (3) of Section 134 of the Act read with the Companies (Accounts) Rules, 2014 is not applicable on the Company. The foreign exchange earnings and outgo remained Nil during the year under review.

## 24. INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT SYSTEM

The Board has duly implemented the internal financial control and risk management system in the Company to ensure efficient implementation of the Company's strategy and effective operations,

assure compliance with both internal instructions and laws and regulations, achieve appropriate financial reporting, and prevent fraud and other misconduct. The Internal Audit of the Company for the financial year 2023-24 was carried out by M/s Choudhary Rajesh Kumar & Co., Chartered Accountants. The Audit Committee regularly interacts with the Internal Auditors, the Statutory Auditors and Senior Management of the Company responsible for financial management and other affairs. The Audit Committee evaluates the internal control systems and checks & balances for continuous updation and improvements therein. The Audit Committee also regularly reviews and monitors the budgetary control system of the Company as well as the system for cost control, financial controls, accounting controls, etc. The Audit Committee regularly observes that proper internal financial controls are in place including with reference to financial statements. During the year, such controls were reviewed, and no reportable material weakness was observed.

## 25. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered under the provisions of Section 135 of the Act, therefore the requirement of clause (o) of sub-section (3) of Section 134 of the said Act is not applicable to the Company.

## 26. DEMATERIALISATION OF SHARES

There were 19,75,200 equity shares of the Company held by the shareholders in dematerialised form as on 31 March 2024, representing 65.84% of the total paid-up share capital of the Company consisting of 30,00,200 equity shares of ₹ 10/- each. The Company's equity shares are compulsorily required to be traded in dematerialized form, therefore, members are advised to expedite the process of converting the physical shareholding into dematerialised form through their Depository Participants (DPs).

## 27. E-VOTING FACILITY AT AGM

In terms of Regulation 44 of SEBI Listing Regulations and in compliance with the provisions of Section 108 of the Act read with Rule 20 and 21(1) (a) to (h) of the Companies (Management and Administration) Rules, 2014 (as amended), the items of business specified in the Notice convening the 29<sup>th</sup> AGM of the Company shall be transacted through electronic voting system and for this purpose the Company is providing e-Voting facility to its' members whose names will appear in the register of members as on the cut-off date (fixed for the purpose), for exercising their right to vote by electronic means through the e-Voting



platform to be provided by National Securities Depository Limited (NSDL). The detailed process and guidelines for e-voting has been provided in the notice convening the meeting.

## **28. POLICY ON PREVENTION OF SEXUAL HARASSMENT**

The Company values the integrity and dignity of its employees. The Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). We affirm that adequate access has been provided to any complainants who wish to register a complaint under the policy. No complaint was received during the year.

## **29. MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to the Regulation 34 read with Part B of Schedule V of the Listing Regulations, the Management Discussion and Analysis Report forms part of this Report and is marked as **Annexure III**.

## **30. CORPORATE GOVERNANCE**

In terms of the provisions of Regulation 34(3) of the Listing Regulations, the Corporate Governance Report together with a certificate from Mr. Rajarshi Ghosh (CP No. 8921), Practicing Company Secretary confirming compliance, is annexed herewith and marked as **Annexure IV** forming part of this Report.

## **31. LISTING ON STOCK EXCHANGE**

The Company's equity shares are listed at The Calcutta Stock Exchange Limited. The Company has paid the annual listing fees to the Stock Exchange.

## **32. ANNUAL EVALUATION OF THE PERFORMANCE**

Pursuant to the provisions of the Act and the Listing Regulations, the Independent Directors at their meeting have evaluated the performance of Non-Independent Directors after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board.

Further, the Board, upon recommendation of the Nomination and Remuneration Committee and as per the criteria and manner provided for the annual

evaluation of each member of the Board and its Committees, has evaluated the performance of the entire Board, its Committees and individual directors. During the financial year 2023-24, all the members of the Board and its Committees met the criteria of performance evaluation as set out by the Nomination and Remuneration Committee.

## **33. MAINTENANCE OF COST RECORDS**

The Company is a non-banking finance Company and maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act, is not applicable on the Company.

## **34. COMPLIANCE OF SECRETARIAL STANDARDS**

The Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India during the financial year.

## **35. GREEN INITIATIVES & ACKNOWLEDGEMENT**

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to Members at their e-mail address registered with the Depository Participants ("DPs") and RTAs. To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent ("RTAs")/Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

Pursuant to the MCA Circular No. 09/2023 dated 25 September 2023 and SEBI Circular dated 07 October 2023, the Annual Report of the Company for the financial year ended 31 March 2024 including therein the Audited Financial Statements for the financial year 2023-24, are being sent only by email to the Members.

The Directors would like to place on record their appreciation for the co-operation received from its Shareholders, Bankers and all other stakeholders including departments of State Government and Central Government.

**For and on behalf of the Board**

Sd/-  
**Anurag Choudhary**  
Managing Director  
(DIN: 00173934)

Sd/-  
**Amit Choudhary**  
Director  
(DIN: 00152358)

Place: Kolkata  
Date: 24 May 2024



Annexure I of the Board's Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

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

To  
The Members  
**HIMADRI CREDIT & FINANCE LTD**  
23A, Netaji Subhas Road, 8<sup>th</sup> Floor  
Kolkata – 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HIMADRI CREDIT & FINANCE LTD (CIN: L65921WB1994PLC062875)** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

The Management along with the Board of Directors are responsible for ensuring that the Company complies with the provisions of all applicable laws and maintains the required statutory records and documents in the prescribed manner.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended on 31 March, 2024 (“the Audit Period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2024, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) 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;
- v) The following Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 (“SEBI Act”) or by SEBI, to the extent applicable:
  - a) The Securities & Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - b) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - c) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - d) The Securities & Exchange Board of India (Buy-back of Securities) Regulations, 2018;
  - e) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - f) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - g) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - h) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi) All other statutes and laws as may be applicable specifically to the Company namely:
  - a) All the Rules, Regulations, Directions, Guidelines and Circulars issued by the Reserve Bank of India applicable to Non-Deposit Accepting Non-Banking Financial Companies which are specifically applicable to the Company.
  - b) Credit Information Companies (Regulation) Act, 2005 and Rules.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

#### **I further report that**

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors.
- b) 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.
- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

I further report that during the Audit Period, the Company has not undertaken any specific event / action that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc., except as follows:

- I. The following special resolution was passed for:
  - i) Mr. Santimoy Dey (DIN: 06875452) was appointed as an Independent Director by the members of the Company for the period of 5 (five) consecutive years at the 28<sup>th</sup> Annual General Meeting of the Company held on Tuesday, the 19<sup>th</sup> September, 2023.

This report is to be read with my letter of even date which is annexed as **Annexure - I** which forms an integral part of this report.

Sd/-  
Rajarshi Ghosh  
FCS 12595  
CP No. 8921

**Place: Kolkata**

**Date: 23 May 2024**

**UDIN: F012595F000430023**

Annexure- I

To  
The Members,  
**HIMADRI CREDIT & FINANCE LTD**  
23A, Netaji Subhas Road, 8th Floor  
Kolkata – 700 001

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

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

- 4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-  
**Rajarshi Ghosh**  
**FCS 12595**  
**CP No. 8921**

**Place: Kolkata**  
**Date: 23 May 2024**

**UDIN: F012595F000430023**

**Annexure II of the Board's Report**

**Details pursuant to Section 197(12) of the act read with Rule 5(1) of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014**

Sl. No.	Requirements of Rule 5	Compliance															
1	The ratio of remuneration of each Director to median remuneration of employees of the Company for the financial year 2023-24:	NIL*															
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2023-24:																
	<table> <tr> <th>Name</th><th>Designation</th><th>% increase in remuneration</th></tr> <tr> <td>Mr. Anurag Choudhary</td><td>Managing Director</td><td>–</td></tr> <tr> <td>Mr. Amit Choudhary</td><td>Non-Executive Director</td><td>–</td></tr> <tr> <td colspan="2">Independent Director (Sitting Fees)</td><td></td></tr> <tr> <td>Ms. Sucharita Basu De</td><td>Independent Director</td><td>–</td></tr> </table>	Name	Designation	% increase in remuneration	Mr. Anurag Choudhary	Managing Director	–	Mr. Amit Choudhary	Non-Executive Director	–	Independent Director (Sitting Fees)			Ms. Sucharita Basu De	Independent Director	–	
Name	Designation	% increase in remuneration															
Mr. Anurag Choudhary	Managing Director	–															
Mr. Amit Choudhary	Non-Executive Director	–															
Independent Director (Sitting Fees)																	
Ms. Sucharita Basu De	Independent Director	–															
	<b>Note:</b> (i) Mr. Santosh Kumar Agrawala (DIN: 00364962), Independent Director has resigned from the Board of Directors of the Company w.e.f. 07 August 2023, hence his remuneration was not considered for above. (ii) Mr. Santimoy Dey was appointed w.e.f. 08 August 2023, hence his remuneration was not considered for above. (iii) Mr. Koushik Ranjan Saha, the Company Secretary & Chief Financial Officer has resigned w.e.f. 18 January 2024, hence his remuneration was not considered for above. (iv) Mr. Pintu Singh, the Company Secretary & Chief Financial Officer has been appointed w.e.f. 19 January 2024, hence his remuneration was not considered for above.																
3	The percentage increase in the median remuneration of employees in the financial year 2023-24:	13%															
4	The number of permanent employees on the rolls of the Company as on 31 March 2024:	4															
5	Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	Average percentage increase made in the salaries of employees other than the managerial personnel in FY 2023-24 was 13%.															
6	Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:	The above remuneration details are as per the Nomination and Remuneration Policy of the Company.															

**Note:** The Independent Directors of the Company are entitled to sitting fees as per the terms approved by the Members of the Company. The criteria of making payments to the Independent Directors and details of remuneration paid to them have been provided in the Corporate Governance Report.

\* No remuneration is paid to any of the Directors of the Company during the financial year 2023-24.

**For and on behalf of the Board**

Place: Kolkata  
Date: 24 May 2024

Sd/-  
Anurag Choudhary  
Managing Director  
(DIN: 00173934)

Sd/-  
Amit Choudhary  
Director  
(DIN: 00152358)

## Annexure III of the Board's Report

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### (a) Industry Structure and Development

The Indian economy has witnessed profound positive transformation in the last ten years. The Indian economy has showed resilience and strong growth across sectors and continues to be among the fastest growing economies in the world. The accelerated pace of economic reforms and strong domestic consumption have led to higher and sustainable growth of the Indian economy and strengthened its position in the world. The geopolitical tensions, supply chain disruptions, high inflation, and tighter monetary conditions were some of the challenges for the economic recovery.

NBFCs has always been an important component of the financial sector and has seen higher credit growth over the past few years. The NBFC sector in India is expected to grow due to several factors like government's commitment to financial inclusion, sector's digital transformation, regulatory changes that aim to ensure the sector's stability and prevent excessive risk-taking and also due to impressive growth projections. With strategic moves by industry leaders, the market is set to expand further. NBFCs are leveraging their superior understanding of regional dynamics and customized products and services to expedite financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Systemically Important NBFCs have demonstrated agility, innovation, and frugality to provide formal financial services to millions of Indians.

#### (b) Economy Overview

The global economy is currently experiencing a period of slower growth as it gradually recovers from the substantial challenges posed by the Covid-19 pandemic and the Russia-Ukraine conflict. Additionally, central banks across the world are implementing measures to tighten monetary policy in order to address inflation and bring it closer to target levels. According to the International Monetary Fund (IMF), global growth is projected to accelerate from 2.8% in CY2023 to 3.1% in CY2024. Inflation rates are expected to ease, albeit at a slower pace than initially anticipated, declining from 7.0% in CY2023 to 5.9% in CY2024, and further to 4.5% in CY2025. It is important to note that a fragmented and polarised world is unlikely to foster overall progress or effectively address global challenges like climate change and pandemic preparedness.

In the post pandemic period, Indian economy has demonstrated remarkable resilience and achieved significant progress, despite facing challenges such as inflation, supply chain disruptions, and geopolitical tensions. This resulted in a robust recovery in economic

activity, particularly in private sector consumption, and increased government focus on infrastructure development. Despite global challenges and tighter domestic monetary policy, India's growth momentum remained steady. Thus showcasing the underlying strength of the country's economy in recovering and revitalising growth drivers. As per International Monetary Fund (IMF), India was among the fastest-growing major economies in CY 2023. India's GDP grew 8.2% during FY 2023-24, slightly above the National Statistical Organization (NSO)'s forecast of 7.6%. This growth was primarily propelled by a rebound in private consumption along with high capital spending on infrastructure by the Government. A crucial factor behind India's economic growth has been the sustained momentum in export expansion during the first half of FY24. This growth has resulted in an increased share of India's merchandise exports in the global market. As export growth slowed down, a resurgence in domestic consumption gained momentum, further fuelling India's economic growth. Consequently, domestic capacity utilisation has also risen. The capital expenditure (capex) of the central government played a significant role in driving the Indian economy during FY24. Currently, India is on the verge of three-pronged growth drivers – increased Government capex especially on infrastructure, growth in private sector investments as they experience near full capacity utilisation and increased credit financing as the healthy balance sheets will allow banks to lend more. All this will auger well for the Micro, Small and Medium Enterprises.

#### (c) Outlook

Despite a softer growth, the Indian economy remains one of the fastest growing economies in the world. The effects of external shocks such as rising global volatility, largely from financial volatility, externs from trade disputes, and investment rerouting was contained in part by India's strong macroeconomic fundamentals. The policy changes including amendments to the policy related to insolvency and bankruptcy, bank recapitalization, and foreign direct investment further helped in coping with the de-growth. The growth trajectory is expected to resume with public policy support and private participation. Reform measures have been made by RBI to ease out liquidity in the markets and to encourage credit inflows via NBFC, HFC, MFIs.

Himadri Credit & Finance Limited being an investment and lending Company seeks opportunities in the capital market. While interest rate were steady in 2023-34, the same are expected to decline in the FY 2024-25. The volatility in stock indices represents both an opportunity



and challenge for the Company. We continue to see significant volatility in the market and will use periods of weakness as investment opportunities for long term.

#### **(d) Opportunities and Threats**

##### **Opportunities:**

Business Opportunities for NBFCs are enormous. As the new areas and segments are being explored, there is a large scope of small size NBFCs like ours, for certain segment of customers, which remain unserved by Banks and large size NBFCs.

India remains one of the fastest growing economies with enhanced credit consumption spend and ever-increasing awareness of digital credit availability. With youth, even mid-aged individuals have become tech-savvy and have started accepting the use of credit. Consumer and MSME financing is growing at a pacy rate and so is the opportunity to tap in their requirements. Pre-owned cars, digital personal loans, loan against property and business loans opens more diversification opportunities. Technology as seen since history is ever evolving and fast paced and so are the ideas in this age. Partnering with fin-techs, adoption of newer technology will always remain clinical for our organization.

##### **Threats:**

Due to the global economic conditions, inflation has managed to surge above normal levels. Most of the economists expected a 50bps increase in the repo rate from 6.5% at the start of Q1FY25 but the RBI kept it unchanged and may raise it from 50 bps to 75 bps in the coming quarters. In the short term, this may result in higher borrowing costs and slower credit growth.

The appropriate supervision and regulation of NBFC sector is a prerequisite for India's overall financial development. Non-bank lenders' regulatory structure has been changing over time to ensure prudent supervision and regulation. However, unexpected regulatory changes and restrictions, may increase compliance costs and adversely impact the way current products or services are produced or delivered.

The major threat being faced by finance companies are regulatory changes, interest rates hiked by RBI, high inflation etc. The Company is also facing stiff competition from banks / financial institutions due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. Higher cost of funds might lead to reduced bottom line for the Company. Also, a lesser interest spread, or higher cost of lending might lead to customers turning away to cheaper source of funds. Asset quality deterioration may not only wipe the profits out of the Company but eat into its net worth. The Company must ensure it maintains minimal delinquency levels.

The NBFC industry has opened upto many new age fin-techs and startups that have innovative and quickly scalable products. A shift from traditional bank credit to NBFCs open space for new entrants which can mop up a decent market share.

