



## KEERTANA FINSERV PRIVATE LIMITED

The "Company" or the "Issuer"

**Registered Office:** 64A, Hemanta Basu Sarani, 2nd Floor, Suite No. 210, Kolkata, West Bengal 700001  
**Corporate Office:** Ramky Selenium Towers, 2nd Floor, Plot No 31 Part & 32,  
Financial District, Nanakramguda, Hyderabad - 500032.  
**Telephone No:** +91-40-4878 7000, **Website:** www.keertanafin.in, **Email:** secretarial@keertana.co

### Company Identification Details:

Corporate Identity Number	U65100WB1996PTC077252
Permanent Account Number:	AABCR4808B
Date and Place of Incorporation	14/02/1996, West Bengal
NBFC Registration No.:	B.05.03970

### Details of Promoters:

SN	Name	Contact Details	E-mail Id
1	Ms. Padmaja Gangireddy, Managing Director	9000877745	padmaja.reddy@keertana.co
2	Mr. Vijaya Sivarami Reddy Vendidandi, Director	8328314242	vvsrreddy63@gmail.com

Company Secretary	Siddharth Mehta, +91-9030759468, Email: secretarial@keertana.co
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THIS BOND ISSUE DOES NOT FORM PART OF NON-EQUITY REGULATORY CAPITAL MENTIONED UNDER CHAPTER V OF SEBI NCS REGULATIONS, 2021. THE FACE VALUE OF EACH DEBT SECURITY ISSUED ON PRIVATE PLACEMENT BASIS SHALL BE RS.1,00,000 (INDIAN RUPEES ONE LAKH ONLY).

Date: 06<sup>th</sup> of June 2023

2,400 (TWO THOUSAND FOUR HUNDRED ONLY) FULLY PAID, SENIOR, SECURED, RATED, LISTED, TAXABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, AGGREGATING UP TO INR 24,00,00,000/- (INDIAN RUPEES TWENTY- FOUR CRORES ONLY) (THE "ISSUE"), BY WAY OF A PRIVATE PLACEMENT (THE "ISSUE"), BY KEERTANA FINSERV PRIVATE LIMITED (THE "COMPANY" OR "ISSUER"). THE DEBENTURES ARE ISSUED AT A DISCOUNT OF INR 1,000 (ONE THOUSAND ONLY) TO THE FACE VALUE BEING INR. 99,000 (INDIAN RUPEES NINETY-NINE THOUSAND) AGGREGATING TO INR 23,76,00,000 (INDIAN RUPEES TWENTY-THREE CRORES SEVENTY-SIX LAKHS ONLY);

Debenture Trustee	Register & Transfer Agent	Credit Rating Agency
 <p><b>CATALYST</b> <i>Believe in yourself... Trust us!</i></p>		
<p><b>Catalyst Trusteeship Limited</b> Address: 604, Windsor Building, Kalina, Santacruz East, Mumbai – 400098, Maharashtra, India Telephone: +91 (022) 49220555 Fax: +91 (022) 49220505 Website: <a href="http://www.catalysttrustee.com/">http://www.catalysttrustee.com/</a></p> <p>Contact Person: Umesh Salvi</p> <p>Email: <a href="mailto:ComplianceCTL-Mumbai@ctltrustee.co">ComplianceCTL-Mumbai@ctltrustee.co</a></p>	<p><b>Link Intime India Pvt. Ltd</b> Address: C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai City, Maharashtra - 400083 Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Email: <a href="mailto:debtca@linkintime.co.in">debtca@linkintime.co.in</a></p> <p>Contact Person: Amit Dabhade Email: <a href="mailto:amit.dabhade@linkintime.co.in">amit.dabhade@linkintime.co.in</a></p>	<p><b>CRISIL Ratings Limited</b> Address: CRISIL House , Central Avenue, Hiranandani Business Park, Powai, Mumbai 400076, Maharashtra. Website: <a href="http://www.crisilratings.com">www.crisilratings.com</a> Email: <a href="mailto:crisilratingdesk@crisil.com">crisilratingdesk@crisil.com</a></p> <p>Contact person: Mr. Ajit Velonie Email: <a href="mailto:ajit.velonie@crisil.com">ajit.velonie@crisil.com</a></p>

ISSUE SCHEDULE	
Issue Opens on:	07 <sup>th</sup> June 2023
Issue Closes on:	07 <sup>th</sup> June 2023
Pay in Date	07 <sup>th</sup> June 2023
Deemed date of allotment	07 <sup>th</sup> June 2023

ISSUE DETAILS	
Nature	senior, secured, rated, listed, taxable, redeemable, non-convertible debentures
Number	2,400 (Two thousand four hundred only) senior, secured, rated, listed, taxable, redeemable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 24,00,00,000/- (Indian Rupees Twenty four crores only)
Face value/ Price per Debenture	Face value: 1,00,000 (Indian Rupees One Lakh) per Debenture  Issue price: 99,000 (Indian Rupees Ninety Nine Thousand) per Debenture. The Debentures are issued at a discount of INR 1,000 (One Thousand Only) to the face value
Amount	Rs. 24,00,00,000 (Indian Rupees Twenty Four Crores Only)
Issue size (base issue or green shoe)	Rs. 24,00,00,000 (Indian Rupees Twenty Four Crores Only)  Green Shoe Option- Nil
Coupon	11.60% p.a. (Eleven-point six zero percent per annum).
Coupon Payment Frequency	Last day of every month i.e. 30th June, 31st July
Redemption Date	31 <sup>st</sup> January 2025.
Redemption Amount	INR 1,00,000/- (Indian Rupees One Lakh Only) per Debenture.
Credit Rating	“CRISIL BBB” from CRISIL Ratings Limited

Details of Eligible Investors	<p>The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("<b>Eligible Investors</b>"):</p> <ul style="list-style-type: none"> <li>(a) Mutual Funds</li> <li>(b) NBFCs</li> <li>(c) Provident Funds and Pension Funds</li> <li>(d) Corporates</li> <li>(e) Banks</li> <li>(f) Foreign Institutional Investors (FIIs)</li> <li>(g) Qualified Foreign Investors (QFIs)</li> <li>(h) Foreign Portfolio Investors (FPIs)</li> <li>(i) Insurance Companies</li> <li>(j) Alternative investment funds</li> <li>(k) Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures.</li> </ul> <p>All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p>
Details about Underwriting	Not Applicable
Listing	The Debentures are proposed to be listed on the wholesale debt market segment of the BSE Limited (" <b>BSE</b> " or the " <b>Stock Exchange</b> ").
Electronic Book Provider Platform	Not Applicable.
Specific declaration requested by BSE: non-equity regulatory capital	This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the SEBI NCS Regulations. The face value of each Debenture is INR 1,00,000 (Indian Rupees One Lakh Only).

#### **GENERAL RISK**

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this document.

Specific attention of investors is invited to statement of risk factors contained under **SECTION 4 – RISK FACTORS** of this Disclosure Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the debt securities/non-convertible redeemable preference shares or investor's decision to purchase such securities.

#### **ISSUER'S ABSOLUTE RESPONSIBILITY**

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this placement memorandum contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the placement memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

#### **CREDIT RATING**

CRISIL Ratings Ltd has assigned rating to the Issue by the Company by a letter dated 31st May 2023. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. For more details on credit rating of the Issuer refer to press release at [https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/KeertanaFinservPrivateLimited\\_May%2031,%202023\\_RR\\_320218.html](https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/KeertanaFinservPrivateLimited_May%2031,%202023_RR_320218.html).

The above rating is not a recommendation to buy, sell or hold securities and Investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning Credit Rating Agency and rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future.

**LISTING**

The Debentures are proposed to be listed on the wholesale debt market segment of the BSE Limited ("BSE" or the "Stock Exchange"). The Company has obtained "in principle" approvals from BSE on 06<sup>th</sup> June 2023, for listing the Debentures offered through this Issue.

**RECOVERY EXPENSE FUND**

The Issuer has created the Recovery Expense Fund in accordance with the SEBI DT Operational Circular with the BSE. In this regard, please also refer to the section on "Creation of recovery expense fund" under Section 8 below.

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## SECTION 1            DISCLAIMERS

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### GENERAL DISCLAIMER

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This Disclosure Document is neither a prospectus nor a statement in lieu of a prospectus and does not constitute an offer to the public to subscribe to the Issue.

The Debentures are to be listed on BSE and is being made strictly on a private placement basis. The Disclosure Document is not intended to be circulated to more than 200 (two hundred) persons. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. No invitation is being made to any persons other than to those to whom Application Form along with this Disclosure Document have been sent. Any application by a person to whom the Disclosure Document and Application Form have not been sent by the Company shall be rejected without assigning any reason. The person who is in receipt of the Disclosure Document shall maintain utmost confidentiality regarding the contents of the Disclosure Document and shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents without the consent of the Issuer.

This Disclosure Document has been prepared in conformity with the Securities and Exchange Board Of India (Issue And Listing Of Non-Convertible Securities) Regulations, 2021, as amended up to date and other applicable laws. Therefore, as per the applicable provisions, a copy of this Disclosure Document has not been filed or submitted to the SEBI for its review and/or approval. It is the responsibility of potential investors to also ensure that any sale by them of the NCDs/Debentures does not constitute an offer to the public within the meaning of the Companies Act.

Apart from the Disclosure Document, no offer document or prospectus has been prepared in connection with this Issue and that no prospectus in relation to the Issuer or the NCDs relating to this Issue has been delivered for registration nor such a document is required to be registered under the applicable laws.

The Disclosure Document issued by the Company and the views contained in Disclosure do not necessarily reflect the views of its directors, employees, affiliates, subsidiaries, or representatives and should not be taken as such. The Disclosure Document have been prepared to provide general information about the Issuer to potential Eligible Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. The Disclosure Document do not purport to contain all the information that any potential Eligible Investor may require. Where the Disclosure Document summarize the provisions of any other document, that summary should not be relied upon and the relevant document should be referred to for the full effect of the provisions.

Neither the Disclosure Document nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Disclosure Document should not consider such receipt a recommendation to purchase any Debentures. Each investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances.

This Information Memorandum and the contents hereof are intended only for recipients who have been addressed to directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue. The contents of this Disclosure Document is intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

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### DISCLAIMER TO THE ISSUER

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The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference, if any) contains all information that is material in the context of the Issue, is accurate in all material respects and does

not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, are not misleading. The sale or transfer of these Debentures outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

The Issuer confirms that all information considered adequate for and relevant to the Issue and the Issuer has been made available in this Information Memorandum for the use and perusal of the potential investors and no selective or additional information would be made available to any section of investors in any manner whatsoever. The information relating to the Company contained in the Disclosure Document is believed by the Company to be accurate in all respects as of the date hereof.

The Issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of the Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum nor any Issue of Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

The Issuer having made all reasonable enquiries, accepts responsibility for and confirms that the information contained in this Disclosure Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Company or any of its directors, employees, advisors, affiliates, subsidiaries or representatives do not accept any responsibility and/or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.

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**DISCLAIMER TO THE STOCK EXCHANGE**

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As required, a copy of this Disclosure Document has been submitted to the BSE for hosting the same on its website as per the applicable law.

It is to be distinctly understood that filing of this Disclosure Document with the BSE should not in any way be deemed or construed that the same has been cleared or approved by the BSE, nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Disclosure Document, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the Stock Exchange; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any Debentures of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

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**DISCLAIMER CLAUSE OF SEBI**

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This Disclosure Document has not been filed with the SEBI. The securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy this Information Memorandum. It is to be distinctly understood that filing of this Information Memorandum should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility for the purpose for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum. The issue of Debentures being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves right to take up at any point of time, with the Company, any irregularities or lapses in this document.

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**DISCLAIMER TO THE DEBENTURE TRUSTEE**

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The Debenture Trustee or its agents or advisers associated with the Issue of the Debentures do not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Disclosure Document and shall

not have any responsibility to advise any investor or prospective Investor in the Debentures of any information available with or subsequently coming to the attention of the Debenture Trustee, its agents or advisors.

The Debenture Trustee and its agents or advisors associated with the issue of the /Debentures have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by Debenture Trustee as to the accuracy or any other information provided by the Issuer. Accordingly, the Debenture Trustee shall have no liability in relation to the information contained in this Disclosure Document or any other information provided by the Issuer in connection with the Issue. The Debenture Trustee is neither a principal debtor nor a guarantor of the /Debentures.

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**DISCLAIMER IN RESPECT OF CREDIT RATING AGENCY**

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The ratings of the Credit Rating Agency should not be treated as a recommendation to buy, sell or hold the Debentures. The Credit Rating Agency ratings are subject to a process of surveillance which may lead to a revision in ratings. Please visit the Credit Rating Agency's website ([https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/KeertanaFinservPrivateLimited\\_May%2031,%202023\\_RR\\_320218.html](https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/KeertanaFinservPrivateLimited_May%2031,%202023_RR_320218.html)) or contact the Credit Rating Agency's office for the latest information on the Credit Rating Agency's ratings. All information contained herein has been obtained by the Credit Rating Agency from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and the credit rating agency in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or opinion and Credit Rating Agency shall not be liable for any losses incurred by users from any use of this publication and completeness of any such information. All information contained herein must be construed solely as statements or its contents.

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**DISCLAIMER OF RESERVE BANK OF INDIA**

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The Debentures have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this Disclosure Document. It is to be distinctly understood that this Disclosure Document should not, in any way, be deemed or construed that the Debentures have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Debentures being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Disclosure Document. The potential investors may make investment decision in respect of the Debentures offered in terms of this Disclosure Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment



## SECTION 2 DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Disclosure Document.

<b>Act</b>	Companies Act, 2013, and for any matters or affairs prior to the notification of the relevant provisions of the Companies Act, 2013, the Companies Act, 1956 and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
<b>Application Form</b>	the application form in the Debt Disclosure Document.
<b>Allot/ Allotment/ Allotted</b>	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
<b>Beneficial Owner(s)</b>	means the holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository.
<b>Board/ Board of Director(s)</b>	Board of Director(s) of the Issuer.
<b>BSE Limited/BSE</b>	Stock Exchange / Designated Stock Exchange.
<b>Business Day</b>	means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Place(s) of Business.
<b>CERSAI</b>	means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
<b>CDSL</b>	Central Depository Services (India) Limited
<b>Company / Issuer</b>	Keertana Finserv Private Limited
<b>Coupon</b>	means the coupon payable on the Debentures on the Coupon Payment Date(s), at the Coupon Rate.
<b>Coupon Payment Date</b>	mean the date(s) as specified in <b>Section 8- Issue Details</b> of this Information Memorandum.
<b>Date of Subscription</b>	Date of realization of proceeds of subscription money in the bank account of the Company.
<b>Debentures or NCDs</b>	2400 (Two thousand Four Hundred) rated, senior, listed, secured, redeemable non-convertible debentures of the face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each aggregating to INR. 24,00,00,000/- (Indian Rupees Twenty-Four Crores only)  The debentures are issued at a discount of INR 1,000 (one thousand only) to the face value being INR. 99,000 (Indian Rupees Ninety-Nine Thousand) aggregating to INR 23,76,00,000 (Indian Rupees Twenty-Three Crores Seventy-Six Lakhs Only);
<b>Debenture Holder(s)/Investors</b>	Person(s) holding Debenture(s) and whose name is recorded as beneficial owner with the Depository (if the Debentures are in dematerialized form) as defined under Section 2 of the Depositories Act, 1996) or the person(s) whose name appears as holder of Debentures in the Register of Debentures (if the Debentures are in the physical form)
<b>Debenture Trust Deed / DTD</b>	The Debenture trust deed dated on or about the date of this Disclosure Document entered / to be entered into between the Company and the Debenture Trustee.
<b>Debenture Trustee</b>	Trustee for the Debenture Holder(s), in this case being Catalyst Trusteeship limited.
<b>Debenture Trustee Agreement</b>	Means the agreement entered into by and between the Issuer and the Debenture Trustee and dated June 1st, 2023
<b>Deed of Hypothecation</b>	means the deed of hypothecation executed and delivered by the Issuer in favour of the Debenture Trustee to evidence creation of first ranking exclusive charge by the Issuer in favour of the Debenture Trustee (for the benefit of the Debenture Holders) over the Hypothecated Property (in a form acceptable to the Majority Debenture Holders).
<b>Deemed Date of Allotment</b>	means June 07, 2023
<b>Depository Participant / DP</b>	A Depository participant as defined under Depositories Act, 1996 as amended from time to time
<b>Depository</b>	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996 as amended from time to time.

<b>Depositories Act</b>	The Depositories Act, 1996, as amended from time to time.
<b>Disclosure Document / Information Memorandum</b>	This document dated 06 <sup>th</sup> June 2023 which sets out the information regarding the Debentures being issued on a private placement basis.
<b>DRR</b>	Debenture Redemption Reserve
<b>EFT</b>	Electronic Fund Transfer
<b>Financial Year / FY</b>	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year;
<b>Insolvency Filing Event</b>	The filing of any petition for insolvency resolution or liquidation against the Company under the Insolvency and Bankruptcy Code, 2016
<b>Issue Opening Date</b>	07 <sup>th</sup> June 2023
<b>Issue Closing Date</b>	07 <sup>th</sup> June 2023
<b>NEFT</b>	National Electronic Fund Transfer
<b>NOC</b>	No Objection Certificate(s)
<b>NSDL</b>	National Securities Depository Limited
<b>PAN</b>	Permanent Account Number
<b>Private Placement Offer Cum Application Letter/ PPOL</b>	The letter issued by the Issuer pursuant to the provisions of Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, to the Investors in the format set out in the said rules
<b>POA</b>	Power of Attorney
<b>Rating Agency/ Credit Rating Agency</b>	CRISIL RATINGS LIMITED with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time and having its office at W-101, Sunrise Chambers, 22 Ulsoor Road, Bangalore-560 042, India
<b>Record Date</b>	shall mean the date being 15 (fifteen) calendar days prior to the due date on which any payments are to be made to the Debenture Holder(s) in accordance with the terms of the Debentures on the basis of which the determination of the persons entitled to receive redemption of principal, Coupon, and other Payments, if any, as the case may be, in respect of the Debentures shall be made.
<b>REF / Recovery Expense Fund</b>	shall mean the fund contributed by the Company towards creation of a recovery expense fund as required to be created in terms of the SEBI Debenture Trustee Circular as may be amended from time to time.
<b>R&amp;T Agent</b>	Registrar and Transfer Agent to the Issue, in this case being Link Intime India Pvt. Ltd
<b>RTGS</b>	Real Time Gross Settlement
<b>SEBI</b>	Securities and Exchange Board of India
<b>SEBI DT Operational Circular</b>	Means "Operational Circular for Debenture Trustees" regarding debt instruments and debenture trustees issued by SEBI bearing reference number SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023 as amended from time to time.
<b>SEBI NCS Regulations</b>	Securities And Exchange Board Of India (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 as amended from time to time.
<b>SEBI Operational Circular 2021</b>	Means "Operation Circular for issue and listing of non-convertible securities, securitized debt instrument, security receipts, municipal debt securities and commercial paper" issued vide circular no. 2023DDHS/P/CIR/2021/613 dated August 10, 2021 and as amended from time to time.
<b>SEBI LODR Regulations</b>	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
<b>TDS</b>	Tax Deduction at Source
<b>WDM</b>	Wholesale Debt Market



### SECTION 3 UNDERTAKING OF THE ISSUER

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

Specific attention of investors is invited to the statement of 'Risk factors' given under the section '**General Risks**'." "The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Disclosure Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/offer document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed."

## SECTION 4 RISK FACTORS

**An investment in the Debentures involves risks. These risks may include, among others, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective Investors should be experienced with respect to transactions in instruments such as the Debentures. Prospective Investors should understand the risks associated with an investment in the Debentures and should only reach an investment decision after careful consideration of, (a) the suitability of an investment in the Debentures in the light of their own particular financial, tax and other circumstances; and (b) the information set out in this Disclosure Document.**

More than one risk factor may simultaneously affect the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Debentures.

Investors are advised to read the following risk factors carefully before making an investment in the Debentures offered in this Issue. Each investor must rely on its own examination of the Issuer and this Issue, including the risks and uncertainties involved. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

### RISKS RELATING TO THE DEBENTURES

#### **I. Changes in the interest rates may affect the price of the Debentures**

All securities where a fixed rate of interest is offered, such as Debentures are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fluctuation in the prices is a function of the existing coupon/yield to maturity, days to maturity and the increase or decrease in the level of prevailing interest rates. Any increase in rates of interest is likely to have a negative effect on the price of the Debentures.

#### **II. Secondary market for the Debentures may be illiquid**

It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. As specified in the Disclosure Document, an application has been made to list or quote or admit to trading the Debentures on the WSD Segment of the BSE and an in-principle approval has been obtained. If the Debentures are so listed or quoted or admitted to trading on the BSE no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.

The Issuer may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realize value for the Debentures prior to redemption of the Debentures.

#### **III. Credit risk and rating downgrade risk**

The Credit Rating Agency has assigned the credit rating of "BBB" rating to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms. The Issuer cannot guarantee that this rating will not be downgraded. Such a downgrade in the credit rating may lower the value of the Debentures and may also affect the Issuer's ability to raise further debts.

#### **IV. The Debentures may not be a suitable investment for all potential Investors**

Potential Investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers such as legal, tax, accounting and other advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition.

**V. Exercise of powers by the Debenture Trustee is subject to equitable principles and supervisory powers of courts**

The exercise by the Debenture Trustee of the powers and remedies conferred on it under the Debentures and this Disclosure Document or otherwise vested in it by applicable law, will be subject to general equitable principles regarding the enforcement of security, the general supervisory powers and discretion of the Indian courts in the context thereof and the obtaining of any necessary governmental or regulatory consents, approvals, authorisations or orders.

**VI. The right of the Debenture Holders to receive payments under the Debentures will be junior to certain tax and other liabilities preferred by law on an insolvency of the Issuer**

The Debentures will be subordinated to certain liabilities preferred by applicable law such as claims of the Government of India on account of taxes and certain liabilities incurred in the ordinary course of the Issuer's business (including workmen's dues). Upon an order for winding-up in India, the assets of a company are vested in a liquidator who has wide powers to liquidate such company to pay its debt and administrative expenses.

**VII. Receipt of coupon or principal is subject to the credit risk of the Issuer.**

Investors should be aware that the receipt of any coupon payment and principal amount at maturity is subject to the credit risk of the Issuer. Any stated credit rating of the Issuer reflects the independent opinion of the referenced rating agency as to the creditworthiness of the rated entity but is not a guarantee of credit quality of the Issuer. Any downgrading of the credit ratings of the Issuer by the rating agency may lower the value of the Debentures

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

The payment of the principal and coupon on the Debentures is subject to the credit risk of the Issuer whereby the investors may or may not recover all or part of the principal or coupon amount of the funds invested in case of default by the Issuer. Debenture Holders assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures and may or may not recover all or part of the principal and/or coupon amount in case of default by the Issuer.

**VIII. Security may be insufficient to redeem the Debentures**

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of security documents, and other related documents. The Debenture Holder(s)' recovery in relation to the Debentures will be subject to (i) the market value of such secured property, (ii) finding willing buyers for the Security at a price sufficient to repay the Debenture Holder(s)' amounts outstanding under the Debentures. The value realised from the enforcement of the Security may be insufficient to redeem the Debentures.

While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of Information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

**IX. Payment of penalty**

In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable.

## INTERNAL RISKS

### Risk Factor in relation to the Issuer's business

**A. *If the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.***

As on 30<sup>th</sup> April 23, the Gross Portfolio of the Issuer is Rs.660.07 Cr. All Loans disbursed by the issuer from 1<sup>st</sup> April 22 have 100% on time collection efficiency. Client has maintained excellent portfolio quality in the last one year with strong credit appraisal and close monitoring of collections. Portfolio is well diversified across segments and products. As on 30<sup>th</sup> April, xx% of the portfolio is secured by Gold and Hard Collateral.