NBFCs rely on external funding to fulfill the financing needs of their customers. A liquidity crunch arising from reduced loan recovery, external funding or other unforeseen events could adversely impact the loan disbursement cycle of the NBFCs leading to subdued performance.

Rising tensions between advanced economies can give rise to political and economic instability and can result in financial fragmentation. This causes commodity prices to rise, eventually driving up inflation and interest rates.

#### **(e) Segment-wise performance**

The Company is into single reportable segment only.

#### **(f) Risks and Concerns**

The very nature of the Company's business makes it subject to various kinds of risks. As an NBFC, the Company is exposed to credit, liquidity, market and interest rate risk. Capital market activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market.

The Company has a strong Risk Management System for identification, monitoring, mitigation and reporting of the risks associated with its operations. The Company has an established practice of compliance reporting covering all operations and support functions; compliance reporting is periodically reviewed to ensure comprehensive coverage.

#### **(g) Internal Control System & their Adequacy**

The Audit Committee of the Board of Directors of the Company closely monitors the adequacy of the Internal Financial Control system in close co-ordination and support of the in-house Internal Audit Team who periodically submits its findings on the efficacy and adequacy of their internal control system, its compliance with the company's operating system and Accounting Standards and policies. Based on the report of the in-house Audit Team, their findings and submissions of the Audit Committee have elaborate discussions and do make recommendations to the senior management to undertake corrective measures wherever necessary to strengthen the control of the Company. The subject process of the Internal Financial Control is a continuous one and in due compliance with the provisions of the Companies Act, 2013. During the FY 2023-24 there had been no reportable weakness in the design or operation as observed.

**(h) Governance requirements**

The Compliance Officer ensures compliance with the SEBI Listing Regulations and provisions of the Companies Act, 2013. All NBFCs were required to comply with governance requirements, such as the Fair Practices Code (FPC).

**(i) Discussion on financial performance with respect to Operational performance**

The brief on Financial Performance of the Company is already provided in the Boards’ Report of the Company.

**(j) Material developments in Human Resources / Industrial Relations front, including number of people employed:**

Regular communication with the employees through different forms and frequencies of connects and tried to ensure that the employees were able to focus on their core jobs. A robust Reward & Recognition framework ensured that the performing talent was recognised. Number of employees employed as on March 31, 2024 stood at 4.

**(k) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios:**

There is no such changes.

**(l) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:**

The same is provided in Financial Statements forming part of Annual Report.

**(m) Acknowledgement**

Your directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts, dedication and loyalty to the Company which has helped the Company maintain its growth. The Directors also wish to place on record their appreciation for the support extended by the Reserve Bank of India, other regulatory and government bodies, Company’s auditors, customers, bankers, promoters and shareholders.

**CAUTIONARY STATEMENT**

The investors are hereby informed that statements in Board’s Report and Management Discussion and Analysis describing the objectives, projections, estimates, and expectations of the Company which may be of forward looking statement, within the meaning of applicable securities laws and regulations. The actual results could differ materially from those expressed or implied. The factors that could affect the Company’s performance are the economic and other factors that affect the demand – supply balance in the domestic market as well as in the international markets, changes in government regulations, tax laws and other statutes and host of other incidental implications. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Place: Kolkata  
Date: 24 May 2024

For and on behalf of the Board	
Sd/-	Sd/-
Anurag Choudhary	Amit Choudhary
Managing Director	Director
(DIN: 00173934)	(DIN: 00152358)

## Annexure IV of the Board's Report

## Corporate Governance Report

In accordance with Regulation 34(3) read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') the details of compliance by the Company with the norms on Corporate Governance are as under:

### 1. Company's philosophy on Code of Governance

Corporate Governance refers to, but not limited to, a set of laws, regulations and good practices and systems that enable an organisation to perform efficiently and ethically to generate long-term wealth and create value for all its stakeholders. Sound governance practices and responsible corporate behavior contribute to superior long-term performance of an organisation. Corporate Governance is the creation and enhancement of long-term sustainable value for our stakeholders through ethically driven business processes.

Strong leadership and effective Corporate Governance practices have been the Company's hallmark inherited from HCFL's culture and ethos. The Company has a strong legacy of fair, transparent and ethical governance practices.

Corporate Governance requires everyone to raise their level of competency and capability to meet the expectations in managing the enterprise and its resources optimally with prudent ethical standards. The Company recognises that good Corporate Governance is a continuous exercise. Adherence to transparency, accountability, fairness, and ethical standards are an integral part of the Company's function. The Company's structure, business dealings, administration and disclosure practices are aligned to a good Corporate Governance philosophy. The Company has an adequate system of control in place to ensure that the executive decisions taken should result in optimum growth and development, which benefits all the stakeholders. The Company also aims to increase and sustain its corporate values through growth and innovation.

We ensure that we evolve and follow not just the stated Corporate Governance guidelines, but also global best practices. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The Company conforms to the requirements of the Corporate Governance as stipulated in Part C of the Schedule V of the Listing Regulations that are implemented in a manner so as to achieve the objectives of the principles stated in the clause with respect to rights of shareholders, role of stakeholders in Corporate Governance, Disclosure and Transparency, responsibilities of the Board and other responsibilities prescribed under these regulations.

A Management Discussion and Analysis Report has been given as a separate Section forming part of the Annual Report.

### 2. Board of Directors ("Board")

The Company recognizes the importance of a diverse board in its success. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities, and duties. Listing Regulations mandate that the Board of Directors of a listed company shall have an optimum combination of executive and non-executive directors with an least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors and for a company with a non-executive chairman, at least one-third of the Board should comprise of independent directors and where the listed company does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of independent directors and where the regular non-executive chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of board of director or at one level below the board of directors, at least half of the board of directors of the listed entity shall consist of independent directors. The Board is at the core of our Corporate Governance practice and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders.

We believe that an active, well - informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

#### a) Composition of the Board

The Company has a balanced mix of Executive, Non-Executive and Independent Directors in accordance with Listing Regulations. As on 31 March 2024, the

Board consisted of 4 (Four) Directors, out of which 1 (One) Director was Executive, 1 (One) was Non-Executive and 2 (Two) were Independent Directors including 1 (One) Independent Woman Director.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 (hereinafter referred to as "Act") and Regulation 17 of Listing Regulations.

Further, in the opinion of the Board, the Independent Directors of the Company satisfy the criteria/conditions of independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and they have also registered themselves in the data bank of Independent Directors and renewed their registrations as required under Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014. The Independent Directors of the Company have complied with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 by passing online proficiency self-assessment test or exempted therefrom as per the Rule. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or affect their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

During the financial year 2023-24, Mr. Santosh Kumar Agrawala, Director (DIN: 00364962) has resigned from Directorship of the Company with effect from 07 August 2023 due to personal and health reason. The

Board places on record its appreciation for the services and contributions made by him.

During the year, the Board upon recommendation of Nomination & Remuneration Committee has appointed Mr. Santimoy Dey (DIN: 06875452) as Additional Director in the capacity of Independent Director of the Company w.e.f. 08 August 2023 for a period of five years, subject to the approval of members. The members of the Company have approved the said appointment at the 28<sup>th</sup> Annual General Meeting ("AGM") of the Company held on 19 September 2023, by passing Special Resolution.

In compliance with Regulation 17A of the Listing Regulations, none of the Directors including Independent Directors on the Board hold directorship in more than 7 (Seven) listed entities and the Executive Director is not an Independent Director in any listed company. None of the Directors on the Board is a member of more than 10 (Ten) Committees or act as chairperson of more than 5 (Five) Committees across all the companies in which he/she is a director, in compliance with Regulation 26(1) of the Listing Regulations. For the purpose of determination of limit of chairpersonship and membership, the Audit Committee and the Stakeholders' Relationship Committee alone have been considered.

All the Directors possess requisite qualifications and experience in general corporate management, risk management, finance, marketing, legal and other allied fields, which enable them to contribute effectively to your Company by providing valuable guidance and expert advice to the Management and enhance the quality of Board's decision-making process. Detailed profiles of the Directors are available on the Company's website at <https://himadricredit.in/>.

#### b) Disclosure of Relationships between Directors inter-se

Sl. No.	Name of Director	Category	Relationship between Directors inter-se*
1	Mr. Anurag Choudhary	Promoter, Managing Director	Brother of Mr. Amit Choudhary
2	Mr. Amit Choudhary	Promoter, Non-Executive Director	Brother of Mr. Anurag Choudhary
3	Mr. Santimoy Dey	Independent Director	NA
4	Ms. Sucharita Basu De	Independent Director	NA

\*Relative as per Section 2(77) of the Act.

Apart from the relations mentioned hereinabove, there is no inter-se relation among the Directors of the Company.

**c) Board procedure and access to information**

The Board is responsible for the management of the business of the Company and meets regularly to discharge its role and functions.

The Board of the Company reviews all information provided periodically for discussion and consideration at its meetings as provided under the Act (including any amendment and re-enactment thereof) and Listing Regulations inter alia the agendas mentioned in Part A of Schedule II of Listing Regulations.

Detailed agenda, setting out the business to be transacted at the meeting(s) is circulated to the Directors well in advance as stipulated under the Act and Secretarial Standard – 1 ("SS-1"). All material information is incorporated in the detailed agenda for facilitating meaningful and focused discussion at the meetings. Where it is not practicable to enclose any document to the agenda, the same are placed before the meeting. Additional item(s) on the agenda, if required, can be discussed at the meeting.

Board makes timely strategic decisions, to ensure operations are in line with strategy to ensure the integrity of financial information and the robustness of financial and other controls to oversee the management of risk and review the effectiveness of risk management processes and to ensure that the right people are in place and coming through. Independent Directors are expected to provide an effective monitoring role and to provide help and advice as a sounding Board for the Executive Director. All this is in the long-term interest of the Company and should be based on the optimum level of information, through smooth processes, by people with the right skills mixed and in a constructive manner. The Independent Directors play an important role in deliberations at the Board and Committee meetings and bring to the Company their expertise in the fields of business, commerce, finance, and management.

The Board meets at least once in a quarter to approve the quarterly results and other items on the agenda. Additional meetings are held, as and when necessary. The meetings of the Board are generally convened at the Company's Corporate Office at Kolkata. In case of urgency or when the Board meeting is not practicable to be held, the matters are resolved through circulation, which is then noted by the Board in its next meeting.

Options of attending the meeting(s) and the facility to participate in meeting(s) through video conferencing (VC) or by other audio-visual means (OAVM) is provided to Directors in every Board Meeting and Committee Meeting to the extent permissible.

The minutes of the Board Meetings are circulated in advance as per the requirement of SS-1 to all the

Directors and confirmed at subsequent meeting.

**d) Meetings of the Board of Directors**

During the financial year 2023-24, the Board met 6 (Six) times, i.e., on 26 May 2023, 10 August 2023, 10 November 2023, 19 January 2024, 01 February 2024 and 22 March 2024. The maximum gap between two Board meetings held during the year was not more than 120 days.

**e) Separate Meeting of Independent Directors**

Schedule IV of the Act and Regulation 25(3) of the Listing Regulations mandates the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of the management. During the financial year 2023-24, 1 (One) separate meeting of Independent Directors was held on 01 February 2024 without the presence of the Non-Independent Directors and the members of the Management. The Independent Directors discussed on the matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole (considering the views of the Executive Directors), assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board, so that the Board can effectively and reasonably perform its duties.

**f) Performance Evaluation**

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual evaluation of its own performance of individual Directors and that of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance and the evaluation was done based upon the responses received from the Directors.

The entire Board (excluding the director being evaluated) carried out the performance evaluation of the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

The details of composition of the Board along with the attendance record of the Directors at the Board Meetings held during financial year 2023-24 and at the last Annual General Meeting (AGM), the number of Directorships, Committee Chairmanships and Memberships held by them in other Public Companies, the names of the listed entities, where the Director is a director and the category of directorship and number of shares held by Directors are given herein below:



Sl. No.	Name	Category	No. of shares held	Attendance			Directorship in Public Companies*	No. of Committee position held in all companies#	
				Board Meetings held	Board Meetings	Last AGM		As Member	As Chairman
1	Mr. Anurag Choudhary	Promoter, Managing Director	1,50,100	6	5	No	9	3	–
2	Mr. Amit Choudhary	Promoter, Non-Executive Director	70,100	6	6	Yes	10	1	–
3	Mr. Santosh Kumar Agrawala <sup>1</sup>	Independent Director	–	1	1	NA	–	–	–
4	Mr. Santimoy Dey <sup>2</sup>	Independent Director	–	5	4	Yes	3	4	3
5	Ms. Sucharita Basu De	Independent Director	–	6	5	No	2	2	–

The Directorships/Committee Memberships are based on the latest disclosures received by the Company.

<sup>1</sup>Mr. Santosh Kumar Agrawala (DIN: 00364962) resigned from Directorship of the Company w.e.f 07 August 2023.

<sup>2</sup>Mr. Santimoy Dey (DIN: 06875452) has been appointed as Independent Director of the Company w.e.f 08 August 2023.

\*Directorship in Public Companies includes listed as well as reporting entity.

#Pursuant to Regulation 26 of the Listing Regulations, Memberships and Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (including Himadri Credit & Finance Ltd) have been considered.

The number of Directorships, Committee Membership(s)/Chairmanship(s) of all Directors is within the limits as prescribed under the Act and the Listing Regulations.

The details of the Board of Directors holding Directorship in other listed companies along with the category of directorship as on 31 March 2024 are given herein below:

Sl. No.	Director's name	Name of other listed entities holding directorship	Category/Designation
1	Mr. Anurag Choudhary	Himadri Speciality Chemical Limited	Promoter, Chairman cum Managing Director & Chief Executive Officer
2	Mr. Amit Choudhary	Himadri Speciality Chemical Limited	Promoter, Executive Director
3	Ms. Sucharita Basu De	Tarsons Products Limited	Independent Director
4	Mr. Santimoy Dey	Himadri Speciality Chemical Limited	Independent Director

#### g) Formal Letter of Appointment to the Independent Directors

One Independent Directors was appointed during the financial year 2023-24. The Company has issued appointment letters as per provisions of Schedule IV of the Act to the Independent Directors on their re-appointment containing the detailed terms and conditions of their re-appointment, role, duties and liabilities, evaluation process, code of conduct, etc. The letter of appointment/ re-appointment issued to the Independent Directors has been posted on the Company's website at <https://himadricredit.in/>.

## **h) Familiarisation Programme for Independent Directors**

Pursuant to Regulation 25(7) of the Listing Regulations, during the financial year 2023-24, the Company imparted Familiarization Programme to Independent Directors to familiarize them about their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, review of investments of the Company, business model of the Company, Prohibition of Insider Trading Regulations, Listing Regulations, etc. The details of the familiarisation programme are available on the website of the Company at <https://himadricredit.in/>.

Further, in the opinion of the Board, all the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the management.

### **i) Codes and Policies**

The Board has adopted all applicable codes and policies as per the requirement of the Act, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Listing Regulations. The requisite codes and policies are posted on the Company's website at <https://himadricredit.in/>.

### **j) Code of Conduct for all Directors and Senior Management Personnel**

Regulation 17(5) of the Listing Regulations requires every listed company to have a Code of Conduct for its directors and senior management. Further, Schedule IV of the Act requires the appointment of the Independent Director to be formalised through a letter of appointment, which shall set out the Code for Business Ethics that the Company expects its Directors and Senior Management to follow. The said Schedule also requires the Independent Directors to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

In terms of the above, there exists a Code of Conduct for all the Board Members and Senior Management of the Company. The Board of Directors has laid down a separate Code for the Independent Directors of the Company. The aforesaid Codes are available on the Company's website at <https://himadricredit.in/>. All Directors and Senior Management Personnel of

the Company as on 31 March 2024, has individually affirmed compliance with the said Codes in terms of Regulation 26 of the Listing Regulations. A declaration signed by the Managing Director to this effect is enclosed at the end of this Report as **Annexure I**. The Code of Conduct for the Independent Directors is in line with the provisions of Section 149(8) and Schedule IV of the Act and contains brief guidance for professional conduct by the Independent Directors.

- **Code of Conduct to regulate, monitor and report trading by Designated Persons, and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company have formulated the Code of Conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with these Regulations and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to ensure timely and adequate disclosure of price sensitive information to the Stock Exchange(s) by the Company to enable the investor community to take informed investment decisions with regard to the Company's securities.

### **k) Brief Note on the Director seeking re-appointment at the 29<sup>th</sup> AGM**

As required under Regulation 36(3) of the Listing Regulations, the Company has furnished information relating to the Director retiring by rotation and seeking re-appointment in the Notice convening the 29<sup>th</sup> AGM. Shareholders may kindly refer to the same. The names of the companies in which the Director hold directorships and the details of membership of committees of the Board are given separately in the Notice convening the 29<sup>th</sup> AGM.

### **l) List of core skills/expertise/competencies identified by the Board of Directors**

The Board at its meeting held on 01 February 2024 has identified the below mentioned core skills/expertise/competencies as required by the Company in the context of its business and sector for it to function effectively and those actually available with Board.

Sl. No.	Skills / Expertise / Competencies required by the Board of Directors	
1	<b>Understanding of Business/Industry</b>	Experience and knowledge of the area of operation and associated businesses.
2	<b>Strategy and strategic planning</b>	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.
3	<b>Critical and innovative thoughts</b>	The ability to critically analyse the information and develop innovative approaches and solutions to the problems.
4	<b>Financial understanding</b>	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.
5	<b>Market understanding</b>	Understanding of Market.
6	<b>Risk and compliance oversight</b>	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, monitor risk and compliance management frameworks.

The table below expresses the specific areas of focus or expertise of individual Board members

Name of director	Understanding of Business/ Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial understanding	Market understanding	Risk and compliance oversight
Mr. Anurag Choudhary	√	√	√	√	√	√
Mr. Amit Choudhary	√	√	√	√	√	√
Mr. Santimoy Dey	√			√		√
Ms. Sucharita Basu De	√	√	√	√	√	√

#### m) Committees of Board

The Board has constituted various committees as mandated under Chapter IV of the Listing Regulations to function in specific areas and to take informed decisions within delegated powers. Each Committee exercises its functions within the scope and area as defined in its constitution guidelines. The Company Secretary acts as the Secretary to all the Committees of the Board. These Committees are constituted in conformity of the Listing Regulations and the Act and are mentioned as follows:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee.

#### n) Other Board Committee

The Board in addition to the mandatory Committees under Chapter IV of the Listing Regulations has also constituted Risk Management Committee and Finance & Management Committee.

### 3. AUDIT COMMITTEE

#### a) Composition

The Company has an Audit Committee pursuant to Section 177 of the Act and Regulation 18 of the Listing Regulations comprising of 3 (Three) Directors as members including 2 (two) Independent Directors and 1 (One) Executive Director. Mr. Santimoy Dey, the Chairman of the Committee is an Independent Director with over a decade of rich experience in the field of finance and accounts. All the members of the Audit Committee are financially literate with majority having accounting or related financial management expertise. The Company Secretary acts as the Secretary to the Audit Committee.

The Committee met 5 (Five) times during the year i.e., on 26 May 2023, 10 August 2023, 10 November 2023, 19 January 2024 and 01 February 2024 to review the financial statements prior to their placement before the Auditors and the Board for their consideration.

The Committee reviewed the results of operations, statement of Related Party Transactions (as defined by the Audit Committee) submitted by management.

The composition of Audit Committee and details of meetings attended by each of the member are given below:

Sl. No.	Names of the members	Category	No of meetings held	No of meetings attended
1	Mr. Santimoy Dey (From 08 August, 2023)	Chairman, Independent Director	4	4
2	Mr. Santosh Kumar Agrawala (Upto 07 August, 2023)	Chairman, Independent Director	1	1
3	Ms. Sucharita Basu De	Member, Independent Director	5	5
4	Mr. Anurag Choudhary	Member, Managing Director	5	4

**Note:** The Audit Committee has been reconstituted w.e.f. 10 August 2023 by appointment of Mr. Santimoy Dey, Independent Director, as a member of the Committee in place of Mr. Santosh Kumar Agrawala.

#### b) Terms of Reference

The present terms of reference of the Audit Committee are aligned as per the provisions of Section 177 of the Act and include the roles as laid out in Part C of Schedule II of the Listing Regulations. The brief description of the terms of reference of the Audit Committee are in conformity with the Act and the Listing Regulations and the same are as follows:

- (i) 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;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- a) 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 Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) Modified opinion(s) in the draft audit report;
- (v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - (vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - (viii) Approval or any subsequent modification of transactions of the Company with related parties;
  - (ix) Scrutiny of inter-corporate loans and investments;
  - (x) Valuation of undertakings or assets of the Company, wherever it is necessary;
  - (xi) Evaluation of internal financial controls and risk management systems;
  - (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - (xiii) 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;

- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the 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;
- (xvi) 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;
- (xvii) 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;
- (xviii) To review the functioning of the Whistle Blower Mechanism;
- (xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) Carrying out any other function as mentioned in the terms of reference of the Audit Committee;
- (xxi) Review the compliance with the provisions of the SEBI (PIT) (Amendment) Regulations 2018, at least once in a financial year and shall verify that the systems of Internal Control are adequate and operating effectively;
- (xxii) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

As stipulated, in Part C of Schedule II of the Listing Regulations, the Audit Committee also reviews management discussion and analysis of financial performance, statement of significant related party transactions submitted by management, and Internal Audit Reports relating to internal control weaknesses and appointment/removal and terms of remuneration of Internal Auditor.

The Audit Committee may also review such matters as considered appropriate by it or referred to it by the Board.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### a) Composition

The Nomination and Remuneration Committee of the Company has been constituted in terms of the

provisions of Section 178 of the Act as well as in terms of Regulation 19 of the Listing Regulations comprising of 3 (Three) Directors as members including 2 (two) Independent Directors and 1 (One) Non-Executive Director. Mr. Santimoy Dey, the Chairman of the Committee is an Independent Director. The Committee was reconstituted during the year with following members. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

The Committee met 2 (Two) times during the year i.e., on 26 May 2023 and 19 January 2024. The details of meetings attended by each of the member are given below:

Sl. No.	Names of the members	Category	No of meetings held	No of meetings attended
1	Mr. Santimoy Dey (From 08 August, 2023)	Chairman, Independent Director	1	1
2	Mr. Santosh Kumar Agrawala (Upto 07 August, 2023)	Chairman, Independent Director	1	1
3	Ms. Sucharita Basu De	Member, Independent Director	2	2
4	Mr. Amit Choudhary	Member, Non-Executive Director	1	1

**Note:** The Nomination and Remuneration Committee has been reconstituted w.e.f. 10 August 2023 by appointment of Mr. Santimoy Dey, Independent Director as a member of the Committee in place of Mr. Santosh Kumar Agrawala.

##### b) Terms of Reference

The present terms of reference of the Nomination and Remuneration Committee is aligned as per the provisions of Section 178 of the Act and include the roles as laid out in Part D Para (A) of Schedule II of the Listing Regulations. The brief description of the terms of reference of the Nomination and Remuneration Committee in line with the Act and the Listing Regulations are as follows:

- (i) Formulation of the criteria for determining qualifications, positive attitudes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel, and other employees;



- (ii) Formulation of criteria for evaluation of performance of Independent Directors and the Board and its Committees;
  - (iii) Devising a policy on diversity of Board of Directors;
  - (iv) Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
  - (v) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
  - (vi) Review the performance and recommend to the Board, all remuneration in whatever form, payable to the senior management;
  - (vii) For every appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - a. use the services of an external agencies, if required;
    - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - c. consider the time commitments of the candidates.
- c) Remuneration Policy**
- The Board of Directors of the Company has on the recommendation of the Nomination and Remuneration Committee of the Board approved a Nomination and Remuneration Policy of the Company. This Policy is available in the Company's website at <https://himadricredit.in/>.
- d) Criteria for Performance Evaluation of Independent Directors**
- The Nomination and Remuneration Committee laid down the criteria for performance evaluation of Independent Directors. The criteria are enumerated as below:
- i. **Qualifications:** Details of professional qualifications of the Independent Director.
  - ii. **Experience:** Details of prior experience of the Independent Director, especially the experience relevant to the entity.
  - iii. **Knowledge and Competency of the Independent Director.**
  - iv. **How the Independent Director fares across different competencies as identified for effective functioning of the entity and the Board.**
  - v. **Whether the Independent Director has sufficient understanding and knowledge of the entity and the sector in which it operates.**
  - vi. **Fulfilment of functions:** Whether the Independent Director understands and fulfils the functions as assigned to him/her by the Board and the law (e.g. Law imposes certain obligations on Independent Directors).
  - vii. **Ability to function as a team:** Whether the Independent Director is able to function as an effective team- member.
  - viii. **Initiative:** Whether the Independent Director actively takes initiative with respect to various areas.
  - ix. **Availability and attendance:** Whether the Independent Director is available for meetings of the Board and attends the meeting regularly and timely, without delay.
  - x. **Commitment:** Whether the Independent Director is adequately committed to the Board and the entity.
  - xi. **Contribution:** Whether the Independent Director contributed effectively to the entity and in the Board meetings.
  - xii. **Integrity:** Whether the Independent Director demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.).
  - xiii. **Independence:** Whether Independent Director is independent from the entity and the other directors and there is no conflict of interest.
  - xiv. **Independent views and judgement:** Whether the Independent Director exercises his/ her own judgement and voices opinion freely.

## e) Remuneration to Directors and Disclosures

### i) Details of remuneration paid / payable to the Directors for the year ended 31 March 2024 and their shareholding as on that date is as under:

Amount in ₹ lakhs

Names of the Directors	Salary (₹)	Perquisites (₹)	Bonus (₹)	Commission (₹)	Sitting Fees (₹)	Stock Option	Pension (₹)	Total (₹)	Service Contract/ Notice period/ Severance Fees	Shareholding (Equity) (No.)
Mr. Anurag Choudhary	–	–	–	–	–	–	–	–	Period of Appointment: 5 years (from 09 August 2022 to 08 August 2027).	1,50,100
Mr. Amit Choudhary	–	–	–	–	–	–	–	–	NA	70,100
Mr. Santosh Kumar Agrawala (upto 07 August 2023)	–	–	–	–	0.09	–	–	0.09	Re-appointed as Independent Director upto 08 August 2027. Resigned w.e.f. 07 August 2023	–
Mr. Santimoy Dey (from 08 August 2023)	–	–	–	–	0.39	–	–	0.39	Appointed as Independent Director upto 07 August 2028	–
Ms. Sucharita Basu De	–	–	–	–	0.44	–	–	0.44	Re-appointed as Independent Director upto 08 August 2027	–

### ii) Details of fixed components and performance linked incentives along with the Performance Criteria:

As per the remuneration approved by the shareholders, apart from the salary and sitting fees, as applicable, no performance linked incentive is paid to any of the Director.

### iii) Stock options details, if any and whether issued at discount as well as the period over which accrued and over which exercisable:

The Company has not issued any stock options to any of the Director of the Company.

### iv) Criteria of making payments to Non-Executive Directors:

Non-Executive Independent Directors are entitled to sitting fees for attending the meetings of the Board and its Committees.

The criteria for making payments to Non-Executive Directors is placed on the website of the Company at <https://himadricredit.in/>.

There are no pecuniary relationships with Non-Executive Independent Directors other than Sitting Fees as mentioned in the Report.

## 5. Stakeholders' Relationship Committee

### a) Composition, Meetings and Attendance

The Stakeholders' Relationship Committee comprises of 3 (Three) Directors as members including 1 (One) Independent Director, 1 (One) Executive Director and 1 (One) Non-Executive Director. Mr. Santimoy Dey, the Chairman of the Committee is an Independent Director. Mr. Pintu Singh, Company Secretary and Compliance Officer acts as Secretary of the Committee.

The Committee reviewed the status of Investors' Complaints periodically relating to transmission of shares, issue of duplicate shares, and non-receipt of dividend, among others.

During the year, the Committee met 2 (Two) times i.e., 21 December 2023 and 21 February 2024. The details

of meeting attended by each of the members are given below:

Sl. No.	Name of the members	Category	No of meetings held	No of meetings attended
1	Mr. Santimoy Dey (from 08 August 2023)	Chairman, Independent Director	2	2
	Mr. Santosh Kumar Agrawala (upto 07 August 2023)	Chairman, Independent Director	-	-
2	Mr. Anurag Choudhary	Member, Managing Director	2	2
3	Mr. Amit Choudhary	Member, Non-Executive Director	2	2

**Note:** The Stakeholders' Relationship Committee has been reconstituted w.e.f. 10 August 2023 by appointment of Mr. Santimoy Dey, Independent Director as a member of the Committee in place of Mr. Santosh Kumar Agrawala.

#### b) Terms of Reference

- To resolve the grievances of the Security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- To review measures taken for effective exercise of voting rights by shareholders;
- To review of adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar and Share Transfer Agent;
- To review of 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;
- Such other matters as per the directions of the Board of Directors of the Company, which may be considered necessary in relation to shareholders and investors of the Company;
- Functions of the Committee as provided in Schedule II, Part "D", Para "B" read with Reg 20(4) of the Listing Regulations.

#### c) Name and Designation of Compliance Officer

Mr. Pintu Singh, Company Secretary and Chief Financial Officer, has been designated as Compliance Officer in terms of Regulation 6(1) (a) of the Listing Regulations. The shareholders may send their complaints directly to the Company Secretary, Himadri Credit & Finance Ltd, 23A, Netaji Subhas Road, 8th Floor, Suite No 15, Kolkata - 700 001 or may email at: hcfl@himadri.com. Those Members who desire to contact over telephone may do so at 033- 2230 9953 / 4363.

#### d) Status of Investors' Grievances

There were 0 complaints pending at the beginning of the year. During the financial year 2023-24, total 0 complaint was received from investor and 0 complaint was resolved satisfactory and there were 0 complaints pending at the end of the financial year.

The Company regularly updates the status of Investors Complaints on "SCORES", an online portal introduced by SEBI for resolving investor's complaints. There were no investors' complaints pending at the end of the financial year on the SCORES.

#### 6. Finance & Management Committee

The Board of Directors at its meeting held on 26 May 2023 constituted the Finance & Management Committee comprising of the following members:

Sl. No.	Name of the members	Category
1.	Mr. Anurag Choudhary	Member, Managing Director
2.	Mr. Amit Choudhary	Member, Non-Executive Director

#### Terms of Reference:

- To get working capital finance (both Fund based and Non-fund based) either secured or unsecured by means of fresh sanction, renewal, takeover and switch over from one Bank to another Bank or from any financial institution up to an aggregate amount of ₹ 50 Crores and do all acts as delegated by the Board from time to time;
- To open/closure of Banking Accounts;
- To arrange finance, from Bank and Financial institutions;
- To sign and execute necessary documents with Banks / Financial Institutions;
- To create mortgage / charge including modification and satisfaction if any in favour of various banks / Financial Institutions for securing the credit

- facilities as may be sanctioned to the Company from time to time not exceeding ₹ 50 Crores;
- (vi) To deal with managing the day to day affairs of the Company including grant of authority to officials in this regard;
- (vii) To avail of factoring facility from any other bank & Financial Institution;
- (viii) To obtain hire purchase loan / vehicle loan;
- (ix) To initiated legal action on behalf of the Company against any party and to defend the Company in any legal proceedings including grant of authority to deal with such matters;
- (x) To file various e-forms with the MCA (Registrar of Companies);
- (xi) To avail of Commercial Card facility as a part of working capital limit sanctioned to the Company by any bank;
- (xii) To sell or dispose of old and obsolete movable office equipment, computer accessories, printers, including motor cars and commercial vehicles for value not exceeding ₹ 2,00,000 (Rupees two lakhs) of each such items;
- (xiii) To let-out office premises with or without consideration to its' group companies for official purposes;
- (xiv) To deal with all types of current investments in day to day business activities;
- (xv) To invest funds of the Company including investment in mutual fund for an amount not exceeding 50 Crores;
- (xvi) To borrow money from time to time for long term purpose of the Company upto an aggregate amount not exceeding ₹ 50 Crores;
- (xvii) To grant corporate guarantee upto an aggregate amount of ₹ 50 Crores;
- (xviii) To grant loan upto an aggregate amount of ₹50 Crores;
- (xix) To provide security in respect of loans aggregate amount of ₹ 50 Crores;
- (xx) To deal with any other matter which are incidental to the aforesaid;
- (xxi) The Committee shall exercise all such powers in ordinary course of business which are not otherwise restricted in the provisions of Section 179 of the Companies Act, 2013;

## 7. General Body Meetings

### a) Details of location, time, and date of the last three AGM are as follows:

Financial Year	Number of the AGM	Date	Venue	Time
2019-20	25 <sup>th</sup> AGM	23 September 2020	Ruby House, 8 India Exchange Place, 2nd Floor, Kolkata – 700 001.	10.30 a.m. (IST)
2020-21	26 <sup>th</sup> AGM	22 September 2021	Ruby House, 8 India Exchange Place, 2nd Floor, Kolkata – 700 001.	11.30 a.m. (IST)
2021-22	27 <sup>th</sup> AGM	30 September 2022	Ruby House, 8 India Exchange Place, 2nd Floor, Kolkata – 700 001.	12.30 p.m. (IST)
2022-23	28 <sup>th</sup> AGM	19 September 2023	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"). The deemed venue: Ruby House, 8 India Exchange Place, 2nd Floor, Kolkata – 700 001.	11.00 a.m. (IST)

### b) Details of Special Resolution(s) passed in the previous three AGM:

27 <sup>th</sup> AGM held on 30 September 2022	Appointment of Mr. Anurag Choudhary (DIN: 00173934) as Managing Director of the Company for a period of 5 years w.e.f 09 August 2022.
28 <sup>th</sup> AGM held on 19 September 2023	Appointment of Mr. Santimoy Dey (DIN: 06875452) as an Independent Director of the Company for a period of 5 years w.e.f 08 August 2023.

c) During the financial year 2023-24, the Company did not pass any resolution by way of postal ballot.

d) No Special Resolution at present is proposed to be passed through Postal Ballot. Therefore, the procedure for Postal Ballot is not applicable.