Further, the Issuer is maintaining 25% capital adequacy, while the regulatory requirement is only 15%. Further the Issuer has higher profitability with 6.2% ROA for FY23.

The Client Loans are secured against hypothecation of stock, receivables and other current assets and the clients of these loans are of low risk category as they are backed by Gold, which is liquid.

As on 30<sup>th</sup> April'2023, the gross NPA was Rs. 408,754/- on a gross portfolio of Rs. 6,600,678,024.21/- (including managed / securitized portfolio of Rs. (0) Nil.

The Issuer cannot assure that the Issuer will be able to effectively control and reduce the level of NPAs in its total loan portfolio. The amount of the Issuer's reported non-performing loans may increase in the future as a result of growth in the total loan portfolio, and also due to factors beyond the Issuer's control. Failure to manage NPAs or effect recoveries will result in operations being adversely affected.

The Issuer's current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of the Issuer's total loan portfolio. As a result, if the quality of the Issuer's total loan portfolio deteriorates the Issuer may be required to increase the loan loss reserves, which will adversely affect the Issuer's financial condition and results of operations.

**B. *The Issuer's business operates through a large number of rural and semi urban branches and is exposed to operational risks including fraud***

The Issuer is exposed to operational risks, including fraud, petty theft and embezzlement, as it handles a large amount of cash due to high volume of small transactions. This could harm its operations and its financial position.

As the Issuer handles a large amount of cash through a high volume of small transactions taking place in its network, the Issuer is exposed to the risk of fraud or other misconduct by its employees or outsiders. These risks are further compounded due to the high level of delegation of power and responsibilities that the Issuer's business model requires. Given the high volume of transactions processed by the Issuer, certain instances of fraud and misconduct may go unnoticed before they are discovered and successfully rectified. Even when the Issuer discovers such instances of fraud or theft and pursue them to the full extent of the law or with its insurance carriers, there can be no assurance that the Issuer will recover any such amounts. In addition, the Issuer's dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

The Issuer has avoided dealing with cash to the maximum extent possible. Excepting few small ticket Gold Loans, which are disbursed in cash, Group Loans and MSME Loans are disbursed through Bank. Only Group Loans have collections done in cash and Gold Loans, if the collection amount is >2L and MSME collections are done through Bank mode done.

Branches are audited frequently and the Cash balance checks are conducted frequently. The Issuer also has a strong MIS system that has a wide range of data that can be used to monitor financial and operational performance.

To mitigate the above risk, the Issuer maintains an internal audit process to ensure that the operations team follows the defined procedures and reports any deviations to the Management. The Issuer also has a MIS system able to generate data analysis that can be used to monitor financial and operational performance.

**C. *Loans due within two years account for almost all of the Issuer's interest income, and a significant reduction in short term loans may result in a corresponding decrease in its interest income***

A majority of the loans the Issuer issues are due within approximately two years of disbursement. The relatively short-term nature of the Issuer's loans means that the Issuer's long-term interest income stream is less certain than if a portion of its loans were for a longer term. In addition, the Issuer's customers may not obtain new loans from the Issuer upon maturity of their existing loans, particularly if competition increases. The potential instability of the Issuer's interest income could materially and adversely affect the Issuer's results of operations and financial position.

The loans given by the issuer are at fixed interest rate, and the tenor of the underlying asset has increased from one year to two year which has provided stability to the portfolio and interest income and has also smoothed operating expense.

**D. *The Issuer is exposed to certain political, regulatory and concentration of risks***

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigant to this is to expand its geographical reach and may consequently expand its operations other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

**E. *Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.***

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the financial services industries]. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

Headcount of employees increased from 150 in April 22 to 1,200 by April 23. It is evident from the multi-fold growth in the headcount that the Issuer has capability to attract and retain talent. In the very first year of its start of operations, the Issuer hired three vertical heads for Gold, MSME and Micro Finance. Three of them have on an average 12 years of experience in financial services. It has six qualified Chartered Accountants working at HO.

**F. *The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees***

The employees are not currently unionized. However, there can be no assurance that they will not unionize in the future. If the employees unionize, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which would adversely affect the Issuer's business and results of operations.

The Issuer is fully compliant with all labour policies. It has flexible working hours. Even the Micro Finance team have flexible working hours during non collection days.

***The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position***



The Issuer maintains insurance coverage of the type and in the amounts that it believes are commensurate with its operations and other general liability insurances. The Issuer's insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage.

In addition, there are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful assertion of one or more large claims against the Issuer that exceeds its available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations.

All Borrowers and spouses of unsecured loans are insured for a sum insured equivalent to loan amount. Further, their male spouses are covered under accidental insurance. Gold lying in Branches is also insured against theft, fire etc.,

**G. *Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.***

NBFCs in India are subject to strict regulation and supervision by the RBI. The Issuer requires certain approvals, licenses, registrations and permissions for operating its business, including registration with the RBI as a NBFC pursuant to Section 45-IA of the RBI Act, 1934. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC-ND-SI that is subject to numerous conditions. Additionally, RBI has issued detailed directions on prudential norms *inter alia* prescribing guidelines on income recognition, asset classification and provisioning requirements applicable to NBFCs, exposure norms, disclosures in the balance sheet, requirement of capital adequacy, restrictions on investments in land and building and unquoted shares besides others. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the Issuer's certificate of registration may be suspended or cancelled, and it shall not be able to carry on such activities. If the Issuer fails to comply with any directions issued applicable on NBFCs and fails to maintain the status of NBFC it may attract penal provisions under the RBI Act, 1934 for non-compliance. The penal action can also result in RBI cancelling the certificate of registration issued to the NBFC.

The Promoter and the MD of the Issuer has over 20 years of managing NBFC and NBFC MFI. She has excellent track record in terms of NBFC Compliances. As the management is not new to NBFC structured and related compliance, the risk of non compliance and related risks are very low.

## EXTERNAL RISK FACTORS

### **I. Future legal and regulatory obstructions**

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to RBI or SEBI, may adversely affect the Debentures. The timing and content of any new law or regulation is not within the Issuer's control and such new law, regulation, comment, statement or policy change could have an adverse effect on the market for and the price of the Debentures.

Further, SEBI or any other regulatory authorities may require clarifications on this Disclosure Document, which may cause a delay in the issuance of the Debentures or may result in the Debentures being materially affected or even rejected.

Further, the exercise by the Debenture Trustee of the powers and remedies conferred on it under the Debenture Trust Deed, or otherwise vested in them by applicable law, will be subject to general equitable principles regarding the enforcement of security, the general supervisory powers and discretion of the Indian courts in the context thereof and the obtaining of any necessary governmental or regulatory consents, approvals, authorizations or orders.

### **II. Political instability or changes in the government could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally**

Since 1991, successive Indian governments have pursued policies of economic liberalization. The role of the Central Government and State Governments in the Indian economy as producers, consumers and regulators has remained significant. If there is a slowdown in economic liberalization, or a reversal of steps already taken, it could have an adverse effect on the debt market which is as such exposed to the risks of the Indian regulatory and policy regime.

**III. Company's growth depends on the sustained growth of the Indian economy. An economic slowdown in India and abroad could have direct impact on the Company's operations and profitability.**

Macroeconomic factors that affect the Indian economy and the global economic scenario have an impact on Company's business. Recent trends suggest that the economy may grow at a flat pace which may have a direct impact on our business and a slowdown in the economy as a whole can increase such an impact thereby adversely impacting the Company's growth plans.

A sustained slowdown in the Indian economy could adversely affect Company's business; India's economy could be adversely affected by a general rise in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or general down trend in the economy

**IV. Civil unrest, terrorist attacks and war could affect our business.**

Terrorist attacks and other acts of violence, war, or conflicts, particularly those involving India, as well as the jurisdictions where the Company's business is situated, may adversely affect Indian and global financial markets. Such acts may negatively impact business sentiment, which could adversely affect the Company's business and profitability. India has from time to time experienced, and continues to experience, social and civil unrest, terrorist attacks and hostilities with neighboring countries. Also, some of India's neighboring countries have experienced, or are currently experiencing internal unrest. This, in turn, could have a material adverse effect on the market for securities including the Debentures. The consequences of any armed conflicts are unpredictable, and the Company may not be able to foresee events that could have an adverse effect on Company's business and the price and yield of the NCDs.

**V. Company's business may be adversely impacted by natural calamities or unfavorable climatic changes.**

India, Nepal, Bangladesh, Pakistan, Indonesia, and other Asian countries have experienced natural calamities such as earthquakes, floods, droughts, and a tsunami in recent years. Some of these countries have also experienced pandemics notably the ongoing Covid-19 pandemic in India and Globally including the outbreak of avian flu/ swine flu. The extent and severity of these natural disasters and pandemics determines their impact on these economies and in turn affects the Company's business and operation. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the economies in which the Company has operations, which could adversely affect its business and the price of the Debentures.

**VI. Any downgrading of India's sovereign rating by an international rating agency (ies) may affect the Company's business and its liquidity to a great extent.**

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on Company's financial performance and its ability to obtain financing to fund our growth on favorable terms, or at all.

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**GENERAL RISKS**

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**I. Investment risks**

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been

recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document.

## **II. Early Termination for Extraordinary Reasons, Illegality and Force Majeure**

If the Issuer determines that, for reasons beyond its control, the performance of its obligations under the Debentures has become illegal or impractical in whole or in part for any reason, the Issuer may, at its discretion and without obligation, redeem the Debentures early.

## **III. Taxation**

Potential purchasers and sellers of the Debentures should be aware that they may be required to pay stamp duties or other documentary charges/taxes in accordance with the laws and practices of India. Payment and/or delivery of any amount due in respect of the Debentures will be conditional upon the payment of all applicable taxes, duties and/or expenses.

Potential Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential Investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time

## **IV. Delays in court proceedings in India**

If any dispute arises between the Issuer and any other party including Debenture Holders, the Issuer or such other party may need to take recourse to judicial proceedings before courts in India. It is not unusual for court proceedings in India to continue for extended periods. Disposition of cases may be further subject to various delays including multiple levels of appellate adjudication.

## **V. Accounting Considerations**

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

## **VI. Breach of contract.**

A failure to observe the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances

### **OTHERS RISKS UNDER NCS LISTING REGULATION**

#### **A. RISKS IN RELATION TO THE SECURITY CREATED IN RELATION TO THE DEBT SECURITIES AND RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT**

Refer to Risk Factor- VIII under "*Risks relating to Debentures*".

#### **B. REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD**

As on the date of this Placement Memorandum, no stock exchange in India or abroad has refused listing of any equity or debt security issued by the Issuer.

#### **C. IN CASE OF OUTSTANDING DEBT INSTRUMENTS OR DEPOSITS OR BORROWINGS:**

**ANY DEFAULT IN COMPLIANCE WITH THE MATERIAL COVENANTS SUCH AS CREATION OF SECURITY AS PER TERMS AGREED:** As on the date of this Placement Memorandum, the Issuer has not committed any default in compliance with the material covenants such as creation of security as per terms agreed in respect of any outstanding borrowings.

**DEFAULT IN PAYMENT OF INTEREST:** As on the date of this Placement Memorandum, the Issuer has not committed any default in payment of interest in respect of any outstanding borrowings.

**DEFAULT IN REDEMPTION OR REPAYMENT:** As on the date of this Placement Memorandum, the Issuer has not committed any default in redemption or repayment in respect of any outstanding borrowings.

**NON-CREATION OF DEBENTURE REDEMPTION RESERVE:** Pursuant to Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, a non-banking financial company is not required to maintain debenture redemption reserve for debentures issued on a private placement basis.

**DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE:** As on the date of this Placement Memorandum, the Issuer has not committed any default in payment of interest penal in respect of any outstanding borrowings.

## SECTION 5 REGULATORY DISCLOSURES

This Disclosure Document is prepared in accordance with the provisions of the SEBI NCS Regulations and in this section, the Issuer has set out the details required as per Schedule II of the SEBI NCS Regulations:

### LIST OF DOCUMENTS TO BE FILED WITH THE STOCK EXCHANGE AND DEBENTURE TRUSTEE

#### List of disclosures to be filed along with the listing application to the Stock Exchange:

- I. Memorandum and articles of association of the Issuer and necessary resolution(s) for the allotment of the debt securities;
- II. Copy of last three years audited and adopted annual reports;
- III. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- IV. Copy of the Board / Committee Resolution dated 17<sup>th</sup> May 2023 authorizing the borrowing and list of authorized signatories.
- V. Certified true copy of the resolution passed by the Company at the Annual General Meeting under Section 180 (1)(c) of the Act, held on 19<sup>th</sup> My 2023 authorising the Company to borrow, upon such terms as the Board may think fit, up to an aggregate limit of Rs. 1200 /- crores (Rupees One Thousand Two Hundred Crores only);
- VI. Copy of the resolution passed by the shareholders of the Company at the Annual General Meeting held on 19<sup>th</sup> May 2023 authorizing the issue/offer of non-convertible debentures by the Company;
- VII. An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/ act/ rules etc. and the same would be uploaded on the website of the Stock exchange, where the debt securities have been listed, within five working days of execution of the same.
- VIII. Any other particulars or documents that the BSE may call for as it deems fit.
- IX. An undertaking that permission/ consent from the existing creditor for an exclusive/ first or *pari passu* charge being created, where ever applicable, in favour of the trustees to the proposed issue has been obtained.

### Material contracts and agreements

S. No.	Nature of Contract
1.	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2.	Board Resolution dated 17 <sup>th</sup> May 2023, authorizing the issue of Debentures offered under the terms of this Disclosure Document.
3.	Shareholder Resolution under Section 180 (1) (a) and Section 180 (1) (c) dated 19 <sup>th</sup> May 2023 authorizing the borrowing by the Company and the creation of security.
4.	Shareholders' Resolution dated 19 <sup>th</sup> May 2023 authorizing the issue of non-convertible debentures by the Company.
5.	Copies of Annual Reports of the Company for the last three financial years.
6.	Credit rating letter from the Rating Agency dated 31 <sup>st</sup> May 2023.
7.	Letter from Debenture Trustee dated 18 <sup>th</sup> May 2023 giving its consent to act as Debenture Trustee. ("Consent Letter")
8.	Letter for Register and Transfer Agent dated 31 <sup>st</sup> May 2023.

9.	Certified true copy of the certificate of incorporation of the Company.
10.	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL dated 18 <sup>th</sup> May 2023.
11.	Debenture Trustee Agreement dated June 1 <sup>st</sup> 2023 executed between the Issuer and the Debenture Trustee.
12.	Debenture Trust Deed dated June 5 <sup>th</sup> 2023 executed between the Issuer and the Debenture Trustee.
13.	Deed of Hypothecation dated June 5 <sup>th</sup> 2023 executed between the Issuer and the Debenture Trustee.
14.	Deed of Personal Guarantee dated June 5 <sup>th</sup> 2023 executed by Padmaja Gangireddy in favor of Debenture Trustee.


**SECTION 6      ISSUER INFORMATION**

**I. PROMOTERS OF THE COMPANY**

**Details of Promoters of the Issuer Company**

A complete profile of all the promoters, including their name, date of birth, age, personal addresses, educational qualifications, experience in the business or employment, positions/posts held in the past, directorships held, other ventures of each promoter, special achievements, their business and financial activities, photograph, Permanent Accountant Number:


The details of the Promoters of the Issuer are set out below:

	Particulars	Details		
	<b>Insert Photograph/Logo</b>			
1)	<b>Name</b>	<b>Padmaja Gangireddy</b>		
2)	Date of Birth:	14 <sup>th</sup> January 1967		
3)	Age:	56 Years		
4)	Personal Address/ Registered Office:	A Block, Flat No. 208, Jayabheri Ornage County, Nanakramguda, Serilingampally, Gachibowli, Hyderabad, Telangana - 500032		
5)	Educational Qualifications:	MBA		
6)	Experience in the business or employment:	2+ Decades of experience in the field of Micro Finance		
7)	Positions/posts held in the past:	Managing Director, Spandana Spoorthy Financial Limited		
8)	Directorships held:	<ol style="list-style-type: none"> <li>1. Abhiram Marketing Services Limited</li> <li>2. Keertana Financial Limited</li> <li>3. Criss Financial Limited</li> <li>4. Spandana Sphoorthy Financial Limited</li> <li>5. Caspian Financial Services Limited</li> </ol>		
9)	Other ventures of the promoter:	SPANDANA RURAL AND URBAN DEVELOPMENT ORGANISATION (SRUDO)		
10)	Special achievements:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">Femina</td> <td style="width: 50%; text-align: center;">Most Promising Women Leader Award for 2021</td> </tr> </table>	Femina	Most Promising Women Leader Award for 2021
Femina	Most Promising Women Leader Award for 2021			

		NewsX	NewsX placed Mrs Padmaja Reddy in India's A-List for Excellence in Entrepreneurship
		AIWMI - India's top 100 Women in Finance	AIWMI placed Mrs Padmaja Reddy in India's top 100 Women in Finance 2020
		The Economic Times	The Economic Times recognizes Mrs Padmaja Reddy as one of the Promising Entrepreneurs of India
		Chief Strategy Officers Summit by Morpheus	Strategy Leader of the year – 2019
		CII Entrepreneur Awards	Best Entrepreneur Award - 2019
		Herald Global and BARC Asia	Most Admired Leader of Asia 2018
		CMO Asia, Singapore	Women Leadership Award for Excellence in Banking & Finance, 2018
		International Achievers Conference, Thailand	Outstanding Achievement Award for Excellence in Banking & Finance
		Times Network	CEO of the Year – 2017
		World HRD Congress	Pride of Telangana Award for 2017
		ABP News	Woman Leadership Award in Banking and Finance for 2017
		CMO Asia	Woman Entrepreneur of the year Award for 2016
		Indian Society for Industry and Intellectual Development (ISIID)	Best Personality of the Year - 2017
		Golden Globe Tigers	Outstanding Woman Leadership Award
		Femina	Woman leadership Award for excellence in Banking and Finance Sector for 2017
		South India BFSI Leadership Award	Woman Achiever of the Year for 2017
		CMO Asia	Woman CEO of the Year - 2017
		ABP News	Most Admired Entrepreneur for 2016
		CMO Asia	Woman Leadership Award in Banking and Finance for 2018
		International Achievers Conference	Outstanding Achievement Award for excellence in Banking & Finance for 2018
		Women Entrepreneur India	Woman Leader of the Year for 2020
11)	Their business and financial activities:	She is a Industry veteran and enjoys highest credibility with the lenders. During her stint as MD, she raised over Rs.25,000 Crore from various Public Sector and Private Sector banks.	
12)	Permanent Accountant Number:	AEZPG1437L	
13)	Other details:	Email:	



	<a href="mailto:padmaja.reddy@keertana.co">padmaja.reddy@keertana.co</a>
--	--

	Particulars	Details
	Insert Photograph/Logo	
1)	Name	Vijaya Sivarami Reddy Vendidandi
2)	Date of Birth:	01 <sup>st</sup> July 1963
3)	Age:	60 Years
4)	Personal Address/ Registered Office:	A Block, Flat No. 208, Jayabheri Ornage County, Nanakramguda, Serilingampally, Gachibowli, Hyderabad, Telangana - 500032
5)	Educational Qualifications:	M.Literature in English
6)	Experience in the business or employment:	2+ Decades of experience
7)	Positions/posts held in the past:	Member, Spandana Rural and Urban Development Organisation
8)	Directorships held:	1. Abhiram Marketing Services Limited 2. Keertana Financial Limited 3. FinS Technologies Limited
9)	Other ventures of the promoter:	SPANDANA RURAL AND URBAN DEVELOPMENT ORGANISATION (SRUDO)
10)	Special achievements:	NA
11)	Their business and financial activities:	NA
12)	Permanent Accountant Number:	ACEPV2541H
13)	Other details:	Email: <a href="mailto:vvsreddy63@gmail.com">vvsreddy63@gmail.com</a>

**Declaration of the Promoter:**

A declaration confirming that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the

stock exchanges on which the nonconvertible securities are proposed to be listed, at the time of filing the draft Disclosure Documents as stated in **ANNEXURE X**.

## **II. Credit Rating of Debenture**

The detailed rating rationale (s) adopted (not older than one year on the date of opening of the issue)/ credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies shall be disclosed.

CRISIL Ratings Ltd has assigned "BBB" rating to these Debentures by a letter dated 31<sup>st</sup> May 2023. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk

The rating letter as released by CRISIL is enclosed as **Annexure II**.

## **III. Listing**

**Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being/has been created as specified by the Board.**

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis. The Issuer has obtained the in-principle approval for the listing of the Debentures on the WDM segment of the BSE.

The Debentures are not proposed to be listed on more than one stock exchange.

The Company has created a Recovery Expense Fund which is equal to 0.01% (Zero decimal point Zero – One percent) of the Issue Size in the form of cash/ bank transfer bearing UTR No. IDFBH23151698450 dated 31<sup>st</sup> May 2023 for an amount of Rs.25,000/- maintained with the designated stock exchange(BSE), **please also refer to the section on "Creation of recovery expense fund" under Section 8 below.**

## **IV. Issue schedule**

<b>ISSUE SCHEDULE</b>	
Issue Opens on:	07 <sup>th</sup> June 2023
Issue Closes on:	07 <sup>th</sup> June 2023
Pay in Date	07 <sup>th</sup> June 2023
Deemed date of allotment	07 <sup>th</sup> June 2023

### **I. Name, logo, addresses, website URL, email address, telephone number and contact person of the following:**

<b>Name:</b>	<b>Keertana Finserv Private Limited</b>
<b>Arrangers, if any</b>	Nil
<b>Debenture Trustee:</b>	As mentioned in Page No. 2
<b>Register and Transfer Agent</b>	As mentioned in Page No. 2

<b>Credit Rating Agency</b>	As mentioned in Page No. 2
<b>Auditors:</b>	<p><b>M. ANANDAM &amp; CO.</b> Chartered Accountants</p> <p>Mr. M.V.Ranganath, CA</p> <p>Address: 7 A, Surya Towers, Sardar Patel Road, Secunderabad 500003</p> <p>Website: <a href="https://anandam.in/">https://anandam.in/</a></p> <p>Contact Person: M.V.Ranganath, CA</p> <p>Contact Details: 040-2781 2034</p>
<b>Guarantor</b>	Ms. Padmaja Gangireddy
<b>Legal Counsel</b>	 <p>Ms. Sudha Muddaiah, Partner</p> <p>ADDRESS: The Empire Business Centre, 414 Senapati Bapat Marg Lower Parel, Mumbai-400013</p> <p>Contact Person: Ms. Sudha Muddaiah, Partner</p> <p>Contact Details: +91-22 66907368</p>

**V. About the Issuer**

**a. Overview of the Business of the Issuer:**

Keertana is a new generation Inclusive and Rural focused financial Institution that leverages cutting edge technology to enable access of credit in a hassle free, affordable and at convenience to its customers. Promoter Ms. Padmaja Reddy and her founding team members bring with them over 100+ years of collective experience in the small business lending. Ms. Reddy after having spent over 2 decades in building one of India's leading Microfinance Institution, Spandana Sphoorty Financial Limited, parted ways to focus on evolving enterprise business segment whose credit demand is largely unmet. This segment is traditionally un-served by banks, underserved by NBFCs, and beyond the serviceable limits of NBFC-MFIs. The focus areas chosen were Gold Loans, Micro Enterprise lending both secured and unsecured to start with.