#### 8. Means of communication

a) **Quarterly/Annual Financial Results:** The unaudited quarterly financial results are announced within 45 days from the end of each quarter, and the audited annual financial results are announced within 60 days from the end of the last quarter. These financial results, after being taken on record by the Audit Committee and Board of Directors, are communicated to the Stock Exchange, where the shares of the Company are listed. Any news, updates, or vital/useful information to shareholders are being intimated to Stock Exchange and are being displayed on the Company's website: <https://himadricredit.in/>.

b) **Newspapers:** During the financial year 2023-24, financial results (Quarterly & Annual) were published in newspapers viz. Business Standard and Sukhabar (Vernacular) in the format prescribed by SEBI.

c) **Website:** The financial results are also posted on the Company's website at <https://himadricredit.in/>. The Company's website provides information about its business and the section on "Investor Relation" serves to inform and service the Shareholders allowing them to access information at their convenience.

d) **Annual Report:** Annual Report is circulated to all the Members within the required period.

e) **E-mail ID of the Registrar & Share Transfer Agent:** All the share related requests/queries/ correspondence, if any, are to be forwarded by the investors to the Registrar and Transfer Agent of the Company, M/s S. K. Infosolutions Pvt. Ltd, D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032 or e-mail them at [skcdilip@gmail.com](mailto:skcdilip@gmail.com).

f) **Designated E-mail ID for Complaints/ Redressal:** In compliance with Regulation 46(2) of Listing Regulations, the Company has designated an e-mail ID [hcfl@himadri.com](mailto:hcfl@himadri.com) exclusively for registering complaints/ grievances by investors. Investors whose requests/queries/correspondence remain unresolved can send their complaints to the Company to resolve the grievances at the above referred e-mail ID.

g) **CSE Corporate Compliance:** Any Corporate Action, inter alia, the Shareholding Pattern, Corporate Governance Report, Financial Results, and other intimations are filed electronically on <https://www.cse-india.com/>.

h) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-

based complaints redressal system through SCORES. The Action Taken Reports are uploaded online by the Company for any complaints received on SCORES platform, thereby making it convenient for the investors to view their status online.

#### 9. General Shareholder Information

##### Annual General Meeting (AGM) and Book Closure Dates

The Day, Date, Time and Venue of the 29<sup>th</sup> AGM and Book Closure Dates in relation thereto have been indicated in the Notice convening the AGM.

##### Financial Year

The financial year of the Company is from 1 April to 31 March every year.

##### Tentative Schedule for the Meetings for the financial year 2024-25

Financial Year	2024-25
Board meetings for approval of quarterly results	
- Quarter ended 30 June 2024	Within 2nd Week of August 2024
- Quarter ended 30 September 2024	Within 2nd week of November 2024
- Quarter ended 31 December 2024	Within 2nd week of February 2025
- Audited Financial Results for the year ended 31 March 2025	Within 60 days from the end of the financial year
AGM for the financial year 2024-25	Within 2 <sup>nd</sup> Week of September 2025
Dispatch of Annual Report	21 (clear) days before the meeting or by electronic mode as per circular of MCA and SEBI from time to time.

##### Dividend payment date

No dividend is proposed to be paid to the shareholders during the financial year.

##### Listing of Securities on Stock Exchange

**Equity Shares:** The Company's shares are presently listed on the following Stock Exchange:

Sl. No.	Stock Exchange	Listing Code
1.	Calcutta Stock Exchange Ltd 7, Lyons Range, 4 <sup>th</sup> Floor, Kolkata- 700 001.	18043



The Company has remitted the annual listing fee to the Stock Exchange.

### Market price data

There was no trading in the shares on the Calcutta Stock Exchange Ltd (CSE) during the financial year 2023-24, therefore no market price data is available.

### Stock Performance in comparison to broad-based indices

There was no trading in the shares of the Company on the CSE during the financial year 2023-24, therefore the relevant data is not available.

### Registrar and Share Transfer Agent

The Company has engaged the services of M/s S. K. Infosolutions Pvt. Ltd., D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, a SEBI registered Registrar as Registrar and Share Transfer Agent ("RTA") of the Company. All the queries related to shares may be forwarded directly to the Company's RTA.

### Share Transfer System

SEBI pursuant to notification issued on 8 June 2018 amended the Regulation 40 of the Listing Regulations and provided that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. 01 April 2019.

Since the shares are compulsorily required to be traded in dematerialized form, shareholders are requested to get their physical shareholdings converted into DEMAT form through their depository. The Company has made necessary arrangements with Depositories viz NSDL/CDSL for dematerialization of shares. M/s S. K. Infosolutions Pvt. Ltd, RTA has been appointed as

the common agency to act as transfer agent for both physical and demat shares.

Issue of duplicate share certificates and all other investors' related activities are attended and processed at the office of the RTA, M/s S. K. Infosolutions Pvt. Ltd, at D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032.

Pursuant to Regulation 40(9) of the Listing Regulations, a certificate on half-yearly basis is filed with the Stock Exchange for due compliance of share transfer formalities by the Company.

### Nomination facilities

Section 72 of the Act read with Rule 19(1) of Companies (Share Capital and Debentures) Rules, 2014, provides for the facility of nomination to security holders of the Company. This facility is mainly useful in the case of those holders who hold their shares in their own name. Investors are advised to avail of this facility to avoid any complication in the process of transmission, in case of death of the holders. Where more than one person holds the securities of a company jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

In case the shares are held in physical mode, the nomination form may be obtained from the Registrar & Share Transfer Agent. In case of shares held in Demat form, such nomination is to be conveyed to the Depository Participants (DPs) as per the formats prescribed by them.

### Distribution of Shareholding and Shareholding Pattern as on 31 March 2024

#### • Distribution of Shareholding as on 31 March 2024

No. of shares	No. of Shareholders	% of total number of shareholders	Number of shares held	% of the total number of shares
Upto 500	542	72.17	1,10,950	3.70
501 to 1000	57	7.59	48,600	1.62
1001 to 2000	29	3.86	42,300	1.41
2001 to 3000	59	7.86	1,62,800	5.43
3001 to 4000	40	5.33	1,47,150	4.90
4001 to 5000	7	0.93	31,400	1.05
5001 to 10000	3	0.40	16,800	0.56
10001 to 50000	3	0.40	87,100	2.90
50001 to 100000	3	0.40	2,18,000	7.26
100001 and Above	8	1.06	21,35,100	71.17
<b>Total</b>	<b>751</b>	<b>100.00</b>	<b>30,00,200</b>	<b>100.00</b>

• Shareholding pattern as on 31 March 2024

	Category of shareholders	No. of holders	% of total number of holders	Number of shares held	% of the total number of shares
<b>(A)</b>	<b>Promoter Group</b>				
1	Individual	7	0.94	15,26,000	50.87
2	Bodies corporate	1	0.13	3,34,900	11.16
	<b>Sub- total (A)</b>	<b>8</b>	<b>1.07</b>	<b>18,60,900</b>	<b>62.03</b>
<b>(B)</b>	<b>Non-promoters</b>				
1	Mutual funds	–	–	–	–
2	Financial institutions/Bank	–	–	–	–
3	NBFCs registered with RBI	–	–	–	–
4	Foreign Portfolio	–	–	–	–
5	Central Government/ State Government(s)/ President of India.	–	–	–	–
6	KMP	–	–	–	–
7	Bodies Corporate	19	2.53	6,02,950	20.10
8	Individuals	721	96.00	5,34,150	17.80
9	IEPF	–	–	–	–
10	N.R.I.	–	–	–	–
11	Clearing Members	–	–	–	–
12	HUF	3	0.40	2,200	0.07
13	Trusts	–	–	–	–
14	Market Maker	–	–	–	–
15	LLP	–	–	–	–
	<b>Sub-total (B)</b>	<b>743</b>	<b>98.93</b>	<b>11,39,300</b>	<b>37.97</b>
	<b>Total (A) + (B)</b>	<b>751</b>	<b>100.00</b>	<b>30,00,200</b>	<b>100.00</b>

**Dematerialization of shares and liquidity**

The shares of the Company are under compulsory demat list of SEBI, and it has joined as a member of the Depository services with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as an Issuer Company for dematerialization of its' shares. Shareholders can get their shares dematerialized with either NSDL or CDSL.

**ISIN - INE018C01010**

The summary of shareholding of the Company being held as on 31 March 2024 is given below:

	No. of shares	% of total number of shares
<b>Held in dematerialised form in CDSL</b>	34,078	1.14%
<b>Held in dematerialised form in NSDL</b>	19,41,122	64.70%
<b>Physical</b>	10,25,000	34.16%
<b>Total No. of shares</b>	<b>30,00,200</b>	<b>100.00%</b>

**Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any global depository receipts or American depository receipts. There are no warrants or any convertible instrument outstanding as on 31 March 2024.

Foreign Exchange Risk and Hedging activities

In terms of the Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report. Disclosures relating to risks including commodity price risk, foreign exchange risk, hedging activities etc., have been adequately covered under the Management Discussion and Analysis Report.

Address for correspondence

All communication may be sent to Mr. Pintu Singh, Company Secretary and Compliance Officer at the following address:

Himadri Credit & Finance Ltd  
 23A, Netaji Subhas Road, 8<sup>th</sup> Floor, Suite No 15  
 Kolkata - 700 001  
 Phone number: (033) 2230 9953/ 2230 4363  
 Fax No 91-33-2230-9051  
 E-mail: [hcfl@himadri.com](mailto:hcfl@himadri.com)

All shares related queries may be sent to the Company's Registrar and Share Transfer Agent, M/s S. K. Infosolutions Pvt. Ltd, D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, Ph No: 033-24120027 / 033-24120029.

10. Other Disclosures

i. **Materially significant related party transactions (i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc.) that may have potential conflict with the interests of the Company at large**

The Company has not entered into any materially significant related party transaction during the year with any of the related parties which may have potential conflict with the interest of the Company. The related party transactions constitute contracts or arrangements, made by the Company from time to time, with Companies in which Directors are interested. The Audit Committee reviews periodically the related party transactions and the Committee provided omnibus approval for related party transactions which are in ordinary course of business (repetitive in nature) and are on Arm's Length basis. All transactions covered under the related party transactions are regularly approved by the Board. There were no material transactions during the financial year 2023-24 that were prejudicial to the Company's interest. There are no materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, the directors or the management and their subsidiaries or relatives that may have potential

conflict with Company's interest at a large. Related party transactions as per requirements of Indian Accounting Standard (Ind- AS 24) "Related Party Disclosures" are disclosed in the Notes to the Financial Statements of the Company for the year ended 31 March 2024.

ii. **Reconciliation of Share Capital Audit Report**

A qualified Practising Company Secretary has carried out exercise of Reconciliation of Share Capital to the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital as on the close of the financial year 2023-24. The Reconciliation of Share Capital confirms that the total issued / paid up capital is in line with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

iii. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years;**

The Company has complied with the requirements of the Stock Exchange(s)/ SEBI and statutory authorities on all matters related to capital markets. There were no penalties or strictures imposed on the Company by the Stock Exchange(s), SEBI or any statutory authority in any matter related to capital markets except the following:

Action Taken by	Details of violation during financial year 2022-23	Details of action taken e.g., fines, warning letter, debarment, etc.
Calcutta Stock Exchange Limited (CSE)	The Company has submitted its audited financial results for the quarter and year ended 31 March 2022 to the Stock Exchange on 09 August 2022 whereas pursuant to Regulation 33 of Listing Regulations the Company was required to submit its audited financial results for the quarter and year ended 31 March 2022 to the Stock Exchange within 60 days from the end of the financial year i.e. on or before 30 May, 2022.	CSE imposed a fine for such delay, for which the Company has paid the fine on 24 August 2022.

Action Taken by	Details of violation during financial year 2021-22	Details of action taken e.g., fines, warning letter, debarment, etc.
Calcutta Stock Exchange Limited (CSE)	The Company has submitted its unaudited financial results for the quarter ended 30 September 2021 and 31 December 2021 to the Stock Exchange on 09 August 2022 whereas pursuant to Regulation 33 of Listing Regulations the Company was required to submit the unaudited financial results on or before 14 November 2021, 14 February 2022 respectively.	CSE imposed a fine for such delay, for which the Company has paid the fine on 24 August 2022.

**iv. Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no person has been denied access to the Audit Committee**

The Company has adopted a Vigil Mechanism and Whistle Blower Policy and the same is uploaded on the website of the Company at <https://himadricredit.in/>. The Board appointed Mr. Pintu Singh, Company Secretary as Vigilance Officer for this purpose. The whistle blowers may also lodge their complaints/concern with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The Policy also offers appropriate protection to the whistleblowers from victimization, harassment, or disciplinary proceedings.

Further, during the financial year ended 31 March 2024, no personnel has been denied access to the Audit Committee, in this regard.

**v. Details of Mandatory and Non-mandatory requirements**

The Company has complied with the mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations and has adopted a few non-mandatory requirements as specified under Regulations of Listing Regulations, which are reviewed by the management from time to time.

**vi. Details of compliance with Non-mandatory (discretionary) requirements**

The Company has duly fulfilled the following discretionary requirements as prescribed in Sub – Regulation 1 of Regulation 27 read with Part E of Schedule II of the Listing Regulations as follows:

**• Unmodified Audit Opinion**

The financial statements of the Company are with unmodified audit opinion.

**• Reporting of Internal Auditor**

Internal Auditors of the Company make presentations to the Audit Committee on their Reports and has direct access to the Audit Committee.

**• Other Items**

The rest of the Non-Mandatory Requirements will be implemented by the Company as and when required and/ or deemed necessary by the Board.

**vii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)**

The Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

**viii. Web link where policy on determining 'material' subsidiaries is disclosed**

The Company does not have any subsidiary. Therefore, the Company is not required to formulate the Policy for determining material subsidiaries.

**ix. Web link where policy on dealing with related party transactions**

The Company has duly formulated a Policy on dealing with Related Party Transactions. The Company recognizes that certain transactions present a heightened risk of conflicts of interest or the perception thereof and therefore has adopted this Policy to ensure that all Related Party Transactions with Related Parties shall be subject to this Policy and approval or ratification in accordance with the applicable law. This Policy contains the policies and procedures governing the review, determination of materiality, approval and reporting of such Related Party Transactions. The link for the same as placed on the website of the Company is <https://himadricredit.in/>.

**x. Disclosure of commodity price risks and commodity hedging activities**

Disclosure of commodity price risks and commodity hedging activities has been adequately covered under the Management Discussion and Analysis Report.

# xi. Declaration of Non-Disqualification or debarment for appointment / continuing as the Director in companies for the financial year 2023-2024

There is no such director on the Board of the Company who has been disqualified by virtue of any provisions of the Act and any other laws or debarred by any regulatory authority to be appointed or continue to act as Director.

A Certificate from a Company Secretary in Practice that none of the Director on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **Annexure II**.

# xii. Recommendation from the Committees to the Board

There were no such instances where the Board has not accepted the recommendations of / submissions by the Committee, which were required for the approval of the Board of Directors during the financial year under review.

# xiii. Details of fees paid to Statutory Auditors

Total fees paid by the Company to the Statutory Auditors for all the services provided by them are as follows:

	₹ in Lakhs	
Payment towards-	2023-24	2022-23
Statutory Audit Fee	0.89	0.89
Other Services	0.53	0.83
<b>Total</b>	<b>1.42</b>	<b>1.72</b>

# xiv. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has constituted Internal Complaint Committee pursuant to Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder.

# Details of Complaints received and redressed during the financial year 2023-24 are as follows:

- Number of complaints outstanding at the beginning of financial year - NIL
- Number of complaints filed during the financial year - NIL

- Number of complaints disposed of during the financial year - NIL
- Number of complaints pending as on end of the financial year - NIL

# xv. Disclosures with respect to demat suspense account/ unclaimed suspense account

There are no shares in demat suspense account.

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year- NIL
- Number of shareholders who approached listed entity for transfer of shares from suspense account during the year- NIL
- Number of shareholders to whom shares were transferred from suspense account during the year- NIL
- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- NIL
- That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- NIL

# xvi. Disclosure of discretionary requirements as specified in Part E of Schedule II have been adopted

As mentioned above in point no 10(vi).

# xvii. Disclosure of Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of para C of Schedule V of the Listing Regulations, with reasons thereof shall be disclosed;

There is no instance of non-compliance of any requirement of Corporate Governance report of sub-paras (2) to (10) of para C of Schedule V of the Listing Regulations.

# xviii. Disclosure of the Compliance of the Corporate Governance

The Company is in compliance with the Corporate Governance requirements as specified in Regulation 17 to 27 and the Company is also in compliance with the requirements of dissemination of the information of as required in terms of clause (b) to (i) of Regulation 46 (2) of the Listing Regulations.



**xix. Details of corporate policies**

The following Policies are uploaded on the website of the Company: <https://himadricredit.in/>.

Sl. No.	Policy
1.	Composition and Profile of the Board of Directors
2.	Terms and Conditions of appointment of Independent Directors
3.	Familiarization Programme for Independent Directors
4.	Remuneration policy of Directors, KMPs & other Employees
5.	Code of Conduct
6.	Criteria for making payments to Non-Executive Directors
7.	Code of Conduct for Non-Executive Independent Directors
8.	Policy on Related Party Transactions
9.	Whistle Blower Policy

**xx. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results. [Para A (2A) of Schedule V]**

All transactions with related parties have been disclosed in Financial Statements.

**xxi. Disclosure of 'Loans and advances' in the nature of loans to firms/companies in which directors are interested**

No such transactions were entered into by the Company during the financial year.

**xxii. Details of material subsidiaries of the Company, including the date and place of incorporation and name and date of appointment of statutory auditors of such subsidiaries;**

The Company does not have any subsidiary Company.

**xxiii. Other items which are not mentioned in this Report are mentioned in the Board's Report and those items which are not applicable to the Company have not been separately commented upon.**

**xxvi. The Company has not entered into any agreement as referred to under Regulation 30A of the SEBI LODR.**

**For and on behalf of the Board**

**Place: Kolkata  
Date: 24 May 2024**

**Sd/-  
Anurag Choudhary  
Managing Director  
(DIN: 00173934)**

**Sd/-  
Amit Choudhary  
Director  
(DIN: 00152358)**

**Annexure I**

**Declaration by the Managing Director**

**Pursuant to Regulation 34 (3) [Schedule V Paragraph D] of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To,  
The Members of  
Himadri Credit & Finance Ltd**

I, Anurag Choudhary, Managing Director of the Company declare that to the best of my knowledge and belief, all the Members of the Board and the Senior Management Personnel of the Company have affirmed their respective compliance with the applicable Code of Conduct for the financial year ended 31 March 2024.

**For Himadri Credit & Finance Ltd**

**Sd/-  
Anurag Choudhary  
Managing Director**

**Date: 24 May 2024**

## Annexure II

**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,  
Himadri Credit & Finance Ltd  
23A, Netaji Subhas Road, 8th Floor,  
Kolkata – 700 001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Himadri Credit & Finance Ltd having CIN: L65921WB1994PLC062875 and having registered office at 23A, Netaji Subhas Road, 8th Floor, Kolkata – 700 001 (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of the Director	Designation	DIN	Date of Appointment in Company
1	Anurag Choudhary	Managing Director	00173934	07/04/1994
2	Amit Choudhary	Non-Executive Director	00152358	09/08/2022
3	Santimoy Dey	Independent Director	06875452	08/08/2023
4	Sucharita Basu De	Independent Director	06921540	09/08/2017

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my 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.

Place: Dankuni  
Date: 20 May 2024

Sd/-  
Bandana Saha  
ACS- 46329  
CP No. 27041  
UDIN: A046329F000405182

## Certificate regarding Compliance of Conditions of Corporate Governance

To

The Members

Himadri Credit & Finance Ltd

23A, Netaji Subhas Road, 8th Floor, Suite No. 15

Kolkata-700001

I have examined the compliance of conditions of Corporate Governance by **Himadri Credit & Finance Ltd (CIN: L65921WB1994PLC062875)** (hereinafter called "the Company") for the financial year ended March 31, 2024 ("Period under Review"), as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and Para C and D of the Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. The Certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representation made by the Directors, the management and the Company's officers, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the Period under Review.

I 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 its affairs of the Company.

Place: Kolkata

Date: 23 May 2024

Sd/-

Rajarshi Ghosh

FCS 12595

CP No. 8921

UDIN: F012595E000429924

**CEO & CFO CERTIFICATION**

To  
 The Members of  
 Himadri Credit & Finance Ltd  
 23A, Netaji Subhas Road, 8th Floor, Suite No 15,  
 Kolkata - 700 001

**Sub: CEO & CFO certification in terms of Regulation 17(8) of the SEBI (LODR) Regulations, 2015**

We,

- 1) Anurag Choudhary, Managing Director and
- 2) Pintu Singh, Company Secretary & Chief Financial Officer

Certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31 March 2024 and that to the best of our knowledge and belief:
  - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2) 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 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 such internal control, 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 to the auditors and the Audit Committee:
  - i) Significant changes in internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) 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.

Place: Kolkata  
 Date: 24 May 2024

Sd/-  
 Anurag Choudhary  
 Managing Director

Sd/-  
 Pintu Singh  
 Company Secretary &  
 Chief Financial Officer



INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF HIMADRI CREDIT & FINANCE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Himadri Credit & Finance Limited (“the Company”), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as “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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2024, and its profit, total comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matters	How our audit addressed the key audit matter
(a) Classification and measurement of Financial assets - Business model assessment	
Ind AS 109, Financial Instruments, contains three principal measurement categories for financial assets i.e.: <ul style="list-style-type: none"><li>• Amortised cost;</li><li>• Fair Value through Other Comprehensive Income ('FVTOCI'); and</li><li>• Fair Value through Profit and Loss ('FVTPL').</li></ul>	Our key audit procedures included: Design / controls <ul style="list-style-type: none"><li>• Assessed the design, implementation and operating effectiveness of key internal controls over management’s intent of purchasing a financial asset and the approval mechanism for such stated intent and classification of such financial assets on the basis of management’s intent (business model).</li></ul>

<p>A financial asset is classified into a measurement category at inception and is reclassified only in rare circumstances. The assessment as to how an asset should be classified is made basis both the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. The term 'business model' refers to the way in which the Company manages its financial assets to generate cash flows. That is, the Company's business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.</p> <p>Amortised cost classification and measurement category is met if the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows.</p> <p>FVTOCI classification and measurement category is met if the financial asset is held in a business model in which assets are managed both to collect contractual cash flows and for sale. Such financial assets are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income.</p> <p>FVTPL classification and measurement category is met if the financial asset does not meet the criteria for classification and measurement at amortised cost or at FVTOCI. Such financial assets are subsequently measured at fair value, with changes in fair value recognized in profit or loss.</p> <p>We identified business model assessment as a key audit matter because of the management judgement involved in determining the intent for purchasing and holding a financial asset which could lead to different classification and measurement outcomes of the financial assets and its significance to the financial statements of the Company.</p>	<ul style="list-style-type: none"> <li>For financial assets classified at amortised cost, we tested controls over the classification of such assets and subsequent measurement of assets at amortised cost. Further, we tested key internal controls over monitoring of such financial assets to check whether there have been any subsequent sales of financial assets classified at amortised cost.</li> </ul> <p><b>Substantive tests</b></p> <ul style="list-style-type: none"> <li>Test of details over classification and measurement of financial assets in accordance with management's intent (business model).</li> <li>We reviewed the financial assets to test whether their classification as at the balance sheet date is in accordance with management's intent.</li> <li>We reviewed the financial assets sold during the year to check whether there have been any sales of financial assets classified at amortised cost.</li> </ul> <p>We have also checked that there have been no reclassifications of assets in the current period.</p>
<p><b>(b) Valuation of investment securities</b></p> <p>The Company's investment portfolio makes up a significant amount of the Company's statement of financial position and is considered to be the key driver of the Company's performance. The Company's investment portfolio is comprised of both quoted and unquoted investments.</p> <p>Investments are measured at fair value, which is established in accordance with guidance set out in the applicable accounting framework adopted by the Company. We do not consider these investments to be at high risk of significant misstatement, these investments are valued using non-complex models. However, due to their materiality in the context of the financial statements as a whole, they are considered to be of most significance in the audit of the financial statements.</p>	<p>Our audit procedures over the valuation of the Company's investment portfolio included but are not limited to obtaining and documenting our understanding of the valuation process and performing an assessment of the levelling classification as per Ind AS.</p>

## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance 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, the statement of changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibilities for the Audit of 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 Standards on Auditing (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 control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether

a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our audit expresses an unmodified opinion on the

adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

- h. With respect to other matters to be included in the Auditor's Report in accordance with section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.
- i. 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, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The Company does not have any pending litigations which could impact its financial positions.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has not used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year for all relevant transactions recorded.

**For S. Jaykishan**  
*Chartered Accountants*  
Firm's Registration No. **309005E**

Sd/-  
**CA Vishal Agarwal**  
*Partner*  
Membership No. 315490  
Date: The 24<sup>th</sup> day of May, 2024  
**Place: Kolkata**  
UDIN: 24315490BKCBXB6058



**Re : Himadri Credit & Finance Limited****Annexure 'A' to the Independent Auditor's Report for the year ended 31 March 2024**

(Referred to in our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. The Company does not have any Property, Plant & Equipment and Intangible Assets during the year. Accordingly, reporting under clause 3 (i) of the Order is not applicable.
- ii. (a) The Company is a Non-Banking Finance Company ('NBFC') registered with the Reserve Bank of India ('RBI') and its business does not require maintenance of inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to the Company.  
(b) The Company has not been sanctioned working capital limits at any point of time during the year from banks or financial institutions on the basis of security of current assets.
- iii. (a) The principal business of the Company is to invest and give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company.  
(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not made any investments, provided any advances in the nature of loans, any security or provided any guarantee to companies, firms, limited liability partnership or any other parties during the year.  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated. However, the repayments/receipts of principal and interest are regular. Further, the Company has not given any advance in the nature of loan to any party during the year.  
(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no

overdue amount for more than ninety days in respect of loans granted by the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.

- (e) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is of investment and to give loans.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loan(s) or advance(s) in the nature of loans which are repayable on demand or without specifying any terms or period of repayment, as per details below:

(₹ in lakhs)

Particulars	All Parties	Promoters	Related Party	Other Party
Aggregate of loans/ advances in nature of loan				
- Repayable on Demand (A)	3,394.63	-	-	3,394.63
- Agreement does not specify any terms or period of repayment (B)	-	-	-	-
Total (A+B)	3,394.63	-	-	3,394.63
Percentage of loans/ advances in nature of loan to the total loans	100%	-	-	100%

- iv. The Company has not advanced loans or made investments in or provided guarantee or security to parties covered by section 185 and the provisions of section 186 is not applicable to the Company. Hence reporting under paragraph 3(iv) of the Order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules made thereunder. Accordingly, reporting under clause 3(v) of the Order are not applicable to the Company.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the

maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the business activities of the Company. Accordingly, reporting under clause 3(vi) of the order are not applicable to the company.

- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted and accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-Tax or other material statutory dues, as applicable, have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Provident Fund, Income-Tax or other statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) In our opinion and according to the information and explanations given to us, there are no disputed amounts dues to be deposited in respect of provident fund as at March 31, 2024.

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, reporting under clause 3(ix) (c) of the Order is not applicable.

- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, reporting under clause 3(ix)(e) is not applicable.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiaries, joint ventures or associate companies as defined under the Companies Act, 2013. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.

- 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 and accordingly reporting under clause 3(x)(a) of the order is not applicable to the Company.

- (b) In our opinion and according to the information and explanations obtained by us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year and accordingly reporting under clause 3(x) (b) of the order is not applicable to the Company.

- xi. (a) Based on the examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

- (b) According to the information and explanations give to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government during the period covered by our audit.

- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there

are no whistle-blower complaints received by the Company during the year.

- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the Financial Statements, as required by the applicable accounting standards
- 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) We have considered the internal audit reports of the company issued during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as required under Section 192 of the Companies Act, 2013. Accordingly reporting under paragraph 3(xv) of the Order is not applicable.
- xvi. (a) In our opinion, and according to the information and explanations given to us, the company is required to obtain the registration under section 45-IA and the necessary registration has been duly obtained.  
(b) According to the information and explanations given to us, the Company has conducted Non-Banking Financial activities during the year under a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934 and no business has been conducted by the Company without a valid CoR.  
(c) According to the information and explanations given to us by the management, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.  
(d) In our opinion, and according to the information and explanations given to us, there

is no company registered as a core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company. Accordingly, reporting under clause 3(xx) (a) & (b) of the Order are not applicable to the Company.

**For S. Jaykishan**  
*Chartered Accountants*  
Firm's Registration No. **309005E**

**Sd/-**  
**CA Vishal Agarwal**  
*Partner*  
Membership No. 315490  
Date: The 24th day of May, 2024  
Place: Kolkata  
UDIN: 24315490BKCXB6058

## Re : Himadri Credit & Finance Limited

### Annexure 'B' to the Independent Auditors' Report for the year ended 31 March 2024

(Referred to in our report of even date)

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

##### Opinion

We have audited the internal financial controls with reference to financial statements of **Himadri Credit & Finance Limited** ("the Company") as of 31<sup>st</sup> March 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("Guidance Note").

##### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

##### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and

the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 system with reference to financial statements.