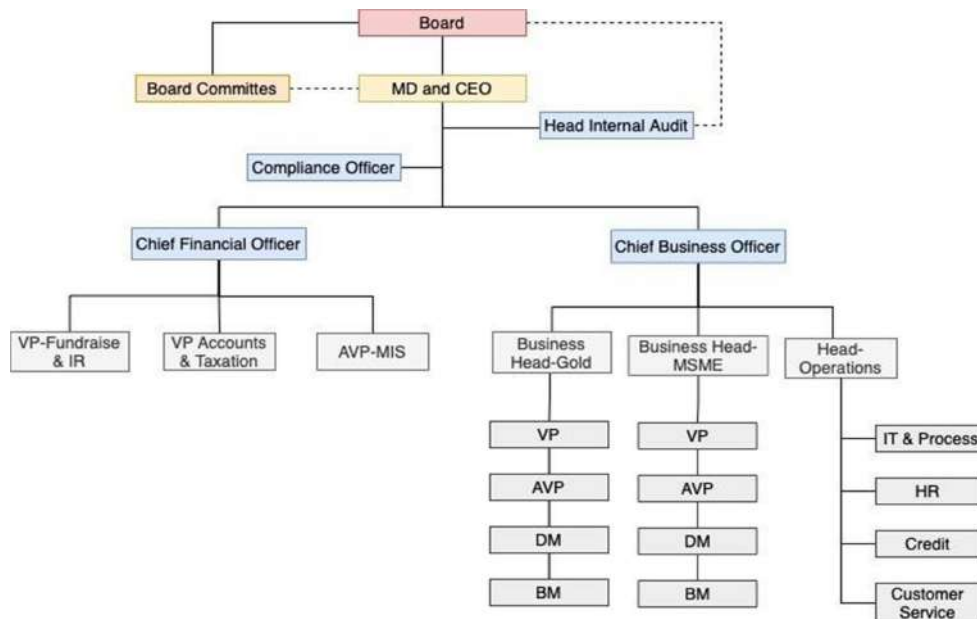
The idea of Keertana took birth in November 2021. However, an NBFC outfit was needed to further the vision, and towards this an existing NBFC registered in 2001, Rajshree Tracom Pvt Limited was acquired by the promoter, subsequently acquired ~Rs 215cr worth of Gold Loan and Micro-Enterprise portfolio from Spandana Mutual Benefit Trust (SMBT) & Spandana Rural and Urban Development (SRUDO) respectively. Rajashree Tracom's name was changed to Keertana Finserv Private Limited after necessary approvals.

Values:

- Commitment
- Innovation
- Transparency
- Integrity

**b. Corporate Structure of the Issuer**

The corporate structure of the Company is given below:



**c. Branch details:**

**No. of Branches as on 30<sup>th</sup> April 2023: 242 Branches out of which 200 are operating.**

**d. Subsidiary details:**

Keertana Financial Limited  
 No. of shares held – 24,99,975 out of 25,00,000

**e. Project cost and means of financing, in case of funding of new projects:**

**Not Applicable**

**VI. Financial Information**

a. A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the draft offer document or offer document or issue opening date, as applicable.

## Annexure I

However if the issuer being a listed REIT/listed InvIT has been in existence for a period less than three completed years and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and interim period, then the combined financial statements need to be disclosed for the periods when such historical financial statements are not available.- **Not applicable**

- b. Listed issuers (whose debt securities or specified securities are listed on stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the offer, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in offer document including risk factors.
- c. Issuers other than unlisted REITs / unlisted InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:
  - i. The issue is made on the EBP platform irrespective of the issue size; and
  - ii. The issue is open for subscription only to Qualified Institutional Buyers.

### Not applicable

- d. The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.  
Attached below
- e. **Key Operational and Financial Parameters**

A brief overview of the financial performance of the Issuer for past three years is given below:

Parameters	FY2022-23	FY2021-22	FY2020-21
	(Audited)	(Audited)	(Audited)
<b>Balance Sheet</b>			
<b>Net Fixed assets</b>	1661.80	0.03	0.03
<b>Current assets</b>	55080.32	275.19	208.10
<b>Non-current assets</b>	12633.73	0.00	60.55
<b>Total assets</b>	69375.85	275.22	268.68
<b>Non-current liabilities</b>			
(including maturities of long-term borrowings and short-term borrowings)	16,540.02	0.00	0.00
Financial (borrowings, trade payables, and other financial liabilities)			
Provisions	0.00	0.00	0.00
Deferred tax liabilities (net)	0.02	0.00	0.00
Other non-current liabilities	0.00	0.01	0.00
	0.00	0.00	0.00
<b>Current liabilities</b>	34,190.37	0.00	0.47
(including maturities of long-term borrowings and short-term borrowings)			

Parameters	FY2022-23	FY2021-22	FY2020-21
<b>Financial (borrowings, trade payables, and other financial liabilities)</b>			
Provisions	62.29	0.13	0.00
Current tax liabilities (net)	577.96	1.25	3.71
Other current liabilities	0.00	0.00	9.77
	575.86	0.00	0.00
<b>Equity (equity and other equity)</b>	<b>17,429.33</b>	<b>273.82</b>	<b>254.73</b>
<b>Total equity and liabilities</b>	<b>69,375.85</b>	<b>275.21</b>	<b>268.68</b>
<b>Profit and Loss</b>			
Total Revenue from Operations	9406.96	22.07	26.57
Other Income	118.16	11.16	3.62
Total Expenses	6631.54	8.87	20.80
Total comprehensive income	0.00	0.00	0.00
Profit/loss Deb	0.00	0.00	0.00
Other Comprehensive income (including securitisation transactions)	0.00	0.00	0.00
Profit/Loss after tax	2141.24	19.10	6.82
Earnings per equity share: (a) basic; and (b) diluted	3.87	1.53	0.55
Continuing operations	3.87	1.53	0.55
Discontinued operations	0.00	0.00	0.00
Total Continuing and discontinued operations	3.87	1.53	0.55
<b>Cash Flow</b>			
Net cash generated from operating activities	(8929.48)	25.41	55.99
Net cash used in / generated from investing activities	(1846.08)	60.00	1.00
Net cash used in financing activities Cash and cash equivalents	15,014.26	0.00	(58.89)
Balance as per statement of cash flows	4325.54	86.83	1.42
<b>Additional Information</b>			
Net Worth	17429.33	273.82	254.72
Cash and Cash Equivalents	4325.54	86.83	1.42
Current Investments	0.00	0.00	0.00
Assets Under Management	60913.45	188.36	206.67
Off Balance Sheet Assets	0.00	0.00	0.00
Total Debts to Total assets	0.75	0.00	0.00
Debt Service Coverage Ratios	0.13	0.00	0.00

Parameters	FY2022-23	FY2021-22	FY2020-21
Interest Income	8948.94	22.07	24.71
Interest Service Coverage Ratio	1.78	-	-
Interest Expense	3693.59	0.00	0.00
Provisioning & Write-offs	97.17	0.00	0.00
Bad Debts to Account Receivable Ratio	0.00	0.00	0.00
Gross NPA (%)	0.01%	0.00%	0.00%
Net NPA (%)	0.01%	0.00%	0.00%
Tier I Capital Adequacy Ratio (%)	26.36%	145.35%	96.17%
Tier II Capital Adequacy Ratio (%)	0.00%	0.00%	0.00%

**f. GROSS DEBT/ EQUITY RATIO OF THE COMPANY**

Particulars	Value
Before the issue of debt securities	2.94
After the issue of debt securities	2.94

**g. Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability. As Given Below.**

Nature of Liability	As at 31-03-2023	As at 31-03-2022
	Nil	Nil

**VII. BRIEF HISTORY OF THE ISSUER**

**i. Capital Structure**

The capital structure of the Company as on last quarter ended on 31<sup>st</sup> March 2023, is given below:

Share Capital	Amount (INR) (Lakhs)
<b>Authorised</b>	10,000
Equity Share Capital	10,000
Preference	0.00
<b>TOTAL</b>	10,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	
Equity Shares	6,431.13
Preference Shares	0.00
<b>TOTAL</b>	6,431.13

**ii. Change in Capital Structure**

Change in the capital structure as on last quarter ended on 31<sup>st</sup> March 2023, for the last 3 (three) years:

For F.Y 2022-23

Date of Change (AGM/EGM)	Particulars	No. of Equity Shares
09th April 2022	Rights Issue -	4,40,04,525
21st April 2022	Private Placement -	54,23,784
07th September 2022	Rights Issue -	36,35,349
09th November 2022	Rights Issue -	1,00,00,000

For F.Y 2021-22

Date of Change (AGM/EGM)	Particulars	No. of Equity Shares
Nil	Nil	Nil

For F.Y 2020-21

Date of Change (AGM/EGM)	Particulars	No. of Equity Shares
Nil	Nil	Nil

iii. **History of Equity Share Capital**

Equity Share Capital History of the Company as on last quarter ended on 31<sup>st</sup> March 2023, for the last three years:

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (Rs)	Equity Share Premium (Rs)	
.									

iv. **History of Preference Share Capital**

Preference Share Capital History of the Company as on last quarter ended on 31<sup>st</sup> March 2023, for the last three years:-

Date of Allotment	No of Preference Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Preference Shares	Preference Shares Capital (Rs. In Lakhs)	Preference Share Premium (Rs)	
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

v. **Amalgamation/ Acquisition**

Details of any Acquisition or Amalgamation in the last 1 year: Nil

vi. **Reorganization or Reconstruction**

Details of any Reorganization or Reconstruction in the last 1 year: **Not Applicable**

vii. **Details Of The Shareholding Of The Company As On The Latest Quarter End**

Details of the shareholding of the Company as at the latest quarter end, i.e., 31<sup>st</sup> March 2023:

S No.	Name of the Shareholders	No of Shares	%
1.	Vijaya Sivarami Reddy Vendidandi	4,87,69,743	75.834



2.	Hina Ansari	4,00,183	0.622
3.	Yanumula Koteswaramma	1,00,000	0.155
4.	Chagamreddy Sri Ram Charan Reddy	24,656	0.038
5.	Veena Ventrapragada	56,333	0.088
6.	Padmaja Gangireddy	1,24,44,823	19.351
7.	Revan Saahith Reddy	23,73,085	3.690
8.	Nagari Raju	32,000	0.050
9.	S. Raghu Vinay	22,000	0.034
10.	Venkateswarlu R	19,005	0.030
11.	Challagulla Srinivasa Rao	4,950	0.008
12.	Deeti Sanjeev	10,000	0.016
13.	Battala Raghu Ramudu	4,800	0.007
14.	Sriram Anil Kumar	4,800	0.007
15.	Ankireddy Venkatesh	5,000	0.008
16.	Singareni Dinesh	3,650	0.006
17.	K. Rajesh	5,360	0.008
18.	Kasireddy Srinath Reddy	4,600	0.007
19.	K. Veera Durga Prasad	5,000	0.008
20.	Palepogu Yogeswara Rao	2,500	0.004
21.	Adp Prashanth	2,400	0.004
22.	Prathipati Suresh	2,500	0.004
23.	Thimmesh	2,300	0.004
24.	Liyagath Ulla	2,300	0.004
25.	Elangovan Thalamuthu	2,300	0.004
26.	Kokkiligadda Pradeep	4,600	0.007
27.	Devathi Venkata Sasikanth	2,400	0.004
	Total	6,43,11,288	100

**viii. Top 10 shareholders of the Company**

The list of top 10 holders of equity shares of the Company as on the latest quarter ended 31<sup>st</sup> March 2023;

**A. Equity Shares**

Sr. No	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total number of equity shares.
1.	Vijaya Sivarami Reddy Vendidandi	4,87,69,743	4,87,69,743	75.834
2.	Padmaja Gangireddy	1,24,44,823	1,24,44,823	19.351
3.	Revan Saahith Reddy	23,73,085	23,73,085	3.690
4.	Hina Ansari	4,00,183	0	0.622
5.	Yanumula Koteswaramma	1,00,000	0	0.155
6.	Veena Ventrapragada	56,333	0	0.088
7.	Nagari Raju	32,000	0	0.050

8.	Chagamreddy Sri Ram Charan Reddy	24,656	0	0.038
9.	S. Raghu Vinay	22,000	0	0.034
10.	Venkateswarlu R	19,005	0	0.030

#### VIII. DIRECTORS OF THE COMPANY

i. The details of the current directors of the Company is given below:

Name	Designation	DIN	Age (years)	Address	Director of the Company since	Details of other directorship	Whether willful defaulter (Yes/No)
Padmaja Gangireddy	Managing Director	00004842	56	A Block, Flat No. 208, Jayabheri Ornage County, Nanakramguda, Serilingampally, Gachibowli, Hyderabad, Telangana - 500032	03/11/2022	1. Abhiram Marketing Services Limited 2. Keertana Financial Limited 3. Criss Financial Limited 4. Spandana Sphoorthy Financial Limited 5. Caspian Financial Services Limited	No
Vijaya Sivarami Reddy Vendidandi	Director	03169778	60	A Block, Flat No. 208, Jayabheri Ornage County, Nanakramguda, Serilingampally, Gachibowli, Hyderabad, Telangana - 500032	02/11/2022	1. Abhiram Marketing Services Limited 2. Keertana Financial Limited 3. FinS Technologies Limited	No
Raghu Venkata Harish	Director	06792543	50	Villa No. 16-0204, Sri Ram Chipping Woods, Subha Enclave, HSR Layout, Banglaore South, Karnataka-560102	30/03/2022	SAGGRAHA Management Services Private Limited	No
Mahesh Payannavar	Director	00230347	61	11-B/702, Neelam Nagar, Phase 2, Mumbai 400081	27/02/2023	Satya Micro Housing Finance Private Limited	No

Name	Designation	DIN	Age (years)	Address	Director of the Company since	Details of other directorship	Whether willful defaulter (Yes/No)
Vara Prasad Chaganti	Director	09425725	42	Flat No 407, Eden B Block, Lodha Casa Pradiso Opp Sanath Nagar Bus Depot, Balanagar, moosapet Hyderabad, Telangana, India - 500018	30/03/2022	Indhan Impact Financial Services Private Limited	No

**ii. Change in directors**

The details of change in directors since last three years, period up to 31<sup>st</sup> March 2023:-

Name	Designation	DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable
Varun Mundhra	Director	01394710	07/04/2007	NA	31/03/2022
Archana Mundhra	Director	00112810	07/04/2007	NA	31/03/2022
Padmaja Gangireddy	Managing Director	00048420	03/11/2022	NA	NA
Vijaya Sivarami Reddy Vendidandi	Director	03169778	02/11/2022	NA	NA
Vara Prasad Chaganti	Director	09425725	30/03/2022	NA	NA
Raghu Venkata Harish	Director	06792543	30/03/2022	NA	NA
Mahesh Payannavar	Additional Director	00230347	27/02/2023	NA	NA

**IX. AUDITORS OF THE COMPANY**

**i. Current auditor**

The details of the auditors of the Company:

Name	Address	Auditor Since
M. Anandam & Co.	7 A, Surya Towers, Sardar Patel Road, Secunderabad 500003	25 <sup>th</sup> July'2022

ii. **Details of change in auditors:**

Details of change in auditor since last three years, period up to 31<sup>st</sup> March 2023:-

Name	Address	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable
Maroti & Co. Chartered Accountants,	3A, Surendra Mohan Ghosh Sarani, 1 <sup>st</sup> Floor, Kolkata – 700001	30/09/2015	-	18/07/2022

**X. DETAILS OF THE BORROWING OF THE COMPANY AS ON THE LATEST QUARTER END**

The details of the borrowing of the Company, as on the latest quarter ended on 31<sup>st</sup> March 2023, is as under:

i. **Secured Loan Facilities**

Details of the following liabilities of the issuer, as at the end of the last quarter, i.e 31<sup>st</sup> March 2023, or if available, a later date:

Lender's Name	Type of facility and currency	Sanction Amount (in Rs Lakhs)	Outstanding Principal Amount	Repayment date	Security
			(in Rs. Lakhs)		
Aditya Birla Finance Ltd	Term Loan	4,000.00	2,000.00	30-06-23	100%
Ambit Finvest	Term Loan	500	133.57	05-07-23	110%
Ambit Finvest Pvt Ltd	Term Loan	700	629.48	26-06-24	110%
Capri Global	Term Loan	1,000.00	666.67	30-06-24	110%
Capri Global TL-2	Term Loan	2,500.00	1,500.00	29-03-25	110%
Chola	Term Loan	750	750	01-09-24	110%
Credit Saison	Term Loan	1,500.00	1,125.00	30-11-23	110%
Electronica Financial Ltd	Term Loan	500	344.79	10-03-24	110%
ESAF SFB	Term Loan	2,000.00	1,701.73	10-11-24	110%
Grow Money (E-clear)	Term Loan	500	244.94	30-09-23	120%
Grow Money (E-clear) (2nd Loan)	Term Loan	1,000.00	751.28	29-02-24	120%
Hinduja Leyland Finance	Term Loan	1,000.00	694.95	29-07-24	110%
Hinduja Leyland Finance TR 2	Term Loan	650	584.3	23-07-24	110%
IDFC Bank	Term Loan	4,000.00	3,187.50	20-07-24	110%
IDFC Bank TL-2	Term Loan	3,000.00	3,000.00	30-03-25	110%
IKF Finance	Term Loan	2,000.00	1,958.33	31-01-27	110%
Incred	Term Loan	1,500.00	902.23	17-02-24	110%
Incred TL-2	Term Loan	575	575	30-03-25	110%
IndusInd Bank	Term Loan	2,500.00	2,272.73	23-12-24	110%
Kisandhan	Term Loan	1,000.00	1,000.00	24-03-25	100%
Klay Finvest	Term Loan	1,000.00	1,000.00	31-03-25	110%

Kotak Mahindra Bank Ltd	Term Loan	1,990.00	1,000.00	28-09-23	120%
Kotak Mahindra Bank Ltd TL-2	Term Loan	2,000.00	2,000.00	29-03-24	120%
Maanaveeya	Term Loan	2,500.00	2,500.00	24-03-26	110%
Mas Financial Ltd TR-4	Term Loan	1,500.00	1,500.00	02-09-24	110%
MAS Financial Ltd TR-1	Term Loan	1,500.00	1,000.00	30-03-24	110%
MAS Financial Ltd Tr-2	Term Loan	1,500.00	1,166.67	23-05-24	110%
MAS Financial Ltd-TR 3	Term Loan	1,500.00	1,333.33	30-07-24	110%
Oxyzo Financial Services Pvt Ltd	Term Loan	2,000.00	1,444.44	12-03-24	110%
Oxyzo Financial services pvt ltd( TL-2)	Term Loan	2,000.00	2,000.00	10-08-24	110%
Profectus Capital	Term Loan	1,000.00	681.7	31-10-23	110%
SMC Finance	Term Loan	1,000.00	775.52	09-09-24	115%
SMC Finance TL-2	Term Loan	1,000.00	725	30-03-25	110%
Sundaram Finance	Term Loan	1,000.00	516.46	13-09-23	118%
Sundaram Finance	Term Loan	1,000.00	919.27	28-02-24	118%
Suryodaya	Term Loan	1,000.00	841.91	26-12-23	110%
Usha Financial (TR-3)	Term Loan	1,000.00	383.86	28-11-23	110%
Usha Financial -(TR-4)	Term Loan	1,000.00	413.42	28-04-24	110%
Usha Financial (Tranch-1)	Term Loan	1,000.00	132.02	27-06-23	110%
Usha Financial (Tranch-2)	Term Loan	1,000.00	300.62	30-09-23	110%
Vivriti Capital	Term Loan	1,500.00	375	30-06-23	125%
Western Capital	Term Loan	500	333.33	29-07-24	110%
Western Capital -TR 2	Term Loan	1,000.00	916.67	30-01-25	110%
Yes Bank TR 2	WCDL	1,500.00	1,500.00	30-07-23	120%

ii. **Details of Unsecured Loan**

The Company has availed unsecured loan as on the latest quarter end on 31<sup>st</sup> March 2023:

Lender's Name	Type of facility	Sanction Amount (in Rs. Lakhs)	Outstanding Principal Amount (in Rs. Lakhs)	Repayment date or Schedule
SRUDO	Unsecured Loan	10,000	2948	

iii. **Non-Convertible Debentures**

**Details of Debentures**

The details of NCDs as on the latest quarter end on 31<sup>st</sup> March 2023:

Debenture Series	Tenor	Coupon	Amount	Date of Allotment	Redemption Date	Credit Rating	Secured / Unsecured	Security
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

iv. **List of Top 10 debenture in terms of value (in cumulative basis) as on latest quarter end on 31<sup>st</sup> March 2023:**

Sr. No	Name of Debenture Holders	Amount	% of total non-convertible
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			<b>debentures</b>
Nil	Nil	Nil	Nil

**v. Commercial Papers**

The details of Commercial Papers Outstanding as on the latest quarter end on 31<sup>st</sup> March 2023:

S. No.	ISIN of Commercial Paper	Maturity Date	Amount Outstanding
Nil	Nil	Nil	Nil

**vi. Other Borrowings**

Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on 31<sup>st</sup> March 2023:

Party Name	Type of Facility / Instrument	Amount Sanctioned / Issue	Principal Amount outstanding	Redemption Date	Credit Rating	Secured / Unsecured	Security
Nil							

**vii. Other outstanding borrowing (other than in cash)**

**Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:**

- i. in whole or part,
- ii. at a premium or discount, or
- iii. in pursuance of an option or not:

Nil

**XI. ADDITIONAL DISCLOSURES BY NBFC AS REQUIRED UNDER CHAPTER IV OF SEBI OPERATIONAL CIRCULAR 2021**

**A. Details with regard to the lending done by the issuer out of the issue proceeds of debt securities in last three years, including details regarding the following:**

**(i) Lending Policy: Should contain overview of origination, risk management, monitoring and collections;**

The issuer has 3 product verticals - Gold Loans, MSME Loans (consisting of Individual Unsecured Loans and Loan Against Property), Group Loans. Each of these loans has separate business heads and staff, as well as separate branches. Though the issuer began its business only with a focus on Gold loans, the management soon realised that being a mono-line business is not recommended and with a view to diversify the risk, two more verticals have been added to the product line in the 2<sup>nd</sup> and 3<sup>rd</sup> quarter of FY23.

**Monitoring:**

There are real time dashboards that get updated every minute through which the resources at Head Office monitor the disbursements and collections.

**Risk Management:**

The issuer understands key areas that might pose significant threat to the health of the business operations and the company. To address this, multi-tiered risks Management measures are put in place. Risks are broadly classified as **Operational, Credit, Market and Residual**.

Main Risk Category	Key Areas of Concern	Key Mitigation Measures
Operational Risk	Theft, Burglary	Secured lockers, Safe rooms, Joint custody for safe operations
		24x7 CCTV surveillance, Advanced and high end security systems supported by advanced IT
		Gold ornaments are segregated Account wise, and are subject to Internal Audit & External Audit
		History of verification of each pledge to be maintained in the system
		Insurance against Burglary, Fire and Transit risks
		Well-scrutinized premises for legally valid title, security concerns in the area
Operational Risk	Inefficiencies resulting in slackening of controls, thus resulting in frauds/misappropriations	Proper and periodically reviewed systems and procedures ensuring uniformity in process, reduction in errors, well-built internal controls and enhance overall efficiency
		System driven control mechanisms developed to help analyse root cause of a lapse/error
Operational Risk	Staff-level collusion resulting in acceptance of spurious gold, misuse of cash etc..	a.) Strong Internal Audit and Controls b.) Internal Auditor visiting a Branch twice a week (surprise checks) c.) Surprise checks by DMs and AVPs (Line Management) d.) Physical verification of cash by the Supervisory team and IA Team; e.) Tiered sanction powers, corresponding with grade/seniority and track record
Operational Risk	Business Continuity resulting from disruptions	Well drafted and vetted Business Continuity Plan in place ensuring conducting critical business operations during unexpected disruptions, including, but not limited to IT system and Disaster Recovery Plan
Operational Risk	Weak performing branches building riskier business	Risk Gradation of Branches- based on various factors (Financial, Business related, recovery, auction accounts, history of spurious pledges, customer concentration, competence of staff, audit irregularities and many other such important parameters)

Credit Risk	Diminution of collateral value	Well drafted and meticulously implemented loan and auction policies. LTVs system monitored & any shortfall beyond a threshold shall trigger a margin call & lack of response leads to auction
	Credit Risk arising out of incompetent/in-experienced branch staff, resulting in over valuing collateral	Regular and Effective training to staff from time to time. In the process to facilitate training needs of growing staff count, prepare a battery of gold appraisal experts
	Over-lending to a borrower- Has implication on serviceability & also a trigger for AML	Unique Customer Identification to help track multiple loan accounts, this keeping a tab on borrower level exposures. Alarming trends shall be reported under AML guidelines

	Certain segments of borrowers pose greater credit risk	Risk Gradation of borrowers- Restriction on certain category of borrowers such as gold smiths, jewellers. Categorization of borrowers based on their track record enabling rightful selection & avoidance.
	Improper Loan Documentation might weaken the case resulting in credit losses	Strict KYC policies and system generated documentation, Multiple levels of scrutiny asides audit helps mitigate this risk
Market Risk	Price and Interest Rate Risk. Volatility might pose risk to the company's financial health	Market volatilities are monitored daily and necessary IT systems built to raise an early warning signals. Macro Economic environment & appropriate LTVs are factored in to product offerings
	Liquidity & Maturity mismatch resulting in financial stress	Short term lending, and long term borrowing - provides positive ALM and cushion in case of adverse market condition affecting short term liquidity in the market
		Diversified Funding sources avoids reliance on few Banks/FI
		Efficient Cash Management systems in place, avoiding excess cash blockage at the branches
	Robust collection & recovery processes- ensures a healthy portfolio build up	
Residual Risks	IT Risk	Secured system of access control, efficient password management, access to data on need to know basis, Anti-virus, periodic IT and systems Audit. Use of only authorised and licensed software
	Regulatory & Compliance Risks	Policy review mechanisms by the Board on evolving regulatory changes, helps mitigate compliance misses
	Reputation Risk	Instituting a strong risk management framework including fraud prevention, and creating a culture of increasing risk awareness across organization
Enforcing fundamental guiding principles- Commitment, Integrity, Transparency and a culture of innovation		
	Institutionalising customer service excellence and significant weightage in employee performance	

- (ii) **Classification of loans/ advances given to associates, entities/ person relating to board, senior management, promoters, others, etc.;**

Nil

- (iii) **Classification of loans/ advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.;**

**a. Type of Loans/Product wise breakup**

Products	POS O/s - 31/03/23
Gold Loans	384.30
Group Loans	131.89
MSME - Business Loans	59.95
MSME - LAP Loans	31.53



Consumer Loans	1.49
<b>Total</b>	<b>609.16</b>

**b. LTV wise breakup of Loans**

LTV	POS O/s - 31/03/23
<50	1.60
50-60	3.16
60-70	10.03
70-75	27.35
75-80	127.33
80-85	214.84
Otherthan Gold	224.86
<b>Total</b>	<b>609.16</b>

**c. Sector Wise Breakup**

Sector	POS O/s - 31/03/23
Rural	523.88
Urban	85.28
<b>Total</b>	<b>609.16</b>

- (iv) Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;

	In crores
<b>Total Advances to twenty largest borrowers</b>	<b>6.85</b>
<b>Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC</b>	<b>1.12%</b>

	In crores
<b>Total Exposure to twenty largest borrowers / customers</b>	<b>6.86</b>
<b>Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers</b>	<b>1.13%</b>

- (v) Details of loans, overdue and classified as non-performing in accordance with RBI stipulations;

Classification	As on 31 <sup>st</sup> March 2023	As on 31 <sup>st</sup> March 2022	As on 31 <sup>st</sup> March 2021
<b>Standard</b>	<b>609.09</b>	<b>1.88</b>	<b>2.04</b>
<b>NPA</b>	<b>0.04</b>	<b>0.00</b>	<b>0.00</b>
<b>Off Book</b>	<b>Nil</b>	<b>0.00</b>	<b>0.00</b>

<b>Total</b>	609.13	1.88	2.04
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B. In order to allow investors to better assess the debt securities issued by the NBFC, the following disclosures shall also be made by such issuers in their offer documents:

1. A portfolio summary with regard to industries/ sectors to which borrowings have been made;
2. NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the issuer;

	As on 31 <sup>st</sup> March 2023	As on 31 <sup>st</sup> March 2022	As on 31 <sup>st</sup> March 2021
<b>GNPA</b>	0.04	0.00	0.00
<b>Provision</b>	0.04	0.00	0.00
<b>NNPA</b>	0.0021	0.00	0.00

3. Quantum and percentage of secured vis-à-vis unsecured borrowings made; and

	Secured as on 31 <sup>st</sup> March 2023		Secured as on 31 <sup>st</sup> March 2022		As on 31 <sup>st</sup> March 2021	
	Quantum	Percentage	Quantum	Percentage	Quantum	Percentage
<b>Secured</b>	47,782.38	94.19%	0	0	0	
<b>Unsecured</b>	2948.00	5.81%	0	0	0.004	100
<b>Total</b>	50,730.38	100%	0	0	0.004	100

4. Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI.

The promoters of the company have been changed post RBI approval and the company has been taken over from the erstwhile promoters. The name of the company subsequently changed from Rajshree Tracom Private Limited to Keertana Finserv Private Limited.

C. NBFCs shall provide disclosures on the basis of the following draft template:

1. Classification of loans/ advances given according to:

Sl. No.	Type of loans	Rs Crore
1	Secured	415.83
2	Unsecured	193.33
	Total assets under management (AUM)*^	609.16

\*Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^Issuer is also required to disclose off balance sheet items;

**2. Denomination of loans outstanding by loan-to-value:**

Sl. No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 50%	0.84%
2	50-60%	1.04%
3	60-70%	3.53%
4	70-75%	4.68%
5	75-80%	21.59%
6	80-85%	25.66%
7	Unsecured Loans	42.65%
	<b>Total</b>	<b>100%</b>

**3. Sectoral exposure:**

Sl. No.	Segment-wise break-up of AUM	Percentage of AUM
<b>1.</b>	<b>Retail</b>	
A	Mortgages (home loans and loans against property)	5.18%
B	Gold loans	63.09%
C	Vehicle finance	-
D	MFI	21.65%
E	MSME	10.09%
F	Capital market funding (loans against shares, margin funding)	-
G	Others	-
<b>2</b>	<b>Wholesale</b>	
A	Infrastructure	-
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector (as applicable)	-
E	Others	-
	<b>Total</b>	<b>100%</b>

**4. Denomination of loans outstanding by ticket size\*:**

Sl. No.	Ticket size (at the time of origination)	Percentage of AUM
1	Upto Rs. 2 lakh	55.64%
2	Rs. 2-5 lakh	34.40%
3	Rs. 5 - 10 lakh	8.28%
4	Rs. 10 - 25 lakh	1.67%
5	Rs. 25 - 50 lakh	-
6	Rs. 50 lakh - 1 crore	-
7	Rs. 1 - 5 crore	-
8	Rs. 5 - 25 crore	-
9	Rs. 25 - 100 crore	-
10	>Rs. 100 crore	-
	<b>Total</b>	<b>100%</b>

\* Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);

**5. Geographical classification of borrowers:**

**Top 5 states borrower wise**

Sl. No.	Top 5 states	Percentage of AUM
1	Andhra Pradesh	94.83%
2	Telangana	2.61%
3	Karnataka	1.16%
4	Tamil Nadu	0.91%
5	Pondicherry	0.49%
	<b>Total</b>	<b>100%</b>

6. Details of loans overdue and classified as non-performing in accordance with RBI's stipulations:

Movement of gross NPA:

Movement of gross NPA*	Rs. Crore
Opening gross NPA	0.02
- Additions during the year	0.02
- Reductions during the year	-
Closing balance of gross NPA	0.04

\*Please indicate the gross NPA recognition policy (Day's Past Due)

7. Movement of provisions for NPA

Movement of provisions for NPA	Rs. Crore
Opening balance	0.02
- Provisions made during the year	0.04
- Write-off/ write-back of excess provisions	-
Closing balance	0.00

8. Segment-wise gross NPA:

Sl. No.	Segment-wise gross NPA	Gross NPA (%)
<b>1</b>	<b>Retail</b>	
A	Mortgages (home loans and loans against property)	-
B	Gold loans	-
C	Vehicle finance	-
D	MFI	100%
E	MSME	-
F	Capital market funding (loans against shares, margin funding)	-
G	Others	-
<b>2</b>	<b>Wholesale</b>	
A	Infrastructure	-
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector (as applicable)	-
E	Others	-
	<b>Total</b>	100%

9. Residual maturity profile of assets and liabilities (in line with the RBI format):

Residual maturity profile of assets and liabilities:

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
<b>Assets</b>									
Cash and Cash Equivalents	43.78	-	-	-	-	-	-	-	43.78
Portfolio	14.84	58.30	65.58	125.35	146.97	153.02	37.50	7.62	609.19
Other Unsecured Loans	-	-	-	-	-	-	-	-	-
Current Assets	12.59	7.31	0.53	1.59	4.41	-	-	-	26.43
Fixed Assets	-	-	-	-	-	-	-	16.25	16.25
Current Investment	-	-	-	-	-	-	-	-	-
Other Non									

Current Assets	-	-	-	-	-	0.03	-	2.05	2.08
<b>Total Assets</b>	<b>71.20</b>	<b>65.62</b>	<b>66.11</b>	<b>126.94</b>	<b>151.39</b>	<b>153.05</b>	<b>37.50</b>	<b>25.92</b>	<b>697.72</b>
<b>Liabilities</b>									
Short-Term Provisions	-	-	0.98	-	7.63	-	-	-	8.61
Current Liabilities	6.46	0.12	-	-	-	-	-	-	6.58
Shareholders' funds	-	-	-	-	-	-	-	175.24	175.24
Unsecured Loans	-	-	-	-	-	-	29.48	-	29.48
Secured Loans	24.28	27.55	29.54	113.55	131.45	146.86	4.58	-	477.82
<b>Total Liabilities</b>	<b>30.74</b>	<b>27.68</b>	<b>30.52</b>	<b>113.55</b>	<b>139.08</b>	<b>146.86</b>	<b>34.06</b>	<b>175.24</b>	<b>697.72</b>
<b>Mismatch</b>									
<b>Mismatch</b>	<b>40.47</b>	<b>37.94</b>	<b>35.59</b>	<b>13.38</b>	<b>12.31</b>	<b>6.19</b>	<b>3.44</b>	<b>-149.32</b>	<b>-</b>
<b>Cumulative Mismatch</b>	<b>40.47</b>	<b>78.41</b>	<b>114.00</b>	<b>127.38</b>	<b>139.69</b>	<b>145.88</b>	<b>149.32</b>	<b>-</b>	<b>-</b>

\*FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities;

**a. Disclosure of latest ALM statements to stock exchange:**

Not Applicable

**b. Details of change in shareholding: Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India.**

Nil

**f. Defaults in borrowing**

The details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 years including the current financial year:

Nil

**XII. Material event/ development affecting investment decision**

Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.

Nil

**XIII. Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the Company.**

Nil

**XIV. Details of default and non-payment of statutory dues;**

Nil

**XV. The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.**

Catalyst Trusteeship Limited has been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given their consent to the Issuer for its appointment under the Securities and Exchange Board Of India (Issue And Listing Of Non-Convertible Securities) Regulations, 2021, as amended up to date, and a copy of the consent letter is enclosed as **Annexure III** to this Disclosure Document. The Company will enter into a Trusteeship Agreement/ Debenture Trust Deed, inter-alga, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debenture.

The Debenture Holders shall, by signing the Application Form and without any further act or deed, be deemed to have irrevocably given their consent to and authorized the Debenture Trustee or any of their Agents or authorized officials to do, inter cilia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of this Disclosure Document. All rights and remedies under the Debenture Trust Deed / Trusteeship Agreement and/or other security documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture holders. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture holder(s) shall discharge the Company to that extent to the Debenture holder(s). No Debenture holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fails to do so.

Company reserves the rights to appoint any other SEBI registered Trustee.

- XVI. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.**

The Debentures are secured by personal guarantee of Ms. Padmaja Gangireddy pursuant to the Deed of Personal Guarantee provided by Ms. Padmaja Gangireddy in favour of the Debenture Trustee.

- XVII. Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention.**

- a. The day count convention for dates on which the payments in relation to the debt securities /non- convertible redeemable preference shares which need to be made, should be disclosed.**

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with the SEBI Circular on day count convention dated November 11, 2016, as may be amended from time to time.

- b. Procedure and time schedule for allotment and issue of securities should be disclosed;**

The issue schedule for the issue of the Debentures is as follows:

PARTICULARS	DATE
Issue Opening Date	07 <sup>th</sup> June 2023
Issue Closing Date	07 <sup>th</sup> June 2023
Pay In Date	07 <sup>th</sup> June 2023
Deemed Date of Allotment	07 <sup>th</sup> June 2023

Please also refer **Section 7 (Application Process)**.

- c. Cash flows emanating from the debt securities / non- convertible redeemable preference shares shall be mentioned in the offer document, by way of an illustration.**

**A. Illustration of Cash Flow**

The cash flows emanating from the non-convertible securities according to the day count convention (Actual/ Actual) shall be mentioned in the Disclosure document, by way of an illustration.

For the purpose of standardization, if the coupon/ dividend payment date of the non- convertible securities falls on a Sunday or a holiday, the coupon payment shall be made on the next working day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document. If the maturity date of the debt securities, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. In order to ensure consistency, a uniform

methodology shall be followed for calculation of interest/ dividend payments in the case of leap year. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/ Actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly.

A sample illustration is given below:

Company	Keertana Finserv Private Limited
Face Value (per Debenture)	Rs.1,00,000 each
Issue Date/Deemed Date of Allotment	<del>June 07, 2023</del> The date on which the board of directors of the Issuer passes the resolution to allot the Debentures
Maturity Date	<del>20 months from Deemed Date of Allotment</del> January 31, 2025
Coupon Rate	11.60% p.a. (Eleven-point six zero percent per annum).
Frequency of the Interest Payment with specified dates	Monthly, Last day of every month i.e. 30th June, 31st July
Day Count Convention	Actual/Actual

Sl. No	Cash Flow	Day and Date for coupon redemption becoming due	No of days in coupon period	Interest Amount(in Rs.)	Principal Repayment (in Rs)	Total Cash Flow (in Rs)
1	Interest	30-Jun-23	23	17,54,301.37	0.00	17,54,301.37
2	Interest	31-Jul-23	31	23,64,493.00	0.00	23,64,493.00
3	Interest & Principal	31-Aug-23	31	23,64,493.00	3,60,00,000.00	3,83,64,493.00
4	Interest	30-Sep-23	30	19,44,986.00	0.00	19,44,986.00
5	Interest	31-Oct-23	31	20,09,819.00	0.00	20,09,819.00
6	Interest & Principal	30-Nov-23	30	19,44,986.00	3,60,00,000.00	3,79,44,986.00
7	Interest	31-Dec-23	31	16,55,145.00	0.00	16,55,145.00
8	Interest	31-Jan-24	31	16,50,623.00	0.00	16,50,623.00
9	Interest & Principal	29-Feb-24	29	15,44,131.00	3,60,00,000.00	3,75,44,131.00
10	Interest	31-Mar-24	31	12,96,918.00	0.00	12,96,918.00
11	Interest	30-Apr-24	30	12,55,082.00	0.00	12,55,082.00
12	Interest & Principal	31-May-24	31	12,96,918.00	3,60,00,000.00	3,72,96,918.00
13	Interest	30-Jun-24	30	9,12,787.00	0.00	9,12,787.00
14	Interest	31-Jul-24	31	9,43,213.00	0.00	9,43,213.00
15	Interest & Principal	31-Aug-24	31	9,43,213.00	3,60,00,000.00	3,69,43,213.00
16	Interest	30-Sep-24	30	5,70,492.00	0.00	5,70,492.00
17	Interest	31-Oct-24	31	5,89,508.00	0.00	5,89,508.00
18	Interest & Principal	30-Nov-24	30	5,70,492.00	3,60,00,000.00	3,65,70,492.00
19	Interest	31-Dec-24	31	2,35,803.00	0.00	2,35,803.00
20	Interest & Principal	31-Jan-25	31	2,36,449.00	2,40,00,000.00	2,42,36,449.00

Wherever the coupon payment date is falling on a Sunday, the coupon is paid on the following working day and coupon payment period has been calculated for 366/367 days accordingly (after increasing 1 day),

The interest payment has been rounded to nearest rupee as per FIMMDA 'Handbook on market practices', Whenever maturity date of principal falls on a holiday, such principal/redemption amount and accrued interest are calculate as payable on the immediately previous working day and accordingly calculation has been adjusted.

**Note**

The Issuer requested to note that the above cash flow is only illustrative in nature,, The deemed date of allotment, Coupon rate, redemption date and frequency of the interest payment shall vary in nature and aforesaid dates may be modified upon receipt of consent/ permission from existing lender,

In case of early redemption of any principle repayment as per the provisions of early redemption option in Debenture Trust Deed, the above cash flow may be changed accordingly.

**XVIII. Disclosures pertaining to wilful defaulter:**

The disclosures pertaining to wilful defaulter are as provided in Error! Reference source not found. 9 of this Placement Memorandum.

**XIX. UNDERTAKING BY THE ISSUER**

Please refer to **Annexure VII** of this Placement Memorandum.

**XX. Risk Factors**

Please refer to **Section 3 (Risk Factors)** of this Placement Memorandum.

**XXI. Other Details**

**1. DRR creation - relevant regulations and applicability**

The Issuer shall maintain the DRR in accordance with the provisions of Section 74 of the Companies Act, 2013 read with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended up to date and circulars issued by Central Government in this regard.

**2. Issue/ instrument specific regulations**

The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Stock Exchanges, Companies Act, 2013 and other applicable laws and regulations from time to time.

Over and above, the said debentures shall be subject to the term and conditions as contained in the offer letter /term sheet, application form and the Debenture Trust Deed / Trustee Agreement.

**3. Default in Payment;**

Nil

**4. Delay in Listing:**

The Debentures are proposed to be listed on Bombay Exchange of India Ltd. (BSE'), being the Designated Stock Exchange. The details of BSE Limited are as below:

The BSE Limited



Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001  
Phone: +91 22 2272 1233/4  
Fax: +91 22 2272 1919

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (Standardization of timelines for listing of securities issued on a private placement basis) of the SEBI circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", the Issuer confirms that in the event there is any delay in listing of the Debentures beyond 3 (three) Business Days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Coupon Rate for the period of delay from the date of closure of the issue for the Debentures until the listing of the Debentures is completed,

**5. Delay in allotment of securities:**

- (i) The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.
- (ii) If the Issuer fails to repay the Application Money within the Repayment Period, then Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum from the expiry of the Allotment Period.

**6. Issue details:**

As detailed in Section 7 of this Disclosure Document.

**7. Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any.**

The finalised form of the PPOA prepared in accordance with the Form PAS 4 prescribed under the Companies (Prospectus and Allotment of Securities), Rules, 2014 is provided as **Annexure X**. Please refer Annexure X for all disclosures required under the Companies (Prospectus and Allotment of Securities), Rules, 2014 are set out therein.

**8. Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project;**

**Not applicable**

## SECTION 7 APPLICATION PROCESS

### I. Who can invest /apply?

The investors, who specifically approached, who are eligible to apply for this private placement of Debentures are mentioned in the Term Sheet. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

All such Investors / transferees are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of / purchasing the Debentures and with respect to any subsequent transfer of the Debentures and shall be bound by the terms and conditions of the Debentures as set out in this Disclosure Document. It is clarified that applications are not to be made by a 'person resident outside India' as defined under the Foreign Exchange Management Act, 1999 (including foreign portfolio investors, non-resident Indians, overseas corporate bodies, etc.)

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form as set out in **Annexure IX** in the prescribed format in BLOCK LETTERS in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the relevant Application Form. No application can be made for a fraction of a Debenture. The series of Debentures applied for must be clearly indicated in the Application Form. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

An Application Form must be accompanied by either demand draft(s) or cheque(s) drawn or made payable in favour of the Issuer or otherwise as may be set out in the Application Form and crossed "Account Payee Only" ..

Force Majeure: The Company reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Company reserves the right to change the Issue Schedule.

Right to Accept or Reject Applications: The Company reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected applicant will be intimated along with the refund warrant, if applicable. No interest on application money will be paid on rejected applications. The application form that is not complete in all respects is liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- A. Number of Debentures applied for is less than the minimum application size;
- B. Application exceeding the issue size;
- C. Bank account details not given;
- D. Details for issue of Debentures in electronic or dematerialized form not given; PAN or GIR and IT Circle or Ward or District not given;
- E. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;
- F. In the event, if any Debentures applied for is or are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

#### Basis of Allotment:

Notwithstanding anything stated elsewhere, the Company reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to Investors on a first cum first serve basis. The Investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Company by the Deemed date of allotment.

Deemed date of allotment for the issue is 07<sup>th</sup> June 2023 (Indicative date), by which date Investors would be intimated of allotment.

#### Payment Instructions

Upon receipt of intimation of allotment, application form along with cheque(s)/drafts favouring “[●]”, crossed Account Payee only the entire amount is payable on the application. Applicants can alternatively, remit the application amount through RTGS on 7<sup>th</sup> June 2023 ~~to Bank~~. The RTGS details of the Issuer are as under:

Bank Name and Address	Kotak Mahindra Bank Limited
IFSC Code	KKBK0000555
Bank Account No:	5846611892
Type of Account	Capital Account(Current)

## II. Documents to be provided by Investors / applicants

Investors need to submit the following documents, along with the Application Form, as applicable

- a. Memorandum and Articles of Association along with Certificate of Incorporation/Documents Governing Constitution
- b. Board Resolution / letter authorizing the investment and containing operating instructions
- c. Certified true copy of the Power of Attorney, if applicable
- d. PAN card
- e. Form 15AA for investors seeking exemption from Tax Deduction at Source (TDS) — both on Interest on Application Money as well as annual interest payments
- f. Specimen signature of the authorized signatories, duly certified by an appropriate authority
- g. SEBI Registration Certificate, as applicable
- h. Application form (including RTGS details)

## III. Applications to be accompanied with bank account details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of interest and all other amounts payable to the Debenture Holder(s) through electronic transfer of funds or RTGS.

## IV. Applications under Power of Attorney

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate etc., the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's branch where the application has been submitted failing which the applications are liable to be rejected.

## V. Interest on Application Money

Interest on Application Money will be paid at the applicable coupon rate (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of Income Tax Act, 1961 or any statutory modification or re-enactment thereof) and will be paid on the entire application money on all valid applications.

Such interest shall be paid for the period commencing from the date of credit by way of funds transfer / Real time gross settlement up to one day prior to the date of allotment.

No interest on application money would be payable in cases of invalid applications.

## VI. Letters of Allotment

The Debentures will be credited in dematerialized form within 2 (two) Business Days from the Deemed Date of Allotment

## VII. Record Date

The record date for payment of Coupon or repayment of principal shall be 15(fifteen) calendar days of redemption of such Debentures.