##### Meaning of Internal Financial Controls with Reference to Financial Statements

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts

and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to

future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For S. Jaykishan**

*Chartered Accountants*

Firm's Registration No. 309005E

**Sd/-**

**CA Vishal Agarwal**

*Partner*

Membership No. 315490

Date: The 24<sup>th</sup> day of May, 2024

Place: Kolkata

UDIN: 24315490BKCXB6058



**Balance Sheet** as at 31 March 2024

(₹ in Lakhs)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>I. ASSETS</b>			
<b>1) Financial Assets</b>			
(a) Cash and cash equivalents	5	9.10	53.97
(b) Loans	6	3,386.14	3,193.25
(c) Investments	7	5,153.70	2,143.41
(d) Other financial assets	8	0.35	0.35
<b>Sub-total Financial Assets</b>		<b>8,549.29</b>	<b>5,390.98</b>
<b>2) Non-financial Assets</b>			
(a) Deferred tax assets (net)	12	–	59.50
(b) Property, plant and equipment	9	–	0.20
<b>Sub-total Non-financial Assets</b>		<b>–</b>	<b>59.70</b>
<b>TOTAL ASSETS</b>		<b>8,549.29</b>	<b>5,450.68</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>1) Financial Liabilities</b>			
(a) Payables			
(I) Trade payables	10		
- Total outstanding dues of micro enterprises and small enterprises		–	–
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1.83	1.28
<b>Sub-Total Financial Liabilities</b>		<b>1.83</b>	<b>1.28</b>
<b>2) Non-financial Liabilities</b>			
(a) Provisions	11	10.85	13.10
(b) Deferred tax liabilities (net)	12	89.92	–
(c) Other non financial liabilities	13	0.30	0.38
<b>Sub-total Non-financial Liabilities</b>		<b>101.07</b>	<b>13.48</b>
<b>3) Equity</b>			
(a) Equity share capital	14	300.02	300.02
(b) Other equity	15	8,146.37	5,135.90
<b>Sub-Total Equity</b>		<b>8,446.39</b>	<b>5,435.92</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,549.29</b>	<b>5,450.68</b>
<b>Material accounting policies</b>	3		

See accompanying notes to the financial statements

As per our report of even date attached

For S. Jaykishan

Chartered Accountants

Firm's Registration Number : 309005E

Sd/-

CA VISHAL AGARWAL

Partner

Membership No.315490

Place : Kolkata

Dated: The 24<sup>th</sup> day of May, 2024

For and on behalf of the Board of Directors

Sd/-

ANURAG CHOUDHARY

Managing Director

DIN: 00173934

Sd/-

AMIT CHOUDHARY

Director

DIN: 00152358

Sd/-

PINTU SINGH

CFO &amp; Company Secretary

FCS - 10733

**Statement of Profit and Loss** for the year ended 31 March 2024

(₹ in Lakhs)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>I Revenue from operations</b>			
Interest income	16	229.82	207.36
Dividend income	17	3.71	2.97
Net gain on fair value changes	18	1.20	1.12
<b>Total Revenue from operations</b>		<b>234.73</b>	<b>211.45</b>
<b>II Other income</b>	19	–	0.12
<b>III Total Income (I + II)</b>		<b>234.73</b>	<b>211.57</b>
<b>Expenses</b>			
Finance costs	20	–	4.80
Impairment on financial instruments (Expected credit loss)	21	0.48	(2.53)
Employees benefits expense	22	19.50	17.33
Other expenses	23	8.52	18.29
<b>IV Total expenses</b>		<b>28.50</b>	<b>37.89</b>
<b>V Profit before tax (III - IV)</b>		<b>206.23</b>	<b>173.68</b>
<b>VI Tax expense</b>	25		
Current tax		51.78	51.67
Deferred tax		(9.00)	(13.28)
Income tax for earlier year		3.66	0.56
<b>VII Profit for the year (V - VI)</b>		<b>159.79</b>	<b>134.73</b>
<b>VIII Other comprehensive income</b>			
<b>A</b> (i) Items that will not be reclassified to profit or loss		3,009.10	79.20
(ii) Income taxes on items that will not be reclassified to profit or loss		(158.42)	42.09
<b>B</b> (i) Items that will be reclassified to profit or loss		–	–
(ii) Income taxes on items that will be reclassified to profit or loss		–	–
<b>Total other comprehensive income, net of taxes (A+B)</b>		<b>2,850.68</b>	<b>121.29</b>
<b>IX Total comprehensive income for the period (VII + VIII) (comprising profit and other comprehensive income for the period)</b>		<b>3,010.47</b>	<b>256.02</b>
<b>X Earnings per equity share (of ₹ 10/- each):</b>	24		
Basic		5.33	4.49
Diluted		5.33	4.49
<b>Material accounting policies</b>	3		

See accompanying notes to the financial statements

As per our report of even date attached

For S. Jaykishan

Chartered Accountants

Firm's Registration Number : 309005E

Sd/-

CA VISHAL AGARWAL

Partner

Membership No.315490

Place : Kolkata

Dated: The 24<sup>th</sup> day of May, 2024

For and on behalf of the Board of Directors

Sd/-

ANURAG CHOUDHARY

Managing Director

DIN: 00173934

Sd/-

AMIT CHOUDHARY

Director

DIN: 00152358

Sd/-

PINTU SINGH

CFO &amp; Company Secretary

FCS - 10733

## Statement of Cash Flows for the year ended 31 March 2024

(₹ in Lakhs)

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra-ordinary items	206.23	173.68
Adjustments for :		
Finance cost	–	4.80
Interest income	(229.82)	(207.36)
Dividend received	(3.71)	(2.97)
Loss on Disposal of Property, Plant and equipment	0.20	–
Investments valued through FVTPL	(1.20)	(1.12)
Operating profit before working capital changes	<b>(28.30)</b>	<b>(32.97)</b>
Adjustments for change in:		
Provisions	(0.04)	0.05
Loans and advances	(192.89)	1,010.21
Trade payables, other financial and non financial liabilities	0.47	(2.07)
<b>Cash generated from operations</b>	<b>(220.76)</b>	<b>975.22</b>
Interest paid	–	(12.29)
Interest received	229.82	207.36
Dividend received	3.71	2.97
Direct taxes refunded/(paid)	(57.64)	(26.92)
<b>Net cash inflow/ (outflow) from operating activities</b>	<b>(44.87)</b>	<b>1,146.34</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investment (at fair value through other comprehensive income)	–	126.04
<b>Net cash inflow/ (outflow) from investing activities</b>	<b>–</b>	<b>126.04</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (decrease) in borrowings	–	(1,259.75)
<b>Net cash provided by/ (used in) financing activities</b>	<b>–</b>	<b>(1,259.75)</b>
Net increase/ (decrease) in cash and cash equivalents	<b>(44.87)</b>	<b>12.63</b>
Cash and cash equivalents at the beginning of the year	53.97	41.34
<b>Cash and cash equivalents at the end of the year</b>	<b>9.10</b>	<b>53.97</b>

See accompanying notes to the financial statements

- The above Statement of cash flow has been prepared under the indirect method set out in Ind-AS 7 - Statement of Cash Flow.
- Components of cash and cash equivalents are disclosed in note no. 5

As per our report of even date attached  
**For S. Jaykishan**  
**Chartered Accountants**  
**Firm's Registration Number : 309005E**  
**Sd/-**  
**CA VISHAL AGARWAL**  
**Partner**  
**Membership No.315490**  
**Place : Kolkata**  
**Dated: The 24<sup>th</sup> day of May, 2024**

**For and on behalf of the Board of Directors**

**Sd/-**  
**ANURAG CHOUDHARY**  
**Managing Director**  
**DIN: 00173934**

**Sd/-**  
**AMIT CHOUDHARY**  
**Director**  
**DIN: 00152358**

**Sd/-**  
**PINTU SINGH**  
**CFO & Company Secretary**  
**FCS - 10733**

**Statement of Changes in Equity** for the year ended 31 March 2024

(₹ in Lakhs)

**A. Equity Share Capital**

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the reporting year	300.02	300.02
Change in equity share capital during the year	–	–
<b>Balance at the end of the reporting year*</b>	<b>300.02</b>	<b>300.02</b>

\*Refer Note 14

**B. Other Equity**

Particulars	Reserves & Surplus		Equity instruments through other comprehensive income	Total
	Retained Earnings	Statutory Reserve		
<b>Balance as at 1 April, 2022</b>	<b>3,271.21</b>	<b>130.43</b>	<b>1,478.24</b>	<b>4,879.88</b>
Transfer from equity instrument through OCI on realisation	68.08	–	(68.08)	–
Profit for the year	134.73	–	121.29	256.02
Transfer to statutory reserve	(26.95)	26.95	–	–
<b>Total Comprehensive Income For The Year</b>	<b>175.86</b>	<b>26.95</b>	<b>53.21</b>	<b>256.02</b>
<b>Balance as at 31 March, 2023</b>	<b>3,447.07</b>	<b>157.38</b>	<b>1,531.45</b>	<b>5,135.90</b>
Profit for the Year	159.79	–	2,850.68	3,010.47
Transfer to statutory reserve	(31.96)	31.96	–	–
<b>Total Comprehensive Income For The Year</b>	<b>127.83</b>	<b>31.96</b>	<b>2,850.68</b>	<b>3,010.47</b>
<b>Balance as at 31 March, 2024**</b>	<b>3,574.90</b>	<b>189.34</b>	<b>4,382.13</b>	<b>8,146.37</b>

\*\*Refer Note 15

As per our report of even date attached  
**For S. Jaykishan**  
**Chartered Accountants**  
**Firm's Registration Number : 309005E**  
**Sd/-**  
**CA VISHAL AGARWAL**  
**Partner**  
**Membership No.315490**  
**Place : Kolkata**  
**Dated: The 24<sup>th</sup> day of May, 2024**

**For and on behalf of the Board of Directors**

Sd/- <b>ANURAG CHOUDHARY</b> Managing Director DIN: 00173934	Sd/- <b>AMIT CHOUDHARY</b> Director DIN: 00152358
Sd/- <b>PINTU SINGH</b> CFO & Company Secretary FCS - 10733	

## Notes to Financial Statements for the year ended 31 March 2024

### 1. Company Overview

Himadri Credit & Finance Limited ("the Company") is a Public Company domiciled in India, having its registered office situated at 23A, Netaji Subhas Road, 8th Floor, Kolkata-700001 and was incorporated on 7th April, 1994. The shares of the Company are listed on the Calcutta Stock Exchange Limited. The Company is a Non-Banking Financial Company holding a Certificate of Registration No.05.1996 from the Reserve Bank of India ("RBI") dated 2nd May, 1998. The Company is engaged in the business of investment and lending activities. The financial statements were approved by the Board of Directors at its meeting held on 24th May 2024.

### 2. Basis of Preparation of Financial Statements

#### a) Statement of compliance and basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Section 133 of the Companies Act, 2013 ("the Act") and relevant amendment rules issued thereafter and guidance given by RBI through its Master Directions and other relevant guidelines/ circulars. The Financial Statements have been prepared on the historical cost convention on the accrual basis, except for certain financial instruments that are measured at fair values at the end of the reporting period as explained in the material accounting policies information below. The financial statements have been prepared on a going concern basis. Accounting policies have been consistently applied to all periods presented in this financial statements except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. The financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. Except as otherwise indicated, financial information presented in Indian Rupees (INR) has been rounded to the nearest lakhs (upto two decimals).

#### (b) Presentation of financial statements

The Company prepares its Balance Sheet, Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed in the Division III of Schedule III of the Act, as amended from time

to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind-AS 7 'Statement of Cash Flows'. Notes forming part of Financial Statements are prepared as per Ind AS and as required by Annexure III of the Master Directions. The Company presents its Balance Sheet in the order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note no. 28.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only where it has legally enforceable right to offset the recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability simultaneously as permitted by Ind AS. Similarly, the Company offsets incomes and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

### 3. Material Accounting Policies

The principal accounting policies applied in the preparation of these Ind AS Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Financial instruments

##### (i) Initial Recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value

## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

through profit and loss are immediately recognised in the Statement of Profit and Loss.

### (ii) Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

#### a) Financial assets measured at Amortized Cost:

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

#### b) Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI):

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

#### c) Financial assets at Fair Value Through Profit or Loss (FVTPL):

A Financial Asset which is not classified in any of the above categories is measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

### (iii) Other Equity Investments:

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. However dividend on such Equity Investment are recognised in the Statement of Profit and Loss when the Company has rights to receive is established.

### (iv) Impairment of Financial Assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months' expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

### (v) Financial liabilities

Financial liabilities are measured at amortised cost. For trade payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

### (vi) Derecognition of Financial Instruments:

The company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of a financial liability) is derecognized from the company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### (vii) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### (b) Cash and cash equivalents

The Company's cash and cash equivalents includes cash at banks and on hand.

#### Statement of cash flows

Statement of Cash flows is reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Statement of Cash Flows from operating, investing and financing activities of the Company are segregated.

### (c) Property, plant and equipment

#### Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated



## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

impairment losses, if any. The cost of property, plant and equipment comprises its purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

### Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Ongoing repairs and maintenance are expensed as incurred.

### Depreciation

Depreciation on property, plant and equipment is calculated on cost less their estimated residual values over their estimated useful lives using straight line method, at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate.

### (d) Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit ('CGU'). If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

### (e) Revenue recognition

#### Dividend Income

Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established and it is certain that the economic benefits associated with the dividend will flow to the company and the amount of income can be measured reliably.

### Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate. Interest income is included in the other income in Statement of Profit and Loss.

### (f) Employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. The undiscounted amount of short term employee benefits such as salaries, bonus, ex-gratia etc to be paid in exchange of employee services is recognised as an expense as the related service is rendered by the employee. Leave Encashment is accounted for based on estimates.

### (g) Provisions and Contingencies

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pretax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

### (h) Accounting for Taxes on Income

Income Tax expense or credit for the period is the tax payable on the current period taxable income based on the applicable Income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses to the extent that the tax relates to the items that are not recognised directly in Other Comprehensive Income (OCI) or directly in equity in which case the related tax is recognised either directly in OCI or equity accordingly.

#### Current tax

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

#### Deferred tax

Deferred Tax assets and liabilities are measured at the tax rates that are expected to apply to 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 end of the reporting period. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits. Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available. Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. 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.

### (i) Dividend

Final dividends on shares are recorded as a liability, on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognised directly in equity.

### (j) Earnings per share

The Company reports basic and diluted earnings per equity share. Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 4. Critical Accounting Estimates and Judgements

The preparation of these Financial Statements in conformity with Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the application of accounting policies and amounts recognised in the Financial Statements, and the reported amounts of assets, liabilities, income and expenses. Accounting estimates are monetary amounts in the Financial Statements that are subject to measurement uncertainty. An accounting policy may require items in Financial Statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective set out by the accounting policy. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have most significant effect on the amount recognised in the

## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year including the following:

### a) Income taxes

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. Recognition therefore involves judgement regarding the future financial performance of the Company. The amount of deferred tax assets, considered realisable, however, could reduce in the near term if estimates of future taxable income during the carry forward period are reduced.

### b) Business model assessment

Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are

managed and how the managers of the assets are compensated. 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 assets.

### c) Provisions and other contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates. The Company uses significant judgement to disclose contingent liabilities. Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

## 4A Recent Accounting Developments

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. There is no such notification which would have been applicable from 1st April, 2024, for which the impact on the Financial Information is required to be disclosed.