#### **VIII. Refunds**

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

#### **IX. Payment on Redemption**

Payment on redemption will be made by way of cheque(s)/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system/ funds transfer in the name of the relevant Debenture Holder(s) whose names appear on the List of beneficial owners given by the Depository to the Company as on the Record Date. The Debentures shall be taken as discharged on payment of the redemption amount by the Company on relevant maturity date(s) to the respective registered Debenture Holder(s) whose name appears in the register of debenture holder(s) on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holder(s) of such series. On such payment being made, the Company will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted. The Company's liability to the Debenture Holder(s) towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further the Company will not be liable to pay any interest or compensation from the dates of such redemption. On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

#### **X. Mode of Payment**

All payments must be made through cheque(s)/draft(s)/transfers/RTGS as set out in the application form.

#### **XI. Effect of Holidays**

In the event that any date on which any Coupon payment is required to be made by the Issuer is not a Business Day, the immediately succeeding Business Day shall be considered as the effective date(s) for that payment. In the event that the Redemption Date(s) in respect of the Debentures is not a Business Day, the immediately preceding Business Day shall be considered as the effective date for redemption of Debentures.

#### **XII. Payment of Coupon**

Coupon for each of the Coupon periods shall be computed on an actual/actual days a year basis on the principal outstanding on the Debentures at the Coupon Rate. If the Coupon period from start date to end date includes February 29, then interest shall be paid on the basis of (end date-start date)/366.

#### **XIII. Tax Deduction at Source**

Income tax will be deducted as applicable as per the provisions of Income Tax Act, 1961. Where any deduction of Income Tax is made at source, the Company shall send to the Debenture holder a Certificate of Tax Deduction at Source.

#### **XIV. PAN/GIR Number**

Applicant should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle / Ward / District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

**XV. Signatures**

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/Notary Public under his/her official seal.

**XVI. Basic terms of the present offer**

Refer Issue Details / Term sheet for issue specific details.

**XVII. Minimum Subscription**

INR. 10,00,000/- (Indian Rupees Ten Lakhs only) and in multiples of INR 1,00,000 (Indian Rupees One Lakh only) thereafter.

**XVIII. Deemed Date of Allotment**

Deemed Date of Allotment All the benefits under the Debentures, including but not limited to the payment of Coupon, will accrue to the Investor from the deemed date of allotment. The deemed date of allotment for the Issue is 07<sup>th</sup> June 2023(Indicative Date).

All benefits related to the Debentures will be available to the Debenture Holders from the Deemed Date of Allotment. The actual allotment of the Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/Deemed date(s) of Allotment at its sole and absolute discretion without any notice to the Debenture holders. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Company at its sole and absolute discretion.

**XIX. Market Lot Market lot will be one Debenture**

Contributions being made by the promoters or directors either as part of the Issue or separately in furtherance of such objects-  
**None**

**XX. Security**

The Debentures are proposed to be secured by the assets and security details as given in Issue Detail/ Term Sheet.

**XXI. Debentures in Dematerialized Form**

The Company is issuing the Debentures only in dematerialized form and hence no Debentures are being issued in physical form in terms of the Information Memorandum. The Company has entered in to Depository Arrangements with NSDL for dematerialization of the Securities.

Applicants have to mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. Debentures of successful Debenture Holders having Depository Account shall be credited to their Depository Account.

The Debentures shall be held in dematerialized form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by way of cheque(s)/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system/ funds transfer to those Debenture Holder(s) whose names appear on the list of Beneficiaries provided by the Depositories to the Issuer. The names would be as per the Depositories' records on the relevant record date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action. The list of beneficiaries as of the relevant record date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the Depositories to the Issuer and the Registrar. Based on the information provided above, the Issuer/Registrar will dispatch the cheque for interest / Coupon payments to the beneficiaries. If permitted, the Issuer may transfer payments required to be made in relation to any by electronic transfer of funds/RTGS, to the bank account of the Debenture Holder for redemption and interest/ Coupon payments.

## **XXII. Joint-Holders**

Where two or more persons are holders of any Debenture(s), they shall be deemed to hold the same as joint holders with benefits of survivorship in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company, subject to other provisions contained in the Articles of Association of the Company.

## **XXIII. Mode of Transfer**

The Debentures shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company. The provisions relating to transfer and transmission, nomination and other related matters in respect of equity shares of the Company, contained in the Articles of Association of the Company, shall apply mutatis mutandis to the transfer and transmission of the Debentures and nomination in this respect.

The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depositories of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, Coupon will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The transferor should give delivery instructions containing details of the transferee's depository account to his Depository. Investors may note that subject to applicable law, the Debentures of the Issuer would be issued and traded in dematerialized form only.

## **XXIV. Succession**

In the event of demise of the sole holder of the Debentures, the Company will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debentures. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate, unless such executor or administrator obtains probate or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the deceased Debenture holder on production of sufficient documentary proof and / or indemnity.

## **XXV. Governing law**

The Debentures shall be construed to be governed in accordance with Indian Law.

The courts and tribunals at Delhi shall have exclusive jurisdiction in connection with any dispute arising out of or in connection with this Debentures. The Debenture Holders and the Debenture Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts and tribunals with jurisdiction. To the extent allowed by applicable law, the Debenture Holders and the Debenture Trustee may take concurrent proceedings in any number of jurisdictions. Over and above the aforesaid Terms and Conditions, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debentures to be issued to the Debenture Holders and the Debenture Trust Deed.

**SECTION 8      ISSUE DETAILS**

The following term sheet summarizes the principal items with respect to the financing facility to be provided to Keertana Finserv Private Limited (“**Borrower**” or “**Company**”) by the Investor for Rs. 24 Crores.

For the avoidance of the doubt, except as specifically stated, this term sheet does not attempt to describe all terms and conditions of the transaction contemplated herein. The term sheet is intended to outline certain basic terms around which transaction could be structured. All proposed terms and conditions are subject to execution of mutually satisfactory transaction documents, satisfactory legal, technical & financial diligences, meeting of stipulations as contained herein etc.

Particulars	Terms and Conditions
<b>Security Name</b>	11.60% KFPL 2025
<b>Borrower/Issuer</b>	Keertana Finserv Private Limited
<b>Nature of the Instrument</b>	Senior, Rated, Secured, Taxable, Listed, Redeemable, Non-Convertible Debentures
<b>Seniority</b>	Senior or Subordinated
<b>Mode of Issue</b>	Private Placement
<b>Eligible Investors</b>	<p>The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (“<b>Eligible Investors</b>”):</p> <ul style="list-style-type: none"> <li>(l) Mutual Funds</li> <li>(m) NBFCs</li> <li>(n) Provident Funds and Pension Funds</li> <li>(o) Corporates</li> <li>(p) Banks</li> <li>(q) Foreign Institutional Investors (FIIs)</li> <li>(r) Qualified Foreign Investors (QFIs)</li> <li>(s) Foreign Portfolio Investors (FPIs)</li> <li>(t) Insurance Companies</li> <li>(u) Alternative investment funds</li> <li>(v) Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures.</li> </ul> <p>All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p>
<b>Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)</b>	The Debentures are to be listed on the WDM of the BSE within a maximum period of 3 (three) trading days from the date of closure of the Issue for the Debentures.
<b>Rating of Instrument</b>	“CRISIL BBB” from CRISIL Ratings Limited
<b>Option to retain oversubscription</b>	N.A.
<b>Issue Size</b>	Rs. 24 Crore (Rupees Twenty Four Crore Only)
<b>Minimum Subscription</b>	INR. 10,00,000/- (Indian Rupees Ten Lakh only)
<b>Objects of the Issue</b>	<p>The fund raised through this Issue will be utilized for capital expenditure incurred for setting up the Project.</p> <p>The Company undertakes that the proceeds of the current Issue shall not be used for any purpose which may be in contravention of the regulations/guidelines/norms issued by RBI/SEBI/RoC/BSE.</p>
<b>Details of the utilization of the Proceeds</b>	Each loan constituting the portfolio shall be towards gold loan product offered to Obligors (Sole proprietorship / individuals) for the purpose of its / his / her business (excluding jewelers and pawn brokers)
<b>Coupon Rate</b>	11.60% p.a.p.m (Eleven-point six zero percent per annum).
<b>Step Up/ Step Down Coupon Rate</b>	Not Applicable
<b>Coupon Payment Frequency</b>	Monthly

Coupon Payment Dates	Interest Payment Date	Amount payable per Debentures (in Rupees)	Amount payable on Debentures (in Rupees)
	07-June-23	-	-
	30-Jun-23	730.96	17,54,301.37
	31-Jul-23	985.21	23,64,493.15
	31-Aug-23	985.21	23,64,493.15
	30-Sep-23	810.41	19,44,986.30
	31-Oct-23	837.42	20,09,819.18
	30-Nov-23	810.41	19,44,986.30
	31-Dec-23	689.64	16,55,145.21
	31-Jan-24	687.76	16,50,622.95
	29-Feb-24	643.39	15,44,131.15
	31-Mar-24	540.38	12,96,918.03
	30-Apr-24	522.95	12,55,081.97
	31-May-24	540.38	12,96,918.03
	30-Jun-24	380.33	9,12,786.89
	31-Jul-24	393.01	9,43,213.11
	31-Aug-24	393.01	9,43,213.1
	30-Sep-24	237.70	5,70,491
	31-Oct-24	245.63	5,89,508.20



	30-Nov-24	237.70	5,70,491.80
	31-Dec-24	98.25	2,35,803.28
	31-Jan-25	98.52	2,36,449.32
<b>Coupon Type</b>	Fixed		
<b>Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).</b>	Not Applicable		
<b>Day Count Basis</b>	Actual/Actual		
<b>Interest on Application Money</b>	Interest Coupon Rate. (subject to deduction of tax at source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961) will be paid on Application Money to the Applicants from the date of realization of the cheques / drafts or credit through RTGS / NEFT / direct credit up to one day prior to the Deemed Date of Allotment. This is applicable for all valid applications within 5 (five) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refund orders or through RTGS / NEFT / direct credit to the bank account of the Applicant as described in the Application Form.		
<b>Default Interest Rate</b>	<p>Payment default</p> <p>In case of default in payment of Interest and / or Redemption Amount on as per the Interest Payment Dates/Redemption Date, additional interest at the rate of 2% p.a. (two percent per annum) over the Interest Rate will be payable by the Issuer from the date of default till such default in payment of Coupon and/or Redemption Amount is rectified.</p> <p>Delay in execution of Debenture Trust Deed</p> <p>If not already executed, the Company shall execute the Debenture Trust Deed within the timelines prescribed by SEBI. In case of a delay in execution of Debenture Trust Deed, the Company will pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of Debenture Trust Deed.</p> <p>Delay in security creation</p> <p>To pay a penal interest of 2.0% (Two Percent) p.a. over the Interest Rate in case there is any delay in the creation, registration and perfection of the security over the Identified Receivables;</p> <p>Default in performance of covenants</p> <p>In case of default by the Issuer in the performance of any of the covenants of this Issue, including but not limited to the Financial Covenants of this issuance and reporting covenants after a cure period of 30 (thirty) days, the Company will pay penal interest of at least 2% p.a. (two percent per annum) over the Interest Rate from the</p>		

	<p>date of default till such default is rectified.</p> <p>Delay in listing</p> <p>In accordance with the NCS Listing Regulations read together with the Operational Circular, the Company confirms that in the event there is any delay in listing of the Debentures beyond 3 (Three) trading days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures is completed,</p>
<b>Tenor</b>	20 (Twenty) months from the Deemed Date of Allotment.
<b>Redemption Date</b>	31 <sup>st</sup> January 2025
<b>Redemption Amount</b>	INR 1,00,000/- (Indian Rupees One Lakh Only) per Debenture.
<b>Redemption Premium / Discount</b>	Nil
<b>Issue Price</b>	INR. 99,000 (Indian Rupees Ninety-Nine Thousand Only) The Debentures are proposed to be issued at a discount of 1.00% (one point zero zero percent) to the face value of INR 1,00,000 (Indian Rupees One Lakh Only)
<b>Discount at which security is issued</b>	INR 1,000 to the face value of the Debenture
<b>Face Value</b>	Rs. 1,00,000 per debenture instrument
<b>Put Date</b>	NA
<b>Put Price</b>	NA
<b>Call Date</b>	NA
<b>Call Price</b>	NA
<b>Put Notification Time</b>	NA
<b>Call Notification Time</b>	NA
<b>Minimum Application and in multiples of Debt securities thereafter</b>	INR. 10,00,000/- (Indian Rupees Ten Lakhs only) and in multiples of INR 1,00,000 (Indian Rupees One Lakh only) thereafter
<b>Issue Timing</b>	
1. Issue Opening Date	07 <sup>th</sup> June 2023
2. Issue Closing Date	07 <sup>th</sup> June 2023
3. Pay-in Date	07 <sup>th</sup> June 2023
4. Deemed Date of Allotment	07 <sup>th</sup> June 2023
<b>Issuance mode of the Instrument</b>	Dematerialised form
<b>Trading Mode of the Instrument</b>	Dematerialised form
<b>Settlement mode of the Instrument</b>	Dematerialised form
<b>Depository</b>	NSDL
<b>Business Day Convention</b>	<p>It is any day (other than a Sunday) on which money market institutions and scheduled commercial banks are open for general business in Delhi, India. Additionally, the day on which payment of interest/redemption with respect to debt securities falls due, it has been decided that interest/ redemption payments shall be made only on the days when the money market is functioning in Delhi, India.</p> <p>If the Final Redemption Date and Principal payment dates of the Debenture falls on a day which is not a Business Day, the payment of any amounts in respect of the Outstanding Principal Amounts (including the last Coupon amount payment) to be made shall be made on the preceding Business Day.</p>
<b>Record Date</b>	The date falling 15 (fifteen) Business Days prior to the relevant Payment Date.
<b>All covenants of the issue (including side letters, accelerated payment clause, etc.)]</b>	Refer to Section 7 of this Disclosure Document

<p><b>Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Offer Document/ Information Memorandum</b></p>	<p>The issue amounts outstanding under the Debentures together with coupon, default interest, remuneration of the Trustee, charges, fees, expenses and all other monies due from the Company shall be secured on a first ranking exclusive and continuing charge basis by way of hypothecation up to the Security Cover Ratio in favour of the Debenture Trustee over identified loan receivables that meet the Eligibility Criteria as set out in <b>Schedule II (“Eligibility Criteria”) of Debenture Trust Deed</b> with the prescribed Security Cover on or prior to the Deemed Date of Allotment.</p> <p>Issuer to provide a list of specific loan receivables / identified book debt to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the security cover on monthly basis within the 15th day of every calendar month (“<b>Monthly Security Cover Determination Date</b>”).</p> <p><b>Replacement of security:</b> The Issuer shall, within the timelines prescribed under the Deed of Hypothecation replace such Hypothecated Assets that do not satisfy the Eligibility Criteria.</p> <p>If the Security in respect of Debentures falls below the Security Cover as specified in this Deed on any account, the Issuer shall within 20 (thirty) calendar days of such occurrence, hypothecate further assets or such additional Security as may be acceptable to the Debenture Trustee to maintain the Security Cover in the manner set out in the Deed of Hypothecation.</p> <p><b>Revaluation of security:</b> The Debenture Trustee can do a valuation of the Hypothecated Assets and re-value the Hypothecated Assets, as and when it deems fit, if in its opinion the Security Cover is falling or is low and all costs for such valuation shall be borne by the Issuer.</p> <p><b>Interest to the Debenture Holder over and above the Coupon rate:</b> The Issuer’s failure to create and perfect security over the Hypothecated Assets within the timeline stipulated under the Transaction Documents shall attract a 2% p.a. additional interest over the Coupon.</p>
<p><b>Transaction Documents</b></p>	<p>Including but not limited to the following documents:</p> <ol style="list-style-type: none"> <li>1. Debenture Trust Deed</li> <li>2. Information Memorandum</li> <li>3. Debenture Trustee Appointment Agreement;</li> <li>4. Deed of Hypothecation;</li> <li>5. Deed of Guarantee</li> <li>6. Term Sheet;</li> <li>7. Board and Shareholders Resolution authorising the Issue; and</li> </ol> <p>Any other documentation as may be desired by the Debenture Trustee and mutually agreed with Issuer</p>
<p><b>Conditions Precedent to Disbursement</b></p>	<p>(i) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee.</p> <p>(ii) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed.</p> <p>(iii) Execution of the Transaction Documents shall have taken place;</p>

	<p>(iv) Identification of Hypothecated Assets for purpose of security creation in terms of the Transaction Documents.</p> <p>(v) Rating of the Debentures being completed and the rating agency having provided a minimum rating of ‘CRISIL BBB (stable)’ for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee;</p> <p>(vi) The Company shall have provided to the Debenture Trustee a certificate from a director/company secretary of the Company certifying that:-</p> <p>a. the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys pursuant to the issuance of the Debentures;</p> <p>b. the borrowing of moneys pursuant to the issuance of the Debentures will not cause any limit binding on the Company to be exceeded;</p> <p>c. no Material Adverse Effect has occurred in the Company, and/or the business of the Company;</p> <p>d. there are no Event of Default, any potential Event of Default, any force majeure event;</p> <p>e. all representations and warranties contained in this Deed are true and correct in all material respects on and as of the Deemed Date of Allotment, before and after giving effect to the Issue and to the application of the proceeds therefrom; and</p> <p>(vii) Copy of the e-Form MGT-14 filed with the Registrar of Companies with respect to the board resolution or shareholders’ resolution (as applicable and if required under the Act) passed for the issue of Debentures.</p> <p>(viii) Execution of the Depository Agreements by, inter-alia, the Depository and the Company;</p> <p>(ix) Execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company;</p> <p>(x) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;</p> <p>(xi) The Company shall have submitted to the Debenture Trustee, its audited account statements for the most recent financial year or financial half-year.</p> <p>(xii) Copy of the Disclosure Documents.</p> <p>(xiii) The Company shall have submitted to the Debenture Trustee, a copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures;</p> <p>(xiv) The Company shall have received the of ISIN for the issuance of the Debentures;</p> <p>(xv) The Company shall have circulated the Placement Memorandum along with Pas-4 for the issue of the Debentures.</p> <p>(xvi) The Company shall have obtained due-diligence certificate from the Debenture Trustee.</p> <p>(xvii) Copy of the e-Form MGT-14 filed with the ROC with respect to the board resolution or shareholders’ resolution (as applicable and if required under the Act) passed for the issue of Debentures.</p> <p>(xviii) Payment of all fees and stamp duty under the Transaction Documents executed is done to the satisfaction of the Debenture Trustee.</p> <p>(xix) Such other information / documents, certification by Issuer’s authorized representatives, opinion and instruments as may be required by the Debenture Trustee.</p>
<p><b>Conditions Subsequent to Disbursement</b></p>	<p>(a) Certified true copy of the board resolution for the allotment of the Debentures, within 1 (one) Business Days of the Deemed Date of Allotment for Debentures.</p> <p>(b) Obtaining the final listing approval from the Stock Exchange in respect of the Debentures (including but not limited to payment of all fees) and list the Debentures on the wholesale debt market segment of the Stock Exchange within 3 (three) working days from the issue closing date of the Debentures as prescribed under SEBI</p>

	<p>Operational Circular;</p> <p>(c) the record of private placement offers maintained by the Company, including the offer of the Debentures, in Form PAS – 5, on the Deemed Date of Allotment;</p> <p>(d) the details of the depository accounts of the Debenture Holders with the Depositories confirming that such account has been credited with the relevant Debentures as soon as possible but in event within 2 (two) Business Days from the closure of the Issue;</p> <p>(e) the return of allotment in Form PAS – 3, along with a complete list of allottees and containing the prescribed particulars, filed with the relevant Registrar of Companies within 15 (fifteen) days of the Deemed Date of Allotment of the Debentures;</p> <p>(f) evidence that the Security shall have been perfected in a form and manner acceptable to the Debenture Trustee and that the Form CHG-9 in respect of creation of hypothecation over the Hypothecated Assets has been filed with the relevant Registrar of Companies within 30 (thirty) days of the Deemed Date of Allotment of the Debentures.</p> <p>(g) a copy of the certificate of registration of charge issued by the relevant Registrar of Companies in connection with the Security Interest created under the Deed of Hypothecation within 1 (one) Business Day of the receipt thereof by the Company.</p> <p>(h) comply with such other condition and provide such other information and documents and execute such documents as are customary for a financing similar to the issuance of the Debentures or as the Debenture Holders may reasonably request or as may be required under Applicable Law (including without limitation, the Act, and any guidelines/circulars issued by the SEBI).</p> <p>(i) Providing all the necessary assistance to the Debenture Trustee for filing of and registering with the Central Registry under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for the exercise of the rights, powers and authority hereby conferred on the Debenture Trustee for effecting and perfecting the Security created or purported to be created under the Deed of Hypothecation for Debentures and for enforcement of such Security within the timeline stipulated under Applicable Law.</p> <p>(j) As applicable to the Issuer in accordance with the Applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017.</p> <p>(a) An end-use certificate from an independent Chartered Accountant, certifying the heads under which funds have been utilized in accordance with Transaction Documents, within 90 (Ninety) days of the Deemed Date of Allotment for Debentures.</p>
<p><b>Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)</b></p>	<p>As provided in Section 8 of the Information Memorandum.</p>
<p><b>Creation of recovery expense fund</b></p>	<p>Details and purpose of the recovery expense fund</p> <p>The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI DT Operational Circular, in accordance with and within the timelines prescribed in the SEBI DT Operational Circular.</p> <p>The Company has created a Recovery Expense Fund which is equal to 0.01% (Zero decimal point Zero – One percent) of the Issue Size in the form of cash/ bank transfer bearing UTR No. IDFBH23151698450 dated 31<sup>st</sup> May 2023 for an amount of Rs.25,000/- maintained with the designated stock exchange(BSE).</p>

	<p>The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents.</p> <p>The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents.</p> <p>On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI DT Operational Circular for utilisation of the Recovery Expense Fund.</p>
<b>Conditions for breach of covenants (as specified in Debenture Trust Deed)</b>	Any breach of financial covenants, negative covenants, affirmative covenants, reporting covenants and any other covenants as set out in Debenture Trust Deed, the same is not cured within the Cure Period.
<b>Provisions related to Cross Default Clause</b>	<p>The Company:</p> <p>i. defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created;</p> <p>ii. Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any actual/potential event of default or any other similar event (however described);</p> <p>iii. defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity;</p> <p>iv. any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.</p> <p>v. any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default;</p> <p>vi. any creditor of the Company becomes entitled to declare any indebtedness of the Company due and payable prior to its specified maturity as a result of an event of default (however described);</p> <p>vii. a moratorium/suspension is declared in respect of any Financial Indebtedness of the Company.</p>
<b>Role and Responsibilities of Debenture Trustee</b>	As provided in Section 8 of this Information Memorandum
<b>Risk factors pertaining to the issue</b>	Refer to Section 3 of the Disclosure Document
<b>Governing Law and Jurisdiction</b>	Indian laws. Non-exclusive jurisdiction of the courts of Delhi

**A. The issuer shall provide granular disclosures in their placement memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".**

The proceeds of the issuance of Debentures will be utilized by the Issuer for onward lending purposes only.

Provided that no part of the proceeds shall be utilized directly/indirectly towards the following:

- capital markets (including equity, debt, debt linked, and equity linked instruments or any other capital market land activities);
- any speculative purposes.
- land acquisition or usages that are restricted for bank financing.
- any activity in the Exclusion List or investment in the real estate sector; and
- related party transactions.

Further, no part of the proceeds of issuance of Debentures shall be utilized directly/indirectly towards repaying existing debts, and for disbursement of loan to promoter and director(s) of the Issuer.

- B. While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document/ information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.
- C. Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.
- D. Before making the application for listing of debt securities, the Issuer shall create charge as specified in the Debenture Trust Deed/ Disclosure Document, in favour of the debenture trustee and also execute debenture trust deed (DTD) with the Debenture trustee. The Stock Exchange(s) shall list the debt securities only upon receipt of a due diligence certificate as per format specified in SEBI NCS Regulations from debenture trustee confirming creation of charge and execution of the Debenture Trust Deed. The charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Issuer.