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)**5. Cash and cash equivalents**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Cash on hand	0.08	0.23
Balance with banks		
- In current accounts	9.02	53.74
	<b>9.10</b>	<b>53.97</b>

**6. Loans****In India**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Loans repayable on demand - at amortised cost		
- Others, unsecured (Rocky Marketing Private Limited)	3,394.63	3,201.25
Less: Impairment loss	8.49	8.00
	<b>3,386.14</b>	<b>3,193.25</b>

Analysis of changes in the gross carrying amount by stages in relation to loans and its corresponding impairment loss allowances is as follows :-

Particulars	Stage 1			
	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Loans repayable on demand (Gross)	Impairment loss allowance	Loans repayable on demand (Gross)	Impairment loss allowance
Opening Balance	3,201.25	8.00	4,214.00	10.54
New credit exposure during the year, net of repayments	193.38	0.49	(1,012.75)	(2.54)
Closing Balance	<b>3,394.63</b>	<b>8.49</b>	<b>3,201.25</b>	<b>8.00</b>

**Credit quality of assets**

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

	Stage	31 March 2024	31 March 2023
Low credit risk	Stage 1	3,394.63	3,201.25
Significant increase in credit risk	Stage 2	–	–
Credit-impaired	Stage 3	–	–
Total		<b>3,394.63</b>	<b>3,201.25</b>

**7. Investments**

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>I. Fair value through profit or loss</b>		
(i) Investment in Mutual Funds	17.12	15.92
(ii) Investment in Unquoted Preference shares	214.10	214.10
<b>II. Fair value through other comprehensive income</b>		
(i) Investment in Quoted Equity Shares	4,486.33	1,295.59
(ii) Investment in Unquoted Equity Shares	436.15	617.80
	<b>5,153.70</b>	<b>2,143.41</b>

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)**7.1 In India**

(₹ in Lakhs)

	Face Value In ₹	31 March 2024	31 March 2023
<b>Investments in mutual funds</b>			
- at fair value through profit or loss			
<b>Quoted, fully paid-up</b>			
PGIM India Money Market Fund D-Growth; 1,374.639 units (31 March 2023: 1,374.639)		17.12	15.92
		<b>17.12</b>	<b>15.92</b>
<b>Investments in equity instruments</b>			
- at fair value through other comprehensive income			
<b>Quoted, fully paid-up</b>			
Himadri Speciality Chemical Ltd; 14,84,067 (31 March 2023: 14,84,067)	1	4,486.33	1,295.59
		<b>4,486.33</b>	<b>1,295.59</b>
<b>Unquoted, fully paid-up</b>			
Ganipitak Yakshraj Caplease Ltd.; 2,500 (31 March 2023: 2,500)	10	0.01	0.01
Modern Hi-Rise Private Limited; 33 (31 March 2023: 33)	10	30.28	8.85
Mega Resources Ltd. 18,900 (31 March 2023: 18,900)	10	26.53	26.17
Sri Agro Himghar Ltd.; 55,450 (31 March 2023: 55,450)	100	225.56	255.62
Sitaram Management Ltd.; 18,000 (31 March 2023: 18,000)	10	10.32	15.92
Raghupati Consultants Pvt. Ltd.; 13,650 (31 March 2023: 13,650)	10	0.00	6.40
Sampoorna Merchandise Pvt. Ltd.; 1,41,000 (31 March 2023: 1,41,000)	10	143.45	304.83
		<b>436.15</b>	<b>617.80</b>
<b>Investments in others</b>			
- at fair value through profit or loss			
<b>Unquoted, fully paid-up</b>			
<b>1% Non-cumulative redeemable preference shares</b>			
Modern Hi-Rise Private Limited; 21,41,016 (31 March 2023: 21,41,016)	10	214.10	214.10
		<b>214.10</b>	<b>214.10</b>
<b>Outside India</b>		-	-
<b>Total gross investments</b>		<b>5,153.70</b>	<b>2,143.41</b>
<b>Less: Impairment loss allowance</b>		-	-
<b>Total net investments</b>		<b>5,153.70</b>	<b>2,143.41</b>

**Notes:**

7.1 The market value of investments is equal to the book value.

7.2. The Company has elected an irrevocable option to designate its investments in equity instruments through FVOCI, as the said investments are not held for trading and company continues to invest for long term.

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)

- 7.3. Of the total dividend recognised during the year from investment in equity share designated at FVOCI Nil (Previous year Nil) is relating to investment derecognised during the period and ₹ 3.71 lakhs (previous year ₹ 2.97 lakhs) pertains to investment held at the end of reporting period.
- 7.4. During the year, total cumulative gains (net of taxes) of ₹ Nil (P.Y. Nil) on investment in equity shares designated at FVOCI have been transferred to retained earnings on derecognition of related investments after adjusting for tax effect thereon.
- 7.5. The other disclosure regarding fair value and risk arising from financial instruments are explained in Note No. 33.

**8. Other Financial Assets**

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>(Unsecured, considered good)</b>		
Security and other deposits	0.35	0.35
	<b>0.35</b>	<b>0.35</b>

**9. Property, plant and equipment**

(₹ in Lakhs)

	Vehicles	Office Equipments	Total
<b>Gross carrying amount - at cost</b>			
As at 31st March 2022	1.85	2.18	4.03
Additions	—	—	—
Disposals and transfers	—	—	—
As at 31st March 2023	1.85	2.18	4.03
Additions	—	—	—
Disposals and transfers	1.85	2.18	4.03
As at 31st March 2024	—	—	—
<b><u>Accumulated depreciation</u></b>			
As at 31st March 2022	1.76	2.07	3.83
Depreciation charge during the year	—	—	—
Disposals and transfers	—	—	—
As at 31st March 2023	1.76	2.07	3.83
Depreciation charge during the year	—	—	—
Disposals and transfers	1.76	2.07	3.83
As at 31st March 2024	—	—	—
<b><u>Carrying amounts (net)</u></b>			
As on 31st March 2023	0.09	0.11	0.20
As on 31st March 2024	—	—	—



## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

### 10. Payables

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>Trade Payables</b>		
- Total outstanding dues of micro enterprises and small enterprises	–	–
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1.83	1.28
	<b>1.83</b>	<b>1.28</b>

#### Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

The following disclosures is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") on the basis of conformations sought from suppliers on registration with the specified authorities under MSMED Act:

Particulars	31 March 2024	31 March 2023
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	–	–
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	–	–
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	–	–
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year;	–	–
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
	–	–

#### Trade payables ageing:

(₹ in Lakhs)

Particulars					
As at 31 March 2024	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	–	–	–	–	–
(ii) Others	1.02	0.81	–	–	1.83
<b>Total</b>	<b>1.02</b>	<b>0.81</b>	<b>–</b>	<b>–</b>	<b>1.83</b>
As at 31 March 2023	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	–	–	–	–	–
(ii) Others	1.28	–	–	–	1.28
<b>Total</b>	<b>1.28</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1.28</b>

The aforementioned is based on the response received by the Company to its inquiries with suppliers with regard to applicability under the MSMED Act.

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)**11. Provisions**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Provision for leave encashment	0.21	0.25
Provision for income tax (net of payments)	10.64	12.85
	<b>10.85</b>	<b>13.10</b>

**12. Deferred tax assets / (liabilities) (net)**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Deferred tax assets		
-On Unrealised loss on investments	129.14	120.16
Deferred tax liabilities		
-Unrealised profit on investments	219.06	60.64
-Difference in depreciation on fixed assets	–	0.02
	(89.92)	59.50
	<b>(89.92)</b>	<b>59.50</b>

**Movement in deferred tax assets/ liabilities balances**

(₹ in Lakhs)

	As at 31 March 2022	Recognised in Profit or Loss	Recognised in OCI	As at 31 March 2023	Recognised in Profit or Loss	Recognised in OCI	As at 31 March 2024
<b>Deferred tax assets</b>							
Total deferred tax assets (A)	106.88	13.28	–	120.16	8.98	–	129.14
Total deferred tax liabilities (B)	(102.75)	–	42.09	(60.66)	0.02	(158.42)	(219.06)
Net deferred tax assets /(liabilities) (A-B)	<b>4.13</b>	<b>13.28</b>	<b>42.09</b>	<b>59.50</b>	<b>9.00</b>	<b>(158.42)</b>	<b>(89.92)</b>
	<b>4.13</b>	<b>13.28</b>	<b>42.09</b>	<b>59.50</b>	<b>9.00</b>	<b>(158.42)</b>	<b>(89.92)</b>

Refer Note 25 of the Ind AS financials.

**13. Other Non Financial Liabilities**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Statutory dues	0.30	0.38
	<b>0.30</b>	<b>0.38</b>

**14. Share Capital**

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>Authorised</b>		
40,00,000 (31 March 2023: 40,00,000) Equity Shares of ₹ 10 each	<b>400.00</b>	<b>400.00</b>
<b>Issued, Subscribed &amp; Paid-Up</b>		
30,00,200 (31 March 2023: 30,00,200) Equity shares of ₹ 10 each fully paid up	<b>300.02</b>	<b>300.02</b>
	<b>300.02</b>	<b>300.02</b>

## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

### A. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

Particulars	31 March 2024		31 March 2023	
	Number	Amount	Number	Amount
At the commencement of the year	30,00,200	300.02	30,00,200	300.02
Add: Issued during the year	–	–	–	–
At the end of the year	30,00,200	300.02	30,00,200	300.02

### B. Rights, preferences and restrictions attached to equity shares:

The company has only one class of shares referred to as equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

### C. The Company is a non-banking finance company, the objective of the Company is to invest in long term investments and granting of loans to ensure sustainable growth. The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment.

### D. Particulars of shareholders holding more than 5% of total number of shares issued by the company:

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares
Himadri Speciality Chemical Ltd.	3,34,900	11.16%	3,34,900	11.16%
Shyam Sundar Choudhary	9,73,800	32.46%	8,73,800	29.12%
Anurag Choudhary	1,50,100	5.00%	1,50,100	5.00%

### E. Shares held by promoters at the end of the year

Promoter name	31-03-2024		31-03-2023		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Damodar Prasad Coudhary (HUF)	–	0.00%	1,00,000	3.33%	-3.33%
Shyam Sundar Choudhary	9,73,800	32.46%	8,73,800	29.12%	3.33%
Shyam Sundar Anurag Kumar HUF	1,42,000	4.73%	1,42,000	4.73%	–
Anurag Choudhary	1,50,100	5.00%	1,50,100	5.00%	–
Amit Choudhary	70,100	2.34%	70,100	2.34%	–
Rinku Choudhary	42,100	1.40%	42,100	1.40%	–
Sheela Devi Choudhary	90,000	3.00%	90,000	3.00%	–
Shikha Choudhary	57,900	1.93%	57,900	1.93%	–
Himadri Speciality Chemical Ltd.	3,34,900	11.16%	3,34,900	11.16%	–

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)**15 Other Equity**

(₹ in Lakhs)

Components	Note	1st April 2022	Movement during the year	31 March 2023	Movement during the year	31 March 2024
Retained earnings	a	3,271.21	175.86	3,447.07	127.83	3,574.90
Equity instruments through other comprehensive income	b	1,478.24	53.21	1,531.45	2,850.68	4,382.13
Statutory Reserve	c	130.43	26.95	157.38	31.96	189.34
		<b>4,879.88</b>	<b>256.02</b>	<b>5,135.90</b>	<b>3,010.47</b>	<b>8,146.37</b>

- a. **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.
- b. **Equity instruments through other comprehensive income:** This reserves represents the cumulative gains (net of losses) arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified, if any, to retained earnings when those instruments are disposed of.
- c. **Statutory Reserve:** As prescribed by section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to transfer 20% of its net profit every year, as disclosed in the Statement of Profit & Loss before any dividend is declared, to Statutory Reserve.

**16 Interest Income**

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>At amortised cost</b>		
Interest on unsecured loans	229.82	207.36
	<b>229.82</b>	<b>207.36</b>

**17 Dividend Income**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Dividend from investment in equity instruments	3.71	2.97
	<b>3.71</b>	<b>2.97</b>

**18 Net gain/ (loss) on fair value changes**

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>(A) Net gain/ (loss) on financial instruments at fair value through profit or loss</b>		
On financial instruments designated at fair value through profit or loss	1.20	1.12
	<b>1.20</b>	<b>1.12</b>
<b>Fair value changes</b>		
- Realised	–	0.24
- Unrealised	1.20	0.88
	<b>1.20</b>	<b>1.12</b>

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)**19. Other Income**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Interest on Income Tax Refund	–	0.12
	–	0.12

**20. Finance Costs**

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>On financial liabilities measured at amortised cost</b>		
Interest on borrowings	–	4.79
Other interest expenses (on statutory payments)	–	0.01
	–	4.80

**21. Impairment on Financial Instruments**

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>Impairment on financial instruments at amortised cost</b>		
- Loans	0.48	(2.53)
	0.48	(2.53)

**22. Employees Benefits Expense**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Salaries	18.70	16.87
Contribution to provident fund	0.67	0.33
Staff welfare expenses	0.13	0.13
	19.50	17.33

**23. Other Expenses**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Rates and taxes	0.03	10.73
Printing and stationery	0.88	0.53
Advertisement	0.98	1.15
Director's sitting fees	0.92	0.90
Auditors' fees and expenses		
- Statutory audit fees	0.89	0.89
- Other services	0.53	0.83
Legal and professional charges	2.01	0.66
Travelling and conveyance	0.13	0.26
Loss on Disposal of Property, Plant and equipment	0.20	–
Miscellaneous expenses	1.95	2.35
	8.52	18.29



**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)**24. Earnings Per Share (EPS):**

The calculation of basic earnings per share is based on the profit attributable to equity shareholders and the weighted average number of ordinary shares outstanding and calculated as follows:

Particulars	31 March 2024	31 March 2023
Profit after tax attributable to equity shareholders	159.79	134.73
Weighted average number of equity shares (basic and diluted)	30,00,200	30,00,200
<b>Earnings per share (Face value per share - ₹ 10)</b>		
Basic	5.33	4.49
Diluted	5.33	4.49

**25. Income Taxes**

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>Amount recognised in statement of profit and loss</b>		
<b>Current tax expense</b>		
Current year	51.78	51.67
Prior years	3.66	0.56
	<b>55.44</b>	<b>52.23</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(9.00)	(13.28)
<b>Total tax expense</b>	<b>46.44</b>	<b>38.95</b>

**Reconciliation of income tax expense of the year to accounting year**

(₹ in Lakhs)

	31 March 2024	31 March 2023
<b>Profit before tax</b>	206.23	173.68
Tax using the company's domestic tax rate	25.17%	25.17%
Expected income tax expense	51.90	43.71
<b>Tax effect of:</b>		
- Non-deductible expenses	0.12	2.05
- Benefit of indexation under tax laws	(9.21)	(7.18)
- Income taxed at different rates	—	(0.61)
- Tax for earlier years	3.66	0.56
- Others	(0.03)	0.42
<b>Total income tax expense</b>	<b>46.44</b>	<b>38.95</b>

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)**26. Contingent Liabilities**

(₹ in Lakhs)

	31 March 2024	31 March 2023
Claims against the Company not acknowledged as debt - Income tax matter	–	8.86

**27. Related party transactions:****A. Key managerial personnel and their relatives**

Anurag Choudhary	Key Managerial Personnel (Managing Director)
Amit Choudhary	Key Managerial Personnel (Non-Executive Director)
Santosh Kumar Agrawala	Key Managerial Personnel (Independent Director-Resigned on 07/08/2023)
Suchitra Basu De	Key Managerial Personnel (Independent Director)
Santimoy Dey	Key Managerial Personnel (Independent Director-Appointed on 08/08/2023)
Koushik Ranjan Saha	Chief Financial Officer & Company Secretary -(Resigned-18/01/2024)
Pintu Singh	Chief Financial Officer & Company Secretary -(Appointed on 19/01/2024)

**B. Enterprises owned or significantly influenced by the key managerial personnel or their relatives**

Himadri Speciality Chemical Ltd  
Modern Hi-Rise Private Limited  
Sri Agro Himghar Limited  
Sampoorna Merchandise Pvt Ltd

Transactions carried out with related parties referred to in above, in ordinary course of business, are as under:

(₹ in Lakhs)

Nature of transactions	31 March 2024	31 March 2023
<b>Dividend received</b>		
Himadri Speciality Chemical Ltd	3.71	2.97
<b>Repayment of borrowings</b>		
Modern Hi-Rise Private Limited	–	600.00
<b>Director's sitting fees</b>	0.92	0.90
<b>Remuneration</b>		
Koushik Ranjan Saha	9.61	10.23
Pintu Singh	1.77	–

**Balances at year end :-**

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
<b>Investment held</b>		
Himadri Speciality Chemical Ltd	4,486.33	1,295.59
Modern Hi-Rise Private Limited	244.38	222.95
Sampoorna Merchandise Pvt Ltd	143.45	304.83
Sri Agro Himghar Limited	225.56	255.62

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)**28. Maturity analysis of Assets & Liabilities**

(₹ in Lakhs)

Particulars	31 March 2024		31 March 2023	
	Current	Non-Current	Current	Non-Current
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents	9.10	–	53.97	–
(b) Loans	3,386.14	–	3,193.25	–
(c) Investments	17.12	5,136.58	15.92	2,127.49
(d) Other financial assets	–	0.35	–	0.35
	3,412.36	5,136.93	3,263.14	2,127.84
<b>Non-Financial Assets</b>				
(a) Deferred tax assets (net)	–	–	–	59.50
(b) Property, plant and equipment	–	–	–	0.20
	–	–	–	59.70
<b>TOTAL ASSETS</b>	<b>3,412.36</b>	<b>5,136.93</b>	<b>3,263.14</b>	<b>2,187.54</b>
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
(a) Payables				
(I) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	–	–	–	–
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1.83	–	1.28	–
	1.83	–	1.28	–
<b>Non Financial Liabilities</b>				
(a) Provisions	10.85	–	13.10	–
(b) Deferred tax liabilities (net)	–	89.92	–	–
(c) Other non financial liabilities	0.30	–	0.38	–
	11.15	89.92	13.48	–
<b>TOTAL LIABILITIES</b>	<b>12.98</b>	<b>89.92</b>	<b>14.76</b>	<b>–</b>
<b>NET</b>	<b>3,399.38</b>	<b>5,047.01</b>	<b>3,248.38</b>	<b>2,187.54</b>

**29. Change in liabilities arising from financing activities disclosed as per Ind AS 7, Cash flow statements**

Particulars	As at April 01,2023	Cash Flows	Change in Fair Value	Others	As at March 31,2024
Borrowings Other than debt Securities	–	–	–	–	–

Particulars	As at April 01,2022	Cash Flows	Change in Fair Value	Others	As at March 31,2023
Borrowings Other than debt Securities	1,259.75	(1,259.75)	–	–	–

## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

30. No provision has been made in accounts in respect of gratuity to the Employees as the Company is not covered under the Payment of Gratuity Act, 1972.