**SECTION 9                    DISCLOSURE PERTAINING TO WILFUL DEFAULT**

The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:

- a) Name of the bank declaring the entity as a willful defaulter:  
Nil
  
- b) The year in which the entity is declared as a willful defaulter:  
Nil
  
- c) Outstanding amount when the entity is declared as a willful defaulter:  
Nil
  
- d) Name of the entity declared as a willful defaulter:  
Nil
  
- e) Steps taken, if any, for the removal from the list of willful defaulters:  
Nil
  
- f) Other disclosures, as deemed fit by the issuer to enable Investors to take informed decisions:  
Nil
  
- g) Any other disclosure as specified by the Board:  
Nil



**AFFIRMATIVE COVENANTS**

The Issuer shall comply with the following during the tenor of the Debentures. The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the Affirmative Covenants. In case of breach of any of the above, the Trustee shall have the right to recall the Debentures by giving a prior written notice of 7 days. The Affirmative Covenants can be tested at any time till Final Settlement Date on a monthly frequency.

(a)      ***Amendment of Articles of Association***

Issuer undertakes to amend and incorporate provisions in their Articles of Association, authorizing the Debenture Holders and the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014 by September 30, 2023 as specified in press release of SEBI Board Meeting (PR No. 37/2022).

(b)      ***Notice of winding up or other legal process***

Company shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company;

(c)      ***Change in the shareholding and Control***

The Company during the tenure of the Debentures shall be no change in the Control of the Company.

(d)      ***Credit rating***

The Company shall ensure that the Debentures at all times are rated in accordance with the provisions of the Transaction Documents and the Company will ensure that the rating of the Debentures is not downgraded throughout the tenor of the Debentures and/or the rating of the Debentures is not withdrawn for any reason.

(e)      ***Loss or damage by uncovered risks***

Company shall promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties;

(f)      ***Costs and expenses***

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs;

(g)      ***Payment of Rents, etc.***

Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, insurance premium, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under this Deed;

(h)      ***Preserve corporate status; authorisations***

Company shall

- (i) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and DIRECTIONS of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal or interest on the Debentures might or would be hindered or delayed; and
- (ii) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel;
- (iii) promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures;

(i) ***Pay stamp duty***

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand;

(j) ***Furnish information to trustee***

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;

(k) ***Grievance***

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance;

(l) ***Specific Information to be provided to the Debenture Trustee***

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

- (i) notice of any Event of Default or potential Event of Default, each as listed in **Schedule XII (Events of Default)** of this Deed;
- (ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating;
- (iii) details of any material litigation, arbitration or administrative proceedings, etc. including those that are required to be disclosed to Debenture Trustee;
- (iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and
- (v) the declaration or distribution of dividend;

(m) ***Comply with Investor Education and Protection Fund requirements***

Company shall comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IEPF), if applicable to it;

(n) **Further assurances**

Company shall

- (i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;
- (iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under this Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Deed;
- (i) If the Company avails any additional credit facility from third party after the Deemed Date of Allotment which is guaranteed by Holding Company, or Mrs Ruchi Kalra, during the tenor of the Debentures, then the aforesaid entity and/or people shall provide similar guarantee in favour of Debenture Trustee guaranteeing the amounts outstanding under the Debentures set out under this Deed. Company shall procure and furnish the Debenture Trustee with undertaking to that effect as a condition precedent for paying of this instrument or any part thereof.
- (ii) comply with:
  - (A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time;
  - (B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;
  - (C) the provisions of the Act in relation to the issue of the Debentures;
  - (D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and
  - (E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.
  - (F) In the event of failure by the Issuer to meet standards with respect to collection quality, management, governance, internal systems and processes, and data integrity, as may be required by the Debenture Holder. The Debenture Trustee shall be authorised by the Debenture Holders to conduct such discretionary audits on its behalf.
  - (G) Issuers undertakes to amend and incorporate provisions in their Articles of Association, authorizing the Debenture Holders and the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014.

(o) ***Filings***

The Company shall file with the BSE such information as required under Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Operating Circular and NCS Regulations.

(p) ***Security***

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

- (i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (ii) that all the Hypothecated Assets that shall be charged to the Debenture Trustee under the Hypothecation Agreement shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;
- (iii) shall, on the First Security Cover Determination Date and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each Monthly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables and/or Replace any Receivables constituting the Hypothecated Assets in accordance with the Hypothecation Agreement so as to ensure that Security Cover Ratio is maintained at all times from the First Security Cover Determination Date until the redemption of the Debentures in full
- (iv) perfect the first ranking and exclusive charge over Hypothecated Assets in favor of the Debenture Trustee over modified Hypothecated Assets (modified by way of Top-Up/Replacement etc.) by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable on a quarterly basis and no later than 30 (thirty) days therefrom; shall, on the First Security Cover Determination Date and on each Monthly Hypothecated Assets Reporting Date, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Hypothecation Agreement), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;
- (v) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Hypothecation Agreement;
- (vi) the Hypothecated Assets shall satisfy the eligibility criteria set out in **Schedule III (Eligibility Criteria)**;
- (vii) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and
- (viii) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under this Deed;

(q) ***Amounts to be reimbursed to the Debenture Trustee***

Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;

(r) ***Delay in Security Creation***

Company shall in the event of any delay in the creation of first ranking and exclusive charge over the Hypothecated Assets within the timelines stipulated in the Hypothecation Agreement or in the event the Security Cover Ratio is not met on or prior to the First Security Cover Determination Date, the Company will, at the option of the Debenture Holders, either:

- (i) refund the Application Money as set out in Clause 2.6 of this Deed, to the Debenture Holders; or
- (ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Hypothecation Agreement such that the Security Cover Ratio is met.

(s) ***Books of Account***

Company shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(t) ***Material Adverse Effect***

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof;

(u) ***Corporate Governance***

- (i) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;
- (ii) shall at all times until the redemption of all outstanding Debentures, ensure that there is at least 1 (one) independent directors; and
- (iii) the Company shall at all times comply with the NBFC Master Directions.

(v) ***General***

- (i) the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;
- (ii) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;
- (iii) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;
- (iv) the Company shall comply with the 'Guidelines on Fair Practices Code for Non-Banking Financial Companies' as prescribed by the RBI from time to time;
- (v) the Company shall obtain, comply with and maintain all necessary licenses / authorisations; and
- (vi) the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law.

(w) ***Access***

Company shall permit the Debenture Trustee (and the Debenture holders) and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to:

- (i) check the management of the funds made available through subscription to the Debentures;
- (ii) inspect and take copies and extracts from the books, accounts and records of the Company;
- (iii) visit and inspect the premises of the Company; and
- (iv) meet and discuss matters with senior management employees of the Company.

(x) ***Conditions Subsequent***

Company shall comply with the conditions stipulated in **Schedule VII** (*Conditions Subsequent*).

(y) ***Financial Covenants***

Company shall comply with the financial covenants stipulated in **Schedule IX** (*Financials Covenants*).

(z) ***Issue Terms and Conditions***

At all times during the term of these presents comply with each of the Issue Terms and Conditions.

(aa) ***Internal Controls***

Company shall maintain appropriate internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes.

(bb) ***Information to Debenture Trustee***

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee on a quarterly basis and as may be required from time to time.

Company undertakes to comply with all the directions/guidelines/ circulars/regulations issued by any regulatory authority with regard to the Debenture issue including latest amendments i.e. SEBI (Debenture Trustee) Amendment Regulation, 2020, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as may be amendment by SEBI from time to time and further company shall take such steps as may be required from time to time.

## FINANCIAL COVENANTS

The Company shall ensure that, on an annual basis, it complies with the following Financial Covenants. The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with Financial Covenants. In case of breach of any of the Financial Covenants, the Trustee shall have the right to recall the Debentures by giving a prior written notice of 7 days. The Covenants can be tested at any time till Final Settlement Date on a monthly frequency.

1. The maximum permissible ratio of sum of (PAR 90+ + Trailing 12 Months Write off) to Total AUM shall be <3%.
2. The maximum permissible ratio of Total Financial Indebtedness to Tangible Net worth shall be 4x.
3. Maintenance of minimum Capital Adequacy Ratio (CAR) of 22.00% or regulatory minimum requirement as prescribed by RBI, whichever is higher
4. Maintain minimum external credit rating of CRISIL BBB (Stable)
5. The Issuer shall ensure that there is no cumulative liquidity mismatch in the ALM upto first 12 month buckets. For the purpose of calculation, undrawn term loans shall be excluded
6. Non-gold loan backed portfolio shall not exceed 40% of the Total AUM
7. Maintain pre-tax RoA (PBT / Average AUM) of 1% throughout the Facility Tenure

For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings:

“**CAR**” refers to Capital Adequacy Ratio. For the purpose of calculation of CAR:

(i) first loss credit enhancements provided by the Issuer on securitization shall be reduced from Tier I Capital and Tier II Capital ~~{without any ceiling}~~.

(ii) credit enhancements provided by the Issuer on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50 per cent from Tier I Capital and 50 per cent from Tier II Capital.

(iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI.

“**Net NPA**” means Gross Non-Performing Assets - Total provisions held.

“**Tier I Capital**” shall have the meaning given to it in the NBFC Master Directions.

“**Tier II Capital**” shall have the meaning given to it in the NBFC Master Directions.

“**Total Debt**” is the sum of all the liabilities of the Issuer which includes Short Term Borrowing and Long-Term Borrowing.

“**Tangible Net worth**” means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.

All financial covenants would be tested on a quarterly basis i.e. as on 31st March, 30th June, 30th September and 31st December every year starting from 31st March 2023 till the redemption of the Debentures and the Issuer shall furnish the compliance status with respect to financial covenants certified by statutory auditor to Debenture the Debenture Trustee as specified under the SEBI Debenture Trustee Circular. The Financial covenants shall be certified by the Company within 20 days from end of each reporting quarter.

## REPORTING COVENANTS

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items. The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the Reporting Covenants. In case of breach of any of the above, the Trustee shall have the right to recall the Debentures by giving a prior written notice of 7 days. The Reporting Covenants can be tested at any time till Final Settlement Date on a monthly frequency.

### (a) Monthly Reporting

- i. The Security Cover must be tested on a monthly basis on each Monthly Hypothecated Assets Reporting Date.
- ii. The Company shall provide details of a) operational information, b) portfolio cuts, c) monthly disbursements d) monthly DPD statement, e) changes in Board & management and f) changes in shareholding pattern g) static pool analysis and vintage curve data h) Structural liquidity data on a monthly basis in the format as specified by the Debenture Trustee.
- iii. The Company shall share information about facilities sanctioned to it by other lenders on a monthly basis in the format as specified by the Debenture Trustee.
- iv. The Company shall submit monthly MIS in mutually agreed format within 20 days of close of each month end as and when requested by the Debenture Trustee.

### (b) Quarterly Reports

As soon as available and in any event within 30 (Thirty) calendar days after the end of each quarterly reporting period of the Company, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- (i) the shareholding structure and composition of the board of directors in the Company;
- (ii) Financials and other operational metrics as per the requirement and format agreed with the Trustee from time to time. Financial covenant compliance certificate signed by a Director or the Chief Financial Officer or authorized signatory
- (iii) transactions with related parties and balances outstanding on a quarterly basis in the format as specified by the Debenture Trustee.
- (iv) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:
  - a. Updated list of the names and addresses of the Debenture Holders.
  - b. Details of the Interest due, but unpaid and reasons thereof.
  - c. The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.
  - d. Issuer shall submit Financial Covenant compliance certificate signed by the authorized signatory / CFO within 30 (Thirty) days from the end of each financial quarter.
  - e. Issuer shall submit statement of loan receivables hypothecated to the Debenture Trustee signed by the Authorized Signatory for every month and an independent CA at the end of every quarter, within 20 days of the succeeding month, with the confirmation that none of the loan receivables hypothecated to the Debenture Trustee are not meeting the Security Cover criteria and certify the asset cover along with confirmation of none of the hypothecated receivables have DPD above 30 days;
  - f. Shall provide details of transactions with related parties and balances outstanding on a quarterly basis in the format as specified by the Debenture Trustee.



a. The Company shall, while submitting quarterly/annual financial results, accordingly shall provide Debenture Trustee the following information, on the letter head of the Company, addressed to the Stock Exchange/(s):

- i. debt equity ratio;
- ii. debt service coverage ratio;
- iii. interest service coverage ratio;
- iv. outstanding redeemable preference shares (quantity and value);
- v. capital redemption reserve/debenture redemption reserve, as applicable;
- vi. net worth;
- vii. net profit after tax;
- viii. earnings per share;
- ix. current ratio;
- x. long term debt to working capital;
- xi. bad debts to Account receivable ratio;
- xii. current liability ratio;
- xiii. total debts to total assets;
- xiv. debtors turnover;
- xv. inventory turnover;
- xvi. operating margin (%);
- xvii. net profit margin (%); and
- xviii. sector specific equivalent ratios, as applicable.

Provided that if the information mentioned in sub-regulation (4) above is not applicable to the listed entity, it shall disclose such other ratio/equivalent financial information, as may be required to be maintained under applicable laws, if any

(c) Half Yearly Reports –

The Issuer shall provide to the Debenture Trustee as per Regulation 51 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 on a half-yearly basis certificate regarding maintenance of hundred percent security cover or higher security cover] as per the terms of offer document/ Information Memorandum and/or Debenture Trust Deed, including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the financial results, in the manner and format as specified by SEBI:

(d) Annual Reports

As soon as available, and in any event within 90 (Ninety) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- (i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with IND-AS including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof;
- (ii) a certificate of the Chief Financial Officer or a Director of the Company confirming that his or her review has not disclosed the existence of any potential Event of Default or Event of Default;

(e) Event Based Reports

- (i) As soon as available and in any event within 10 (Ten) Business Days of the occurrence of such event, the details of any change in board of directors and Key Managerial Personnel (KMP);
- (ii) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 7 (Seven) Business Days from the occurrence of such event:

- (a) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;
  - (b) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;
  - (c) the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same;
  - (d) the Company makes any prepayment or receives a notice of any prepayment of any Financial Indebtedness of the Company that would result in a Material Adverse Effect;
  - (e) the Company obtains knowledge thereof, notice of any litigation, arbitration or any other administrative proceedings threatened or instituted affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect
  - (f) the Company alters its Constitutional Documents; and
  - (g) any application for winding up has been admitted before the court.
- (iii) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 24 (Twenty-four) hours from the occurrence of such event:
- (a) Filing of application/petition with respect to the Issuer (voluntary or otherwise) before the National 1 Law Tribunal, or any other forum seeking the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016, as amended from time to time
  - (b) Receipt of Demand Notice under the relevant provisions of Insolvency and Bankruptcy Code, 2016, as amended from time to time, from any of their other Creditors (as defined under Insolvency and Bankruptcy Code, 2016 as amended from time to time).

(f) Reporting to stock exchange

The Company shall disclose all such information to the Debenture Trustee under applicable laws and shall file with the BSE all such information as required under Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Operating Circular 2021 and NCS Regulations including as required under the DT Operational Circular.

## NEGATIVE COVENANTS

Without the prior written consent of the Debenture Trustee the Company shall not take any action/ permit any action to be taken in relation to the items set out herein. The Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the Negative Covenants. In case of breach of any of the above, the Trustee shall have the right to recall the Debentures by giving a prior written notice of 7 days. The Negative Covenants can be tested at any time till Final Settlement Date on a monthly frequency.

### a. **Change of business**

Change the general nature of its business from that which is permitted by the RBI. The Issuer shall not undertake any new major new business outside financial services or any diversification of its business outside financial services, without approval of Majority Debenture Holders.

### b. **Change in Constitutional Documents**

Change or make any alteration to its Constitutional Documents where such amendment in the opinion of the Debenture Trustee would adversely affect the interest of the Debenture Holders, including changes in clauses pertaining to main objects, share capital, business or operation of the Company, borrowing powers, without prior consent of the Debenture Trustee.

### c. **Role of Promoter**

- i. Until Final Redemption Date, Ms. Padmaja Gangireddy shall continue to hold an executive position in the Company;
- ii. Any credit or loan provided by the Promoters shall rank subordinated / subservient to this debt.
- iii. The Promoters of the Issuer shall not transfer or encumber the shares of the Issuer held by them respectively without the prior written consent of the Lender. Issuer shall procure and furnish the Debenture Trustee with undertaking(s) issued by such Promoters to that effect as a Conditions Precedent for disbursement of the Facility or any part thereof. The shareholding of the Promoters shall not change below the level stated herein during the tenor of the Debentures:

Name of the Promoter	No of Shares	% of Shareholding
Vijaya Sivarami Reddy Vendidandi, and	4,87,69,743	75.83%
Padmaja Gangireddy	1,24,47,123	19.35%

### d. **Dividend**

Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:

- (i) the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);
- (ii) no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;
- (iii) the Company is in compliance with the financial covenants set forth in **Schedule IX (Financial Covenants)**; and

- (iv) the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

**e. Arrangement/compromise, etc.**

Undertake or permit scheme of arrangement or compromise with its creditors or shareholders.

**f. Merger, Acquisition etc**

Enter into any merger, demerger, consolidation, re-organization, or effect any scheme of amalgamation or reconstruction, acquire any other companies, business or undertaking during that financial year in excess of 10% (Ten percent) of the net worth of the Company.

**g. Joint Venture**

Without the prior written consent of the Debenture Holders as stated herein:

- (i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or
- (ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).
- (a) Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business

**h. Loans and Guarantees**

- i. The Company shall not enter into any transaction(s) (including but not limited to loans or advances and investment by way of share capital) other than in its ordinary course of business
- ii. The Company shall not provide any guarantee except the guarantee being issued in the ordinary course of business and to the subsidiaries.

**i. Arm's length basis; No profit sharing arrangements**

The Company shall not, without the prior written consent of the Majority Debenture Holders:

- (i) enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;
- (ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person; or
- (iii) enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.

**(j) Immunity**

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

**(k) Change of control/shareholding**

Issue any additional shares or equity interests and shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in change in Control of the Company.

Issuer shall not without prior intimation to the Debenture Trustee, cause or permit change in shareholding pattern.

(l) **Buy-back**

Purchase or redeem or retire or buyback or defease any of its equity share capital or resolve to do so.

(m) **Disposal of Assets**

Sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets constituting 20% of total assets of the Company, other than any securitization/portfolio sale of assets undertaken by the Company in its ordinary course of business.

(n) **Management Control**

Any change in Management Control of the Company.

(o) **Material compromise or Settlement**

Enter into material compromise or arrangement or settlement with any of its creditors without the prior written consent of the Debenture Trustee, except in the ordinary course of and pursuant to the reasonable requirements of the Issuer's business and upon fair and reasonable terms..

(p) **Anti-money laundering**

Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(q) **Related Party Transactions**

The Issuer shall not enter into or perform any transaction(s) with a related party other than in the ordinary course of business.

(r) **Financial Year**

Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

(s) **Change in terms of the Debenture**

The Company shall not make any material modification to the structure of the Debentures in terms of coupon, redemption, or otherwise without the prior approval of the stock exchange (if and such prior approval of the stock exchange would be obtained only after: (a) approval of the Board and the Debenture Trustee; and (b) complying with the provisions of Companies Act, 2013 including approval of the requisite majority of Debenture Holder(s). Further, any proposal of restructuring received by Debenture Trustee shall be communicated to Debenture Holder(s) immediately.

PROVIDED THAT the Trustee shall provide the response to any request where prior written consent of the Trustee acting for the Debenture Holders is required in a timely manner, and any such response shall not be unreasonably withheld by the Trustee; and if such response is not received within 15 days, it would be taken as deemed consent thereof except in an Event of Default, breach of terms of Transaction Documents, where the consent of the Debenture Holders/ Debenture Trustee shall be obtained as per the applicable SEBI regulation, SEBI Operating Circulars, SEBI Default (Procedure) Circular and any amendments from time to time and in terms of process set out *Section 6 (Provisions of the Meeting of Debenture Holders)* and this Deed.

## EVENTS OF DEFAULT AND REMEDIES

### PART A

Each of the events or circumstances set out in this schedule shall constitute an Event of Default.

(a) **Payment Defaults**

The Company does not pay on the Due Date any amount payable pursuant to this Deed and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 3 (Three) Business Days of its Due Date.

(b) **Insolvency / Inability to Pay Debts / Distress**

- (i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.
- (ii) The Company is (or deemed by Law or declared by a court to be) insolvent or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.
- (iii) Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days.

(c) **Charge over Hypothecated Assets**

The Company creates or attempts to create any charge/encumbrance on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Hypothecation Agreement without the consent of the Special Majority Debenture Holders.

(d) **Business**

The Company without obtaining the prior consent of the Special Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.

(e) **Security in Jeopardy**

- (i) In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;
- (ii) If, the security provided pursuant to the Hypothecation Agreement depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee within 15 (fifteen) days of written notice to their satisfaction;
- (iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall be required for the replacement of assets comprising the Hypothecated Assets with other similar assets; or
- (iv) the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum-Security Cover Ratio specified in the Hypothecation Agreement within the stipulated timelines in the Hypothecation Agreement.

(f) **Misrepresentation**

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(g) **Material Adverse Change**

There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified for a period of 30 (Thirty) Business Days.

(h) **Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator**

(i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
- (B) a composition, compromise, assignment or arrangement with any creditor of the Company;
- (C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company; or
- (D) the Company, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets" (as amended or modified or restated from time to time));
- (E) admission of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate; or
- (F) enforcement of any security over any Assets of the Company.

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (F) above.

(ii) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Special Resolution of Debenture Holders.

(i) **Cross Default**

The Company:

- i. defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created;
- ii. Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any actual/potential event of default or any other similar event (however described);
- iii. defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity;

- iv. any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.
- v. any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default;
- vi. any creditor of the Company becomes entitled to declare any indebtedness of the Company due and payable prior to its specified maturity as a result of an event of default (however described);
- vii. a moratorium/suspension is declared in respect of any Financial Indebtedness of the Company.

(j) **Creditors' Process**

- (i) All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority.
- (ii) The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.
- (iii) The Company has voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.
- (iv) The Company is adjudged insolvent by a competent court or takes advantage of any law for the relief of insolvent debtors.
- (v) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof having an aggregate value more than or equal to the or 10% of its net worth whichever is lesser and is not discharged within 15 days.

(k) **Judgments Defaults**

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (five percent) of the Total Assets of the Company PROVIDED THAT such judgments or decrees are either final and non-appealable or have not been applied for vacation, discharge or stay pending appeal for any period of 30 (thirty) consecutive calendar days.

(l) **Transaction Documents**

- (i) This Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.
- (ii) In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority contemplated under the Transaction Documents, or the security interest created thereunder become unlawful, invalid, or unenforceable.

(m) **Unlawfulness**

It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.



(n) **Repudiation**

The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(o) **Government Intervention**

- (i) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;
- (ii) Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or
- (iii) The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

(p) **Delisting**

If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee.

(q) **Rating Downgrade**

If rating of the Debentures by the Rating Agency is downgraded below from present rating of BBB, the Debenture Holders shall have the right to accelerate the redemption of the Debentures and require the Issuer to mandatorily redeem the debenture and repay the Outstanding Principal Amount, Redemption Amount, interest accrued, costs, fees, penalty, default interest if any. Issuer has to pay the amount due within 30 (thirty) Business Days of receipt of such notice. There will be no cure period available for Rating downgrade incidence.

(r) **Cessation**

The Company ceases or threatens to cease to carry on the main business it is currently engaged in.

(s) **Alteration in Constitutional Documents**

The Company, without the previous consent in writing of the Debenture Trustee, makes or attempts to make any alteration in the provisions of its Constitutional Documents where (i) such change might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture Holder(s) and (ii) the Company refuses or neglects to or is unable to rescind such alteration.