### 31. Segment Information

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company is mainly engaged in the investing and finance business and all other activities revolve around the main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

### 32. Exposure to Capital Market

Particulars	31 March 2024	31 March 2023
i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	4,922.48	1,913.39
ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	—	—
iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	—	—
iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	—	—
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:	—	—
(a) Category I	—	—
(b) Category II	—	—
(c) Category III	—	—
<b>Total Exposure to Capital Market</b>	<b>4,922.48</b>	<b>1,913.39</b>

## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

### 33 Financial instruments and related disclosures

#### 33.1 Fair values vs carrying amounts

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position. The table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. (₹ in Lakhs)

	Note No.	As at 31st March 2024				As at 31st March 2023			
		Carrying amount	Fair value			Carrying amount	Fair value		
			Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>A. Financial assets:</b>									
<b>a) Measured at amortised cost</b>									
Cash and cash equivalents	5	9.10	–	–	–	53.97	–	–	–
Loans	6	3,386.14	–	–	–	3,193.25	–	–	–
Other financial assets	8	0.35	–	–	–	0.35	–	–	–
<b>b) Measured at fair value through profit or loss Investments</b>									
Investments	7								
- Mutual Funds		17.12	17.12	–	–	15.92	15.92	–	–
- Unquoted Preference Shares		214.10	–	–	214.10	214.10	–	–	214.10
<b>c) Measured at fair value through other comprehensive income</b>									
Investments in Equity Shares	7	4,922.48	4,486.33	30.28	405.87	1,913.39	1,295.59	–	617.80
<b>B. Financial liabilities:</b>									
<b>a) Measured at amortised cost</b>									
Payables	10	1.83	–	–	–	1.28	–	–	–

#### 33.2 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchange in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Net Asset value of share has been considered as fair value for unquoted investments in equity shares measured at FVTOCI. Cost is approximate estimate of fair vale for unquoted investments in preference shares measured at FVTOCI. There has been no change in the valuation methodology for Level 3 inputs during the year.

There were no transfers between Level 1 and Level 2 during the year.

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable and other financial assets and liabilities approximate their carrying amounts largely due to the short



**Notes to Financial Statements** for the year ended 31 March 2024 *(Contd.)*

term maturities of these instruments.		
Reconciliation of Level 3 fair value measurement is as below:		(₹ in Lakhs)
Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	831.90	1,071.43
Addition during the year	–	–
Sales during the year	–	(84.90)
Transfer out of Level 3	(30.28)	–
Fair Value Changes during the year	(181.65)	(154.63)
Balance at the end of the year	619.97	831.90

33.3 **Financial risk management**

<p><b>Risk management framework</b></p> <p>The Company’s principal financial liabilities comprises of trade payables. The main purpose of these financial liabilities is to finance the Company operations. The Company’s principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.</p> <p>The Company’s activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company’s primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company’s exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company’s risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company’s activities.</p> <p>This note presents information about the Company’s exposure to each of the above risks, the Company’s objectives, policies and processes for measuring and managing risk.</p> <p>The Company has exposure to the following risks arising from financial instruments:</p> <p>(i) Credit risk</p> <p>(ii) Liquidity risk</p> <p>(iii) Market risk</p> <p><b>(i) Credit risk</b></p> <p>Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities of lending and investing business.</p> <p>The company has comprehensive and well-defined credit policies which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises.</p> <p>For other financial assets and investments, the Company has an investment policy which allows the Company to invest only with counterparties having a good credit rating. The Company reviews the creditworthiness of these counterparties on an on-going basis. Counterparty limits maybe updated as and when required subject to approval of Board of Directors.</p>	
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## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

### (ii) 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. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance 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's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

#### Contractual maturity profile

(₹ in Lakhs)

Particulars	As at 31 March 2024			As at 31 March 2023		
	< 1 year	1-5 years	> 5 years	< 1 year	1-5 years	> 5 years
Payables	1.83	-	-	1.28	-	-
	1.83	-	-	1.28	-	-

### (iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

#### (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuates because of changes in prevailing market interest rates. The Company has no exposure to the risk due to the fact that it does not have any borrowing at the year end. The Company constantly monitors the credit markets and revisits its financing strategies to achieve an optimal maturity profile and financing cost.

#### Sensitivity analysis

Since there are no borrowings availed by the company on floating rate, therefore there is no requirement for calculating the interest rate sensitivity

#### (b) Equity price risk

The Company's exposure to equity securities risk arises from investments held by the Company and classified in the Balance Sheet as fair value through OCI.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio.

As regards investments in unlisted privately held companies, the fair valuations are largely dependent on the investee company's ability to achieve desired outcomes which measure the performance of the Company. Hence the key price risk emanates from performance shortfall due to industry risks, policy changes and liquidity risk given the lower exit probability. "

A sensitivity analysis demonstrating the impact of the change in market prices of listed equity instruments from the prices existing as at the reporting date is given below:

Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

(₹ in Lakhs)

Particulars	Carrying value as at	
	31-Mar-24	31-Mar-23
Investments carried at FVTOCI valued using quoted prices in active market	4,486.33	1,295.59

Particulars	Sensitivity analysis on total comprehensive income upon fluctuation of market prices	
	Increase by 10%	Decrease by 10%
Impact on total comprehensive income for year ended 31 March 2024	448.63	(448.63)
Impact on total comprehensive income for year ended 31 March 2023	129.56	(129.56)

Equity instrument through OCI being a component of other equity would increase/decrease as a result of gain/loss on equity securities classified as fair value through Other Comprehensive Income.

(c) Currency risk

The Company does not have currency risks since it is not exposed to any foreign currency transaction.

34 Ratios as per the Schedule III Requirements :

Ratios	As at March 31, 2024	As at March 31, 2023	Variance %	Reason for variance if > 25%
(a) Capital to risk-weighted assets ratio(CRAR),	97.63%	100.77%	3.89%	
(b) Tier I CRAR,	97.63%	100.77%	3.89%	
(c) Tier II CRAR,	Not Applicable	Not Applicable	Not Applicable	
(d) Liquidity Coverage Ratio,	Not Applicable	Not Applicable	Not Applicable	

Ratio Calculation Formula

Ratios

- (a) Capital to risk-weighted assets ratio(CRAR),
- (b) Tier I CRAR,
- (c) Tier II CRAR,
- (d) Liquidity Coverage Ratio,

Calculation Formula

- Total capital funds/Total risk weighted assets
- Capital funds – Tier I/Total risk weighted assets
- Capital funds – Tier II/Total risk weighted assets
- Total HQLA (Maintained) / Total Net Cash Outflows

35 Registration of Charge or satisfaction with Registrar of Companies (ROC)

Charges that were satisfied but not yet closed with Registrar of Companies (ROC):

Charge ID	Assets under Charge	Charge Amount	Date of Creation	Reason for non registration
10224701	Book debts; Floating charge; Movable property (not being pledge)	3,150.00	06-05-2010	Certain Paper documentation pending with Bank.

## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

### 36 OTHER REGULATORY INFORMATION

- (i) The Company has not given any loans and advances to the KMP, promoters or related parties, either severally or jointly with another person, that are (i) repayable on demand or (ii) without specifying any terms or periods of repayment.
- (ii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iii) The company does not have any transactions with companies struck off.
- (iv) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (v) The Company has not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (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.
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (viii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (ix) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

37. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to conform to this year's classification. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to amounts and other disclosures relating to the current year.

**RBI disclosures from Notes 38 to 41 have been prepared as per RBI Circulars / Directives basis Ind-AS financial statements. RBI disclosures are prepared basis gross carrying value of loans.**

## Notes to Financial Statements for the year ended 31 March 2024 (Contd.)

38 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 pertaining to Asset Classification as per RBI Norms

As at 31st March 2024

(₹ in Lakhs)

Asset Classification as per RBI Norms	Asset Classification as per Ind-AS 109	Gross carrying amount (Ind-AS)	Loss allowances: Ind-AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind-AS 109 and IRACP
<b>Performing Assets</b>						
Standard	Stage 1	3,394.63	8.49	3,386.14	8.49	–
	Stage 2	–	–	–	–	–
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	–	–	–	–	–
Doubtful - up to 1 year	Stage 3	–	–	–	–	–
1 to 3 years	Stage 3	–	–	–	–	–
More than 3 years	Stage 3	–	–	–	–	–
<b>Total</b>		<b>3,394.63</b>	<b>8.49</b>	<b>3,386.14</b>	<b>8.49</b>	<b>–</b>

As at 31st March 2023

(₹ in Lakhs)

Asset Classification as per RBI Norms	Asset Classification as per Ind-AS 109	Gross carrying amount (Ind-AS)	Loss allowances: Ind-AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind-AS 109 and IRACP
<b>Performing Assets</b>						
Standard	Stage 1	3,201.25	8.00	3,193.25	8.00	–
	Stage 2	–	–	–	–	–
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	–	–	–	–	–
Doubtful - up to 1 year	Stage 3	–	–	–	–	–
1 to 3 years	Stage 3	–	–	–	–	–
More than 3 years	Stage 3	–	–	–	–	–
<b>Total</b>		<b>3,201.25</b>	<b>8.00</b>	<b>3,193.25</b>	<b>8.00</b>	<b>–</b>

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)

39. Schedule to the Balance Sheet of a non deposit taking Non-Banking Financial Company (as required in terms of Paragraph 19 of - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (₹ in Lakhs)

Particulars			
Liabilities side			
1	Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid :	31.03.2024	31.03.2023
a	Debentures : Secured		
	: Unsecured	-	-
	(other than falling within the meaning of public deposits)	-	-
b	Deferred credits	-	-
c	Term loans	-	-
d	Inter-corporate loans and borrowings	-	-
e	Commercial paper	-	-
f	Public Deposits	-	-
g	Other loans (Represents Working Capital Demand Loans)	-	-
Assets side			
2	Break-up of loans and advances including bills receivables (other than those included in (4) below):	31.03.2024	31.03.2023
a	Secured	-	-
b	Unsecured	3,394.63	3,201.25
3	Break-up of leased assets and tock on hire and other assets counting towards asset finance activities:		
(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 asset financing activities:	-	-
a	Loans where assets have been repossessed	-	-
b	Loans other than (a) above	-	-



**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)

(₹ in Lakhs)

		31.03.2024	31.03.2023
<b>4</b>	<b>Break-up of investments:</b>		
	<b>Current investments:</b>		
<b>A</b>	<b>Quoted</b>		
<b>i</b>	<b>Shares:</b>		
<b>a</b>	Equity	–	–
<b>b</b>	Preference	–	–
<b>ii</b>	Debentures and bonds	–	–
<b>iii</b>	Units of mutual funds	17.12	15.92
<b>iv</b>	Government securities	–	–
<b>v</b>	Others	–	–
<b>B</b>	<b>Unquoted</b>		
<b>i</b>	<b>Shares:</b>		
<b>a</b>	Equity	–	–
<b>b</b>	Preference	–	–
<b>ii</b>	Debentures and bonds	–	–
<b>iii</b>	Units of mutual funds	–	–
<b>iv</b>	Government securities	–	–
<b>v</b>	Others	–	–
	<b>Long term investments</b>	–	–
<b>A</b>	<b>Quoted:</b>		
<b>i</b>	<b>Shares:</b>		
<b>a</b>	Equity	4,486.33	1,295.59
<b>b</b>	Preference	–	–
<b>ii</b>	Debentures and bonds	–	–
<b>iii</b>	Units of mutual funds	–	–
<b>iv</b>	Government securities	–	–
<b>v</b>	Others	–	–
<b>B</b>	<b>Unquoted</b>		
<b>i</b>	<b>Shares:</b>		
<b>a</b>	Equity	436.15	617.80
<b>b</b>	Preference	214.10	214.10
<b>ii</b>	Debentures and bonds	–	–
<b>iii</b>	Units of mutual funds	–	–
<b>iv</b>	Government securities	–	–
<b>v</b>	Others	–	–
	<b>Total</b>	<b>8,548.33</b>	<b>5,344.66</b>

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)**5 Borrower group-wise classification of assets financed as in (3) and (4) above: (₹ in Lakhs)**

Category		Amount net of provisions 31.03.2024		
		Secured	Unsecured	Total
<b>A</b>	<b>Related parties</b>			
a	Subsidiaries	–	–	–
b	Companies in the same group	–	–	–
c	Other related parties	–	–	–
<b>B</b>	<b>Other than related parties</b>	–	3,386.14	3,386.14
	<b>Total</b>	–	<b>3,386.14</b>	<b>3,386.14</b>

(₹ in Lakhs)

Category		Amount net of provisions 31.03.2023		
		Secured	Unsecured	Total
<b>A</b>	<b>Related parties</b>			
a	Subsidiaries	–	–	–
b	Companies in the same group	–	–	–
c	Other related parties	–	–	–
<b>B</b>	<b>Other than related parties</b>	–	3,193.25	3,193.25
	<b>Total</b>	–	<b>3,193.25</b>	<b>3,193.25</b>

**6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) (₹ in Lakhs)**

Category		31.03.2024		31.03.2023	
		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>A</b>	<b>Related parties</b>				
a	Subsidiaries	–	–	–	–
b	Companies in the same group	4,486.33	4,486.33	1,295.59	1,295.59
c	Other related parties	613.39	613.39	799.32	799.32
<b>B</b>	<b>Other than related parties</b>	53.98	53.98	48.50	48.50
	<b>Total</b>	<b>5,153.70</b>	<b>5,153.70</b>	<b>2,143.41</b>	<b>2,143.41</b>

**Notes to Financial Statements** for the year ended 31 March 2024 (Contd.)

		(₹ in Lakhs)	
	Particulars	31.03.2024	31.03.2023
7	Other information		
(i)	Gross non-performing assets		
a	Related parties	–	–
b	Other than related parties	–	–
(ii)	Net non-performing assets		
a	Related parties	–	–
b	Other than related parties	–	–
(iii)	Assets acquired in satisfaction of debt	–	–

40. Other RBI disclosures:

- (i) **Penalties imposed by RBI and Other Regulators:** No penalties have been imposed by RBI and Other Regulators during current year (Previous year - NIL).
- (ii) **Disclosure on frauds pursuant to RBI Master direction:** No frauds were detected and reported for the current year and previous year.
- (iii) **Overseas assets:** There are no overseas asset owned by the Company.
- (iv) **Draw down from Reserves:** The Company has made no drawdown from existing reserves.
- (v) **Registration under other regulators:** The Company is not registered under any other regulator other than Reserve Bank of India.

As per our report of even date attached  
**For S. Jaykishan**  
 Chartered Accountants  
 Firm’s Registration Number : 309005E  
 Sd/-  
**CA VISHAL AGARWAL**  
 Partner  
 Membership No.315490  
 Place : Kolkata  
 Dated: The 24<sup>th</sup> day of May, 2024

For and on behalf of the Board of Directors

Sd/-	Sd/-
<b>ANURAG CHOUDHARY</b>	<b>AMIT CHOUDHARY</b>
Managing Director	Director
DIN: 00173934	DIN: 00152358

Sd/-  
**PINTU SINGH**  
 CFO & Company Secretary  
 FCS - 10733



*If undelivered please return to:*

**Himadri Credit & Finance Limited**

Registered Office:  
23A, Netaji Subhas Road,  
8<sup>th</sup> Floor, Kolkata 700001