(t) **Non-compliance with judicial order**

The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.

(u) **Erosion of Net Worth**

The Debenture Holders' assessment from quarterly or annual financial reporting from the company, or at any time certified by an accountant of a firm or chartered accountant appointed by the Debenture Trustee (which the Debenture Trustee is entitled and hereby authorized to do so at any time), that the net worth (as defined in the Act) of the Company has eroded by 50% or more.

(v) **Merger**

The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.

(w) ***Sale, disposal***

Sale, transfer, or other disposition of all or substantially all of the Company's Assets other than in the normal course of business of the Company.

(x) ***Third party***

A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor and pursuant to which the Company is called upon to and makes a prepayment to a 3rd party without the prior written consent of the Debenture Holder. Such consent shall not be unreasonably delayed or withheld by the Debenture Holders.

(y) ***Wilful default***

Any director or key management personnel of the Company is/are declared as wilful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Company / Holding Company funds or revenues, dishonesty or which otherwise impinges on the integrity of the director, including any accusations, charges and/or convictions of any offence relating to bribery or any other act having a similar effect being committed by the management or an officer of the Company..

(z) ***Breach of Covenants***

Any breach of financial covenants stipulated in **Schedule IX (Financial Covenants)**, negative covenants as stated in **Schedule XI (Negative Covenants)**, affirmative covenants as stated in mentioned in **Schedule VIII (Affirmative Covenants)**, reporting covenants prescribed in **Schedule X (Reporting Covenants)** and any other covenants as set out in this Deed, the same is not cured within the Cure Period.

(aa) ***Breach of other terms of this Deed***

A breach by the Company of any of its obligations and covenants provided in terms of this Deed or other Transaction Documents (other than (a) to (dd) above) and such breach is not remedied (if capable of remedy) within the expiry of Cure Period for breach of Other Covenants from the date of such breach.

## **PART B**

### **Remedies for Event of Default**

If one or more of the events specified in PART A **Schedule XII (Events of Default)** occur(s), the Debenture Trustee may after the expiry of the Cure Period, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Majority Debenture Holders in accordance with the provisions set out in **Clause 6 (Provisions for the meetings of the Debenture Holders)** hereto by a notice in writing of 30 (thirty) Business Days ("**Notice of Acceleration**") to the Company initiate the following course of action:

- (a) require the Company to mandatorily redeem the Debentures and repay the principal amount, interest accrued, default interest and all other dues on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Deed and other Transaction Documents;
- (b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable;

- (c) enforce any security created pursuant to the Hypothecation Agreement in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures;
- (d) appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;
- (e) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company,
- (f) take necessary action of either enforcing the Security or entering into the Inter Creditor Agreement (“ICA”) or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Debenture Holder(s) with Special Majority, including the decision of formation of a committee of the Debenture Holder(s) to participate in the ICA or to enforce the Security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take decisions which shall be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the Security, or take any other action as may be decided by the Debenture Holder(s), from time to time. The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s)/ Beneficial Owners in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other Applicable Laws.
- (g) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out in by Issuers of listed or proposed to be listed debt securities towards creation of “Recovery Expense Fund” issued by SEBI, as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred.
- (h) take all such other action expressly permitted under this Deed including invocation of Guarantee or in the other Transaction Documents or permitted under the Law.
- (i) to initiate any enforcement action including without limitation under SARFAESI Act, 2002, Insolvency and Bankruptcy Code, 2016 (wherever applicable), or any other Applicable Law;
- (k) exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders.
- (l) The Debenture Trustee shall be entitled to appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses; The Debenture Trustee may exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under applicable law;

## SECTION 11      DECLARATION

The Issuer undertakes and confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the issuer and that any one placing reliance on any other source of information would be doing so at his own risk.

Without prejudice to the above, the Company and each of the directors of the Company, confirm that:

- a. The Issuer undertake that this Disclosure Document contain full disclosures in accordance with SEBI NCS Regulations, as amended, and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992.
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer document;
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

I, Padmaja Gangireddy, Managing Director, is authorized by the Board of Directors of the Company vide Resolution dated 17<sup>th</sup> May 2023 to sign this Information Memorandum and declare that all the requirements of the Companies Act, 2013 and the rules made there under in respect of the subject matter of this Information Memorandum and matters incidental thereto have been complied with. Whatever is stated in this Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Disclosure Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum and Articles of Association.

It is further declared and verified that all the required attachments have been completed, correctly and legibly attached to this form.

**For Keertana Finserv Private Limited**

Date: 06<sup>th</sup> June 2023

Place: Hyderabad

**ANNEXURE I: LAST AUDITED FINANCIAL STATEMENTS**

**KEERTANA FINSERV PRIVATE LIMITED**

(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)

**Audited Balance Sheet for Previous 3 Years**

**(Amount in Rupees)**

<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	643,112,880	12,476,300	12,476,300
Reserves and surplus	1,099,819,814	14,907,029	12,996,665
	<b>1,742,932,694</b>	<b>27,383,329</b>	<b>25,472,965</b>
<b>Share application money pending for allotment</b>	-	-	-
<b>Non-current liabilities</b>			
Long term borrowings	1,654,000,817	-	-
Deferred tax Liabilities (net)	-	872	-
Long term provisions	2,122	-	-
	<b>1,654,002,939</b>	<b>872</b>	-
<b>Current liabilities</b>			
Short-term borrowings	3,419,038,015	-	47,278
Trade Payables			
total outstanding dues of micro enterprises and small enterprises; and	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	6,228,538	12,600	-
Other current liabilities	57,585,939	-	976,650
Short term provisions	57,796,601	837,090	371,071
	<b>3,540,649,094</b>	<b>849,690</b>	<b>1,394,999</b>
<b>TOTAL</b>	<b>6,937,584,727</b>	<b>28,233,892</b>	<b>26,867,964</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment and intangible assets			
(i) Property, plant and equipment	166,179,796	3,429	3,429
(ii) Goodwill			
Deferred tax assets (net)	410,391	-	54,639
Long term loans and advances	1,242,508,787	-	-
Other Non-current assets	20,452,950	-	6,000,000
	<b>1,429,551,924</b>	<b>3,429</b>	<b>6,058,068</b>
<b>Current assets</b>			
Current Investments	-	-	

Cash and bank balances	432,554,404	8,682,848	142,438
Short-term loans and advances	4,859,979,083	19,547,615	20,667,458
Other current assets	215,499,317	-	-
	<b>5,508,032,803</b>	<b>28,230,463</b>	<b>20,809,896</b>
<b>TOTAL</b>	<b>6,937,584,727</b>	<b>28,233,892</b>	<b>26,867,964</b>

**Audited Statement of Profit and Loss for the Previous 3 Financial Years (Amount in Rupees)**

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>Income</b>			
Revenue from Operations	940,696,557	2,206,794	2,657,028
Other Income	11,815,175	1,116,288	362,145
<b>Total Income (I)</b>	<b>952,511,732</b>	<b>3,323,082</b>	<b>3,019,173</b>
<b>Expenses</b>			
Finance cost	369,358,890	-	-
Employee benefits expense	189,700,634	800,000	960,000
Depreciation	18,467,409	-	13,700
Other expenses	75,909,980	87,207	1,107,054
Provisions and Write offs	9,717,671	-	-
<b>Total expenses (II)</b>	<b>663,154,584</b>	<b>887,207</b>	<b>2,080,754</b>
<b>Profit before tax (III) = (I)-(II)</b>	<b>289,357,148</b>	<b>2,435,875</b>	<b>938,419</b>
Tax expenses:			
Current tax for the year	75,699,208	470,000	320,000
Earlier years' tax	(54,064)	-	(7,990)
Deferred tax	(411,263)	55,511	(55,477)
<b>Profit for the year</b>	<b>214,123,266</b>	<b>1,910,364</b>	<b>681,886</b>
Earnings per equity share (Face value of Rs. 10/- each)			
Basic	<b>3.87</b>	<b>1.53</b>	<b>0.55</b>
Diluted	<b>3.87</b>	<b>1.53</b>	<b>0.55</b>

<b>Audited Cash Flow Statement for Previous 3 financial years</b>		<b>(Amount in Rupees)</b>		
<b>Particulars</b>	<b>For the year ended 31.03.2023</b>	<b>For the year ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>	
<b>Cash flow from operating activities</b>				
Profit before tax	289,357,148	2,435,875	938,419	
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation	18,467,409	-	13,700	
Provision expenses	12,210,361	(3,981)		
NPA Provision	-	-		
Provision for Insurance claim receivable	-	-		
Net (gain)/ loss on sale of current investments	(38,701)	-		
<b>Operating profit before working capital changes</b>	<b>319,996,217</b>	<b>2,431,894</b>	<b>952,119</b>	
<b>Changes in operating assets and liabilities :</b>				
Increase/ (decrease) in other current liabilities	57,585,939	(964,050)	(36,058)	
Increase/ (decrease) in Trade payables	6,215,938	-	-	
Proceeds from Long-term borrowings (Net )	5,073,038,832	(47,278)	(5,889,106)	
Decrease / (increase) in loans and advances	(6,083,651,870)	1,592,523	(1,965,272)	
(Increase) / Decrease in other assets (Current and Non-Current)	(235,952,267)	(472,679)	6,615,554	
(Increase) / Decrease in Provisions	(30,178,828)	-	32,832	
<b>Cash generated from /(used in) operations</b>	<b>(892,946,038)</b>	<b>2,540,410</b>	<b>(289,930)</b>	
Direct taxes paid (net of refunds)	-	-	-	
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(892,946,038)</b>	<b>2,540,410</b>	<b>(289,930)</b>	
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment (net)	(184,647,205)	-	-	
Purchase of Money market Investments	(138,000,000)	-	(166,816)	
Proceeds from Sale of Investments	-	6,000,000	-	
Proceeds from sale/maturity of current investments	138,038,700	-	266,816	
<b>Net cash flow (used in) / from investing activities (B)</b>	<b>(184,608,505)</b>	<b>6,000,000</b>	<b>100,000</b>	
<b>Cash flows from financing activities</b>				
Proceeds from issue of equity shares	1,501,426,099	-	-	
<b>Net cash flow used in financing activities (C)</b>	<b>1,501,426,099</b>	<b>-</b>	<b>-</b>	
<b>Net decrease in cash and cash equivalents (A + B + C)</b>	<b>423,871,556</b>	<b>8,540,410</b>	<b>(189,930)</b>	
Cash and cash equivalents at the beginning of the year	8,682,848	142,438	332,368	
<b>Cash and cash equivalents at the end of the year</b>	<b>432,554,404</b>	<b>8,682,848</b>	<b>142,438</b>	
Note:				
1. Cash and cash equivalents comprise:				
Cash in hand	45,270,185	700	700	
Balance with banks				
- Current Accounts	376,684,219	8,682,148	141,738	
-Fixed Deposits	10,600,000	-	-	

	432,554,404	8,682,847	142,438
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**ANNEXURE II: CREDIT RATING LETTER**

[https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/KeertanaFinservPrivateLimited\\_May%2031,%202023\\_RR\\_320218.html](https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/KeertanaFinservPrivateLimited_May%2031,%202023_RR_320218.html)



**ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE**

[•]

**ANNEXURE IV: BOARD RESOLUTION**

[•]

**ANNEXURE V: SHAREHOLDERS RESOLUTION**

[•]

**ANNEXURE VI: DUE DILIGENCE CERTIFICATE FROM DEBENTURE TRUSTEE**

[•]

## **ANNEXURE VII: UNDERTAKING PURSUANT TO REGULATION 43 (2) OF THE SEBI NCS REGULATIONS**

### **Undertaking on Creation of Security**

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances. The Issuer further undertakes that the charge proposed to be created is a first ranking exclusive charge and therefore no permission or consent to create a second or pari-passu charge on the assets of the Issuer is required to be obtained from any creditor (whether or not existing) of the Issuer.

### **For Keertana Finserv Private Limited**

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Authorised Signatory

Name: Mrs. Padmaja Gangireddy

Title: Managing Director

Date: 06<sup>th</sup> June 2023.

**ANNEXURE VIII: TERM SHEET**

[•]



KEERTANA FINSERV PRIVATE LIMITED

**DIRECTOR'S REPORT**

**F.Y 2022-23**

## DIRECTORS' REPORT

To the Members of  
**M/S. KEERTANA FINSERV PRIVATE LIMITED**  
**(Formerly Known as Rajshree Tracom Private Limited)**

Your directors have pleasure in submitting the 28<sup>th</sup> Annual Report of the company together with Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2023.

### 1. FINANCIAL RESULTS

The Company's financial performances for the current year under review along with previous year's figures are given hereunder:

Particulars	(₹ in Lakhs)	
	Current Financial Year (2023)	Previous Financial Year (2022)
Total Income	9,525.12	33.23
Total Expenditure	6,631.54	8.87
Profit before Tax Expense	<b>2,893.58</b>	<b>24.36</b>
Less: Tax Expense (Current & Deferred)	752.34	5.26
Profit for the year	2,141.24	19.10

### 2. STATE OF THE COMPANY'S AFFAIRS

#### I. Segment-wise position of business and its operations:

During the year under review, your company has earned a total revenue of ₹ 9,525.12 Lakhs from its operations as against ₹ 33.23 Lakhs for the previous financial year.

The Net profit for the year under review is ₹ 2,141.24 Lakhs as against a net profit of ₹ 19.10 Lakhs for the previous financial year. Your Directors are on a continuous look out for alternative avenues for future growth of the company.

#### II. Change in the status of the company:

There is no change in the status of the company during the financial year

#### III. Key Business Developments:

The operational highlights of your company are as follows:

Details	As on March 31, 2023
No. of States	5
No. of Districts	35
No. of Branches	234
No. of Active Borrowers	66,437
No. of Active Loans	87,844
No. of Employees	1,038
No. of Loans Disbursed	1,65,674





**Other Highlights:**

Details	As on March 31, 2023
No. of Loans given to New Customers	41,880
No. of Loans given to Existing Customers	1,23,794
No. of Relationship Officers	693
Assets Under Management (AUM)	₹ 609.13 Crores

**Funding Partners:**

**Banks**

- \* ESAF Small Finance Bank
- \* IDFC First Bank
- \* IndusInd Bank Limited
- \* Kotak Mahindra Bank Limited
- \* Yes Bank Limited

**Other Banks/NBFC's**

- \* Aditya Birla Finance Limited.
- \* Ambit Finvest Private Limited.
- \* Capri Global Capital Limited.
- \* Cholamandalam Finance Limited.
- \* Credit Saison.
- \* Electronica Finance Limited.
- \* Grow Money Capital Private Limited.
- \* Hinduja Leyland Finance Limited.
- \* IKF Finance Limited.
- \* Incred Financials Services Limited.
- \* Kissandhan Agri Financial Services Private Limited.
- \* Klay Finvest Private Limited.
- \* Maanaveeya (OIKO credit).
- \* MAS Financial Services Limited.
- \* Oxyzo Financial services Private Limited.
- \* Profectus Capital Private Limited.
- \* SMC Finance.
- \* Sundaram Finance Limited.
- \* USHA Financial Services Limited.
- \* Vivriti Capital Private Limited.
- \* Western Capital Advisory Private Limited.

**IV. Capital Expenditure Programs:**

Details of capital expenditure during the period are given in the financial statements of the company.

**V. Any other material event having an impact on the affairs of the company:**

The company has changed its name from "Rajshree Tracom Private Limited" to "Keertana Finserv Private Limited" in its previous Annual General Meeting dated 25<sup>th</sup> July 2022.

No other material event is having an impact on the affairs of the company.

**3. REGISTRATION AS NON-DEPOSIT TAKING NBFC:**

The Company is registered with the Reserve Bank of India as a Non-Banking Financial Company (Non-Deposit taking) and holds a valid Certificate of Registration bearing No. B-05.03970. Your Company is non-deposit accepting and non-systematically important NBFC (ND-NSI-NBFC). Your Company has been regular in complying with all the applicable regulations and guidelines issued by the RBI from time to time.



#### 4. OPERATIONS:

The operations of your Company are predominantly into financing activities including but not limited to Gold Loans, MSME Loans, Joint Liability Group (JLG) Loans, Loan against property (LAP) and as such it is a loan company as per the guidelines issued by the Reserve Bank of India.

#### 5. CAPITAL ADEQUACY AND NET OWNED FUNDS:

The Capital Adequacy Ratio of the company is in compliance with the minimum capital adequacy requirement specified by RBI. As on 31<sup>st</sup> March, 2023 the company has attained the Net Owned Fund (NOF) of ₹ 17,120.46 Lakhs.

#### 6. RBI GUIDELINES:

The Company being a non-systematically important, Non-deposit accepting NBFC and has complied with all applicable regulations of the Reserve Bank of India. Further as per Non-Banking Finance Companies RBI Directions, 2016, the Directors hereby report that the Company did not accept any public deposits during the year and is not having public deposits outstanding at the end of the year.

#### 7. CODE OF CONDUCT, TRANSPARENCY & CLIENT PROTECTION:

The Company has fully implemented the Reserve Bank of India's Fair Practice Code.

#### 8. COMPLIANCE WITH THE MASTER DIRECTIONS ISSUED BY THE RESERVE BANK OF INDIA:

Your Company has complied with the prudential guidelines applicable to a Non-Systemically Important, Non-Deposit taking NBFC.

#### 9. TRANSFER TO RESERVES:

The Net profit for the year under review is ₹ 2,141.23 Lakhs and as per the requirement of section 45IC of RBI Act-1934, the company has transferred ₹ 428.25 Lakhs (i.e., 20% of the net profit) for the current financial year under review.

#### 10. DIVIDEND:

The Board of Directors of your company have not recommended any dividend for the year as the company is planning to expand its business activities.

#### 11. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

No change in the nature of business has occurred affecting the business of the Company during the period under review.

#### 12. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.



### 13. DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE REPORT:

The Board of Directors of your company has not revised any reports or financial statements of your company in respect of any of the three preceding financial years either voluntarily or pursuant to the order of a judicial authority.

### 14. SHARE CAPITAL

#### a) Issue of shares or other convertible securities

Your Company has issued equity shares ranking pari-passu with the existing equity shares during the year under review as provided in the given table:

Date	Particulars	No. of Equity Shares
09 <sup>th</sup> April 2022	Rights Issue -	4,40,04,525
21 <sup>st</sup> April 2022	Private Placement -	54,23,784
07 <sup>th</sup> September 2022	Rights Issue -	36,35,349
09 <sup>th</sup> November 2022	Rights Issue -	1,00,00,000

#### b) Issue of equity shares with differential rights

Your Company has not issued any equity shares with differential rights during the year under review

#### c) Issue of Sweat Equity shares

Your Company has not issued any Sweat Equity Shares during the year under review.

#### d) Details of Employees Stock Option Plan

Your Company has not provided any Stock Option Scheme to the employees.

#### e) Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the employees

Since the company has not provided any options to employees, none of the Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the employees

#### f) Buy Back of Securities

Your Company has not bought back any of its securities during the year under review.

#### g) Bonus Shares

Your Company has not issued any Bonus Shares during the year under review.

#### h) Issue of debentures, bonds or any non- Convertible securities.

Your Company has not issued any debentures, bonds or any non-convertible securities during the year under review.

#### i) Issue of warrants

Your Company has not issued any warrants during the year under review.



## 15. CREDIT RATING OF SECURITIES

Your company has obtained credit rating from the below credit rating agencies during the year under review.

S. No	Credit Rating Agency	Rating	Date
1	ICRA Limited	BBB -	26 <sup>th</sup> August 2022
2	CRISIL Ratings Limited	BBB	08 <sup>th</sup> September 2022

## 16. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND UNDER IEPF (ACCOUNTING, AUDIT, TRANSFER AND REFUND) RULES, 2016

Since there was no unpaid/unclaimed Dividend declared and paid for last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

## 17. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board consists of the following members as Directors and Key Managerial Personnel of the Company:

S. No	Name of the Director	Designation
1	Smt. Padmaja Gangireddy	Managing Director
2	Shri. Vijaya Sivarami Reddy Vendidandi	Director
3	Shri. Raghu Venkata Harish	Director
4	Shri. Vara Prasad Chaganti	Director
5	Shri. Mahesh Payannavar	Additional Director
6	*Shri. Siddharth Mehta	Company Secretary

\*Smt. Sneha Kandukuri has resigned as company secretary on 05<sup>th</sup> January 2023 and Shri. Siddharth Mehta has been appointed as company secretary with effect from 18<sup>th</sup> January 2023.

## 18. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

## 19. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the current financial year (2022-23), 41 (Forty One) Board Meetings were convened and held. The intervening gap between the Meetings was in compliance with the Companies Act, 2013.

## 20. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.



## 21. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

## 22. PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is not applicable.

## 23. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement: -

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts for the financial year ending 31<sup>st</sup> March, 2023 on a going concern basis; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 24. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively. Your Company has adopted procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

## 25. DETAILS OF FRAUDS REPORTED BY THE STATUTORY AUDITORS

During the year under review, the Statutory Auditors of the Company have not reported any fraud as required under Section 143(12) of the Companies Act, 2013

## 26. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company during the period under review.



## 27. DEPOSITS:

The Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Companies Act 2013 during the year under review. As such no amount of principal or interest was outstanding on the date of the Balance Sheet.

## 28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Being an NBFC registered under chapter IIIB of Reserve Bank of India Act, 1934 and principal business is financing activities, the Section 186 is restrictively applicable to the company.

## 29. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES REFERRED IN SUB-SECTION (1) OF SECTION 188:

All related party transactions during the financial year 2022-23 were in the ordinary course of business and satisfied the test of arm's length. Information on transactions with related parties pursuant to section 134(3)(h) of the Companies Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, have been briefly mentioned in financial statements of the company.

## 30. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Pursuant to the provisions of Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibilities) Rules, 2014, your company's net profit exceeds rupees five cores or more during the year. The Board shall constitute a Corporate Social Responsibility committee in this financial year. This committee shall formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company.

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

Disclosures pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo during the year under review are not applicable to the company:

## 32. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has suitable Risk Management Policy. The Company has adequate internal control systems and procedures to combat the risk. The risk management procedure will be reviewed by the Board periodically.

## 33. SIGNIFICANT AND MATERIAL ORDERS:

During the year under review, there have been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## 34. STATUTORY AUDITORS:

The shareholders, at the Twenty Seventh Annual General Meeting held on 25<sup>th</sup> July, 2022 have appointed M/s. M. Anandam & Co, (Firm Registration No. 0001258) Chartered Accountants, Hyderabad, as Statutory Auditors till the conclusion of the Annual General Meeting of the company to be held in the year 2025.



35. SECRETARIAL AUDIT REPORT:

Section 204(1) of the Companies Act 2013 relating to secretarial audit report does not apply to your Company during the period in review.

36. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY AUDITORS:

I. **By Statutory Auditors in their Report:**

The observations of the auditors in their report are self-explanatory and contain no reservation, qualification or adverse remarks and therefore, in the opinion of the Directors, do not call for further comments.

II. **By Secretarial Auditor in their Report:**

The Provisions of Section 204 of the Companies Act 2013 are not applicable to the company.

37. COMPLIANCE WITH SECRETARIAL STANDARDS OF ICSI:

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

38. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):

Since there is no corporate insolvency resolution process or initiations are pending against the company under the Insolvency and Bankruptcy Code, 2016, disclosures relating to the same are not applicable to your company.

39. ANNUAL RETURN:

A copy of Annual Return of the company as per the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, is made available at the registered office of the Company and will be filed with the Registrar of Companies / MCA within the stipulated time.

40. DISCLOSURE OF MAINTENANCE OF COST RECORDS UNDER SECTION 148 OF THE COMPANIES ACT:

Maintenance of cost records in compliance with the sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the company.

41. COMPLIANCE OF PROVISION RELATING TO CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The company has in place a policy for Prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed of during the year:

- |  |   |     |
|--|---|-----|
| a) Number of complaints pending at the beginning of the year | : | NIL |
| b) Number of complaints received during the year             | : | NIL |
| c) Number of complaints disposed off during the year         | : | NIL |
| d) Number of cases pending at the end of the year            | : | NIL |



## 42. ACKNOWLEDGEMENTS

Your Directors place on record their appreciation and gratitude to members, employees, bankers, NBFC's and Business Associates, particularly the Reserve Bank of India, for their unstinted co-operation in carrying on the business.

//By Order of the Board//  
For **KEERTANA FINSERV PRIVATE LIMITED**



*Padmaja Gangireddy*

Padmaja Gangireddy  
Managing Director  
(DIN: 00004842)

*Vara Prasad Chaganti*

Vara Prasad Chaganti  
Director  
(DIN: 09425725)

Place : Hyderabad  
Date : 08<sup>th</sup> May 2023.



**Independent Auditor's Report**

**To the Members of Keertana Finserv Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Keertana Finserv Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and its cash flows 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by the Institute of Chartered Accountants of India. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Matter**

The comparative financial information of the Company for the year ended 31<sup>st</sup> March, 2022 is based on the previously issued statutory financial statements which were audited by the predecessor auditor who expressed unqualified opinion vide report dated 25<sup>th</sup> April, 2022.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual 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 and for Internal Financial Controls over Financial Reporting**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting with specific reference to smaller, less complex companies issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's 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 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 judgement 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.

### **Meaning of Internal Financial Controls over Financial Reporting**

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



the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) In our opinion considering nature of business, size of operation and organisational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting with specific reference to smaller, less complex companies issued by the ICAI.
- (g) Being a private limited company, the provisions of section 197 of the Companies Act, 2013 are not applicable to the Company.



(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

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. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

v. No dividend was declared or paid during the year by the Company.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.



2. As required by the Companies (Auditor's Report) Order, 2020, ('the Order') issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M. Anandam & Co.,  
Chartered Accountants  
(Firm's Registration No. 0001255)



M.V.Ranganath  
Partner  
Membership No. 028031



UDIN: 23028031BGVWJC9071

Place: Secunderabad  
Date: 08-05-2023

**Annexure "A" to the Independent Auditor's Report**

With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company, we report that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company does not have any intangible assets and hence reporting under clause 3(i)(a)(B) is not applicable.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The Company does not own any immovable properties, Accordingly, clause 3(i)(c) of the Order is not applicable.
  - (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories and hence reporting under clause 3(ii)(a) of the Order is not applicable.
  - (b) The Company has not taken working capital limits in excess of Rs.5 Crore during the year, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. (a) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company.
  - (b) During the year, the company has not made investments and provided guarantees and security. The conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the company's interest.
  - (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a Non-Banking (Non-Systemically Important Non-Deposit) Finance Company, there are instances where the repayment of principal and interest are not as per the stipulated terms.
  - (d) In respect of loans granted by the Company, an amount of Rs. 170,057/- is overdue for more than 90 days. In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.
  - (e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.
  - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with section 185 and 186 in respect of the loans granted, wherever applicable. The Company has not made investments and not given guarantees or securities.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. According to the information and explanation given to us, the maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the



- Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues applicable to it with the appropriate authorities.  
There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- b) There are no disputed statutory dues that have not been deposited on account of any dispute by the Company as on 31<sup>st</sup> March, 2023.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company has not defaulted in repayment of loans or other borrowings and in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The Company does not have any Subsidiaries, Associates or Joint Ventures and hence, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has made private placement and preferential allotment of equity shares and complied with the requirements of section 42 and 62 of the Companies Act, 2013 and the amounts raised have been used for the purpose for which the funds were raised. Further, the Company has not issued convertible debentures during the year.
- xi. a) In our opinion and based on our examination and enquiries with the management, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- b) During the year, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii)(a) to (c) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. Section 177 of the Act is not applicable to the Company.
- xiv. In our opinion and based on our examination, the company is not required to have an internal audit system as per provisions of the Companies Act 2013. Hence, reporting under clause 3(xiv) of the Order is not applicable.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the





Companies Act, 2013 are not applicable to the Company.

- xvi. a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.
- b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.
- d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditor of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion, the provisions of Section 135 of the Act are not applicable to the Company and hence reporting under clause 3(xx) of the Order are not applicable.

For M. Anandam & Co.,  
Chartered Accountants  
(Firm's Registration No. 000125S)

  
M.V. Ranganath  
Partner  
Membership No. 028031



UDIN: 23028031BGVWJC9071

Place: Secunderabad  
Date: 08-05-2023

# M. ANANDAM & CO.,

CHARTERED ACCOUNTANTS

## Additional Audit Report as per the "Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016"

To  
The Board of Directors  
Keertana Finserv Private Limited  
Hyderabad

In our opinion and to the best of our information and according to the explanations given to us and with reference to the Non-Banking Financial companies Auditor's Report (Reserve Bank) Directions, 2016, we report the following for the financial year ended 31<sup>st</sup> March, 2023:

- i). The company is engaged in the business of non-banking financial institution and has obtained the Certificate of Registration (CoR) from RBI.
- ii). a) In our opinion, the company is satisfying the asset and income pattern as required under the provisions applicable to NBFC. Details are provided below:

Assets Pattern as on 31.03.2023			
S. No.	Details	Amount	% of Total Assets
1	Total Assets	693,75,84,706	100.00
2	Total Financial Assets (ie.3+4+5)	610,24,87,870	87.96
3	Investment	-	-
4	Loans & Advances	610,24,87,870	87.96
5	Assets Finance (EL &HP)	-	-

Income Pattern for the year ended 31.03.2023			
S. No.	Details	Amount	% of Total Income
1	Total Income	95,25,11,732	100.00
2	Income from Financial Assets (ie.3+4+5)	94,98,80,543	99.72
3	Income from Investment	3,05,000	0.03
4	Income from Loans & Advances	94,95,75,543	99.69
5	Total Income from Assets Finance (EL &HP)	-	-
6	Income from non-financial business	26,31,189	0.28



M. Anandam & Co.,  
Chartered Accountants

- b) In our opinion, based on the Asset/Income pattern, the company is entitled to hold CoR as on 31<sup>st</sup> March, 2023.
- iii). The Company is not engaged in asset financing. Accordingly, para 3A(III) of the Directions is not applicable.
- iv). The Company is not a non-banking financial company acceptin/holding deposits. Accordingly, para 3B of the Directions is not applicable.
- v) The Board of Directors have passed a resolution for non-acceptance of public deposits during the year 2022-23.
- vi) The company has not accepted any public deposits during the year 2022-23.
- vii) The company has complied with prudential norms relating to income recognition, and Accounting Standards in terms of Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
- viii) The company has complied with prudential norms relating to asset classification and provisioning of bad and doubtful debts in terms of Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
- ix) The prudential provisions of Non-Banking Financial Company – Systematically important Non deposit taking Company and Deposit taking Company(Reserve Bank) Directions, 2016 are not applicable to the Company.
- x) The company is not a NBFC Micro Finance Institutions (MFI) as defined in the Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
- xi) The paragraph 3(D) of the Directions is not applicable to the Company.

For M. Anandam & Co.,  
Chartered Accountants  
(Firm Regn.No.000125)

  
M V Ranganath  
Partner  
M.No: 028031



Place: Secunderabad  
Date: 08-05-2023

UDIN: 23028031BGVWJD7032

**Balance Sheet as at March 31, 2023**

(₹ in Lakhs)

Particulars	Notes	As at 31.03.2023	As at 31.03.2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	6,431.13	124.76
Reserves and surplus	2.2	10,998.20	149.06
		<b>17,429.33</b>	<b>273.82</b>
<b>Non-current liabilities</b>			
Long term borrowings	2.3	16,540.02	-
Deferred tax Liabilities (net)	2.10	-	0.01
Long term provisions	2.4	0.02	-
		<b>16,540.04</b>	<b>0.01</b>
<b>Current liabilities</b>			
Short-term borrowings	2.5	34,190.37	-
Trade Payables			
total outstanding dues of micro enterprises and small enterprises; and	2.6	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		62.29	0.13
Other current liabilities	2.7	575.86	-
Short term provisions	2.8	577.96	1.25
		<b>35,406.48</b>	<b>1.38</b>
<b>TOTAL</b>		<b>69,375.85</b>	<b>275.21</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment and intangible assets			
(i) Property, plant and equipment	2.9	1,661.80	0.03
Deferred tax assets (net)	2.10	4.10	-
Long term loans and advances	2.11	12,425.10	-
Other Non-current assets	2.12	204.53	-
		<b>14,295.53</b>	<b>0.03</b>
<b>Current assets</b>			
Cash and bank balances	2.13	4,325.54	86.83
Short-term loans and advances	2.14	48,599.79	188.36
Other current assets	2.15	2,154.99	-
		<b>55,080.32</b>	<b>275.19</b>
<b>TOTAL</b>		<b>69,375.85</b>	<b>275.22</b>

Significant Accounting Policies

Notes to accounts form an integral part of financial statements

As per our report of even date

**For M. Anandam & Co.,**

Chartered Accountants

Firm's registration No. 0001255

**M. V. Rangiahath**

Partner

Membership No. 028031

Place : Hyderabad

Date: 08-05-2023

UDIN: 23028031B6VWJC9071



**For Keertana Finserv Private Limited**

**Sadmaja**  
Padmaja Gangireddy

Managing Director

DIN: 00004842

Place : Hyderabad

Date: 08-05-2023

**Siddharth Mehta**

Siddharth Mehta

Company Secretary

PAN:CIFPM6022F

Place : Hyderabad

Date: 08-05-2023

**Ch. Vara Prasad**

Vara Prasad Chaganti

Director

DIN: 09425725

Place : Hyderabad

Date: 08-05-2023



**KEERTANA FINSERV PRIVATE LIMITED**  
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)  
CIN:U65100WB1996PTC077252

**Statement of Profit and Loss for the year ended March 31, 2023**

(₹ in Lakhs)

Particulars	Notes	For the year ended 31.03.2023	For the year ended 31.03.2022
<b>Income</b>			
Revenue from Operations	2.16	9,406.96	22.07
Other Income	2.17	118.16	11.16
<b>Total Income (I)</b>		<b>9,525.12</b>	<b>33.23</b>
<b>Expenses</b>			
Finance cost	2.18	3,693.59	-
Employee benefits expense	2.19	1,897.00	8.00
Depreciation	2.9	184.68	-
Other expenses	2.20	759.10	0.87
Provisions and Write offs	2.21	97.17	-
<b>Total expenses (II)</b>		<b>6,631.54</b>	<b>8.87</b>
<b>Profit before tax (III) = (I)-(II)</b>		<b>2,893.58</b>	<b>24.36</b>
Tax expenses:			
Current tax for the year		756.99	4.70
Earlier years' tax		(0.54)	-
Deferred tax		(4.11)	0.56
<b>Profit for the year</b>		<b>2,141.24</b>	<b>19.10</b>
Earnings per equity share (Face value of ₹ 10/- each)			
Basic (in ₹)	2.25	<b>3.87</b>	<b>1.53</b>
Diluted (in ₹)	2.25	<b>3.87</b>	<b>1.53</b>

Significant Accounting Policies

Notes to accounts form an integral part of financial statements

As per our report of even date

For M. Anandam & Co.,

Chartered Accountants

Firm's registration No. 000125S

**M. V. Ranganath**

Partner

Membership No. 028031

Place : Hyderabad

Date: 08-05-2023

UDIN: 23028031BGVWJC9071

1  
2.1 to 2.43

For Keertana Finserv Private Limited

**Padmaja Gangireddy**

Managing Director

DIN: 00004842

Place : Hyderabad

Date: 08-05-2023

**Siddharth Mehta**

Company Secretary

PAN: CIFPM6022F

Place : Hyderabad

Date: 08-05-2023

**Vara Prasad Chaganti**

Director

DIN: 09425725

Place : Hyderabad

Date: 08-05-2023



**Cash Flow Statement for the year ended March 31, 2023**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
<b>Cash flow from operating activities</b>		
Profit before tax	2,893.58	24.36
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation	184.68	-
Provision expenses	122.10	(0.04)
Net (gain)/ loss on sale of current investments	(0.39)	-
<b>Operating profit before working capital changes</b>	<b>3,199.97</b>	<b>24.32</b>
<b>Changes in operating assets and liabilities :</b>		
Increase/ (decrease) in other current liabilities	575.83	(9.64)
Increase/ (decrease) in Trade payables	62.16	-
Proceeds from Long-term borrowings (Net )	50,730.39	(0.47)
Decrease / (increase) in loans and advances	(60,836.53)	15.93
(Increase) / Decrease in other assets (Current and Non-Current)	(2,359.52)	(4.73)
(Increase) / Decrease in Provisions	(301.79)	-
<b>Cash generated from / (used in) operations</b>	<b>(8,929.48)</b>	<b>25.41</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(8,929.48)</b>	<b>25.41</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (net)	(1,846.47)	-
Purchase of Money market Investments	(1,380.00)	-
Proceeds from Sale of Investments	-	60.00
Proceeds from sale/maturity of current investments	1,380.39	-
<b>Net cash flow (used in) / from investing activities (B)</b>	<b>(1,846.08)</b>	<b>60.00</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares	15,014.26	-
<b>Net cash flow used in financing activities (C)</b>	<b>15,014.26</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents (A + B + C)</b>	<b>4,238.71</b>	<b>85.41</b>
Cash and cash equivalents at the beginning of the year	86.83	1.42
<b>Cash and cash equivalents at the end of the year</b>	<b>4,325.54</b>	<b>86.83</b>
Note:		
1. Cash and cash equivalents comprise:		
Cash in hand	452.70	0.01
Balance with banks		
- Current Accounts	3,766.84	86.82
-Fixed Deposits	106.00	-
	<b>4,325.54</b>	<b>86.83</b>

Notes:

- As the Company is a Loan Company (NBFC-ICC), interest earned and loan given are considered as a part of cash flow from operating activities. Purchase and sale of investment has been classified as investment activity based on the intention of the management at the time of purchase of securities.
- The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement".

Significant Accounting Policies

1

Notes to accounts form an integral part of financial statements 2.1 to 2.43

As per our report of even date

For M. Anandam & Co.,

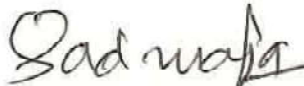
For Keertana Finserv Private Limited

Chartered Accountants

Firm's registration No. 0001255

  
**M. V. Ranganath**  
Partner  
Membership No. 038068  
Place : Hyderabad  
Date: 08-05-2023  
UDIN: 23028031BGVWJCT9071






**Padmaja Gangireddy**  
Managing Director  
DIN: 00004842  
Place : Hyderabad  
Date: 08-05-2023



**Vara Prasad Chaganti**  
Director  
DIN: 09425725  
Place : Hyderabad  
Date: 08-05-2023



**Siddharth Mehta**  
Company Secretary  
PAN: CIFPM6022F  
Place : Hyderabad  
Date: 08-05-2023



**KEERTANA FINSERV PRIVATE LIMITED**

(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)

CIN:U65100WB1996PTC077252

**Notes forming part of Financial Statements****For the year ended 31st March, 2023****NOTE 1.1 : CORPORATE INFORMATION**

**Keertana Finserv Private Limited (formerly known as: Rajshree Tracom Private Limited)** ("the Company") was incorporated as a private limited Company on 14th February, 1996. The Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 09-01-2001 vide Regn No. B.05.03970. The Company is presently classified as Non-Systemically Important Non-Deposit Taking NBFC(NBFC-ND-NSI). The Registered Office of the Company is at 64A, Hemanta Basu Sarani, 2nd Floor, Suite No. 210, Kolkata - 700001, West Bengal. and its Corporate Office is at Plot No. 31 & 32, Ramky Selenium Towers, Tower A, Financial Dist. Nanakramguda, Hyderabad - 500 032, Telangana.

**NOTE 1.2 : SIGNIFICANT ACCOUNTING POLICIES****Basis of Accounting :**

The Financial Statements are prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material aspects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 and also as per the guidelines for prudential norms prescribed by the Reserve Bank of India. The financial statement have been prepared under the historical cost convention on an accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. All assets and liabilities have been classified as current or non-current as per criteria set out in the Division I of Schedule III to the Companies Act, 2013.

Further the company has made additional disclosures in the financial statements as per RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23, dated 19th April 2022, issued by the Reserve Bank of India as applicable NBFC-ND-BL.

**Use of Estimates**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the result are know/materialised.

**Revenue Recognition**

Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses. Revenue is recognised to the extent it is realizable wherever there is uncertainty in the ultimate collection. Income from Non-Performing Assets is recognized only when it is realized. Income and expense under bilateral assignment of receivables accrue over the life of the related receivables assigned. Interest income on deposits are recognised on time proportionate basis.

**Property, Plant and Equipment:**

- a) Property, plant and equipments are stated at historical cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.



- b) Effective from 1st April 2022, the Company changed its method of computing depreciation from WDV methods to the straight-line method for the Company's Long Term assets. Based on Statement of Accounting Standards, the Company determined that the change in depreciation method from WDV method to a straight-line method is a change in accounting estimate affected by a change in accounting principle.

The management of the company is of the opinion that the change is preferable because the straight-line method will more accurately reflect the pattern of usage and the expected benefits of such assets and provide greater consistency with the depreciation methods used by other companies in the Company's industry.

#### **Investments:**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as Non-Current investments.

- c) Non Current Quoted Investments are valued "At Cost".
- d) Non Current Unquoted Investments are valued "At Cost".
- e) Unquoted Current Investments are stated at lower cost and fair value determined on an individual investment basis.
- f) In case of decline in the value of Non-current investments other than temporary in nature, provision is made in the accounts.
- g) Investment in Immovable properties are valued at cost less depreciation till date.
- h) On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### **Employee Benefits :**

Defined Benefit Plan –

- a) Employee benefits of Short Term nature are recognized as expense as and when it accrues.
- b) Employee benefits of Long Term nature, covering eligible employees, are recognized as expense based on Projected Unit Credit Method of Actuarial Valuation, as at the end of the year Post Employment benefits, covering eligible employees, are recognized as expenses based on Projected Unit Credit Method of Actuarial Valuation, as at the end of the year.
- c) Actuarial gains and losses are recognized immediately in the Statement of Profit and loss as income or expense.

Defined Contribution Plan –

- a) The Company pays provident fund contributions to publicly administered funds as per local regulations. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

#### **Impairment of Assets**

The Company assesses at the end of the Financial Year whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit 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 end of the Financial Year there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

#### **Provisions, Contingent Liabilities and Contingent Assets**

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.





### **Provision for Standard Assets and Non-Performing Assets**

The Company makes provision for standard assets and non-performing assets as per Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Provision for standard assets in excess, if any, of the prudential norms, as estimated by the management, is categorised under Provision for Standard Assets, as General provisions and/or as Gold Price Fluctuation Risk provisions.

### **Cash and Cash Equivalents**

- a) Cash and Cash equivalents for the purpose of cash flow statement comprise cash at Bank and in hand.
- b) Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

### **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. 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, if any.

### **Taxes on Income**

- a) Current Tax –  
Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with the Income tax Act, 1961.
- b) Deferred Tax –  
Deferred Income Tax is provided, using the liability method, on all timing differences at the Balance Sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred Tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realised. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

### **Segment Reporting**

Identification of segments:

- a) The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Company has identified only one business segment – Financing.
- b) In the context of Accounting Standard 17 on Segment Reporting, issued by the Institute of Chartered Accountants of India, Company has only one business segment for reporting and disclosure purpose.
- c) The Company operates in a single geographical segment. Hence, secondary geographical segment information disclosure is not applicable.

### **Current / Non-current classification of assets / liabilities**

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/liabilities are classified as non-current.



**NOTE 2.1 SHARE CAPITAL**

(₹ in Lakhs)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Equity shares in number	Amount	Equity shares in number	Amount
<b>Authorized</b>				
Equity shares				
Equity shares of ₹10 each	10,00,00,000	10,000.00	13,00,000	130.00
<b>Issued, subscribed and paid-up</b>				
Equity shares of ₹10 each fully paid up	6,43,11,288	6,431.13	12,47,630	124.76
	<b>6,43,11,288</b>	<b>6,431.13</b>	<b>12,47,630</b>	<b>124.76</b>

**2.1 (a) Terms / rights attached to equity shares**

The Company has only one class of equity shares of par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company declares and pays dividends in Indian rupees.  
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.1 (b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year**

(₹ in Lakhs)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
Shares outstanding at the beginning of the year	12,47,630	124.76	12,47,630	124.76
Shares issued during the year	6,30,63,658	6,306.37	-	-
<b>Shares outstanding at the end of the year</b>	<b>6,43,11,288</b>	<b>6,431.13</b>	<b>12,47,630</b>	<b>124.76</b>

**2.1 (c) Details of shareholders holding more than 5% equity shares in the Company:**

Name of the shareholder	As at 31.03.2023		As at 31.03.2022	
	Number of shares held	% of holding	Number of shares held	% of holding
Vijaya Sivarami Reddy Vendidandi	4,87,69,743	75.83%	8,47,447	67.92%
Padmaja Gangireddy	1,24,44,823	19.35%	-	0.00%
Hina Ansari	4,00,183	0.00%	4,00,183	32.08%

**2.1 (d) Shares held by promoters at the end of the current year**

Name of the Promoter	No. of Shares	% of Total Shares	% Change during the year
1. Vijaya Sivarami Reddy Vendidandi	4,87,69,743	75.83%	56.55%
2. Padmaja Gangireddy	1,24,44,823	19.35%	100.00%
3. Revan Saahith Reddy Vendidandi	23,73,085	3.69%	100.00%
<b>Total Holdings of Promoter Group</b>	<b>6,35,87,651</b>	<b>98.87%</b>	

**2.1 (e) Shares held by promoters at the end of the previous year**

Name of the Promoter	No. of Shares	% of Total Shares	% Change during the year
1. Vijaya Sivarami Reddy Vendidandi	8,47,447	67.92%	100.00%
<b>Total Holdings of Promoter Group</b>	<b>8,47,447</b>	<b>67.92%</b>	

**NOTE 2.2 RESERVES AND SURPLUS**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Securities premium</b>		
Opening Balance	69.62	69.62
Add: Received during the year	8,707.90	-
<b>Closing balance</b>	<b>8,777.52</b>	<b>69.62</b>
<b>Statutory reserve under section 45-IC of the RBI Act, 1934</b>		
Opening Balance	16.20	12.38
Add: Amount transferred from the statement of profit and loss	428.25	3.82
<b>Closing balance</b>	<b>444.45</b>	<b>16.20</b>
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Opening Balance	63.24	47.96
Add: Profit for the year	2,141.24	19.10
Less: Transfer to Statutory Reserve [ @ 20% of profit after tax as required by Section 45-IC of Reserve Bank of India Act, 1934 ]	(428.25)	(3.82)
<b>Closing balance</b>	<b>1,776.23</b>	<b>63.24</b>
<b>Total</b>	<b>10,998.20</b>	<b>149.06</b>



Notes forming part of Balance Sheet

**NOTE 2.3 LONG TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Secured</b>		
<b>Term loan</b>		
<b>(a) From Banks</b>		
ESAF Small Finance Bank	674.46	-
IDFC First Bank	2,687.50	-
IndusInd Bank Ltd	909.09	-
<b>(b) From Others</b>		
Ambit Finvest Pvt Ltd	168.89	-
Capri Global Capital Limited	979.17	-
Cholamandalam Finance Limited	267.59	-
Hinduja Leyland Finance Limited	341.52	-
IKF Finance	1,458.33	-
Incred Financials Services Ltd	332.39	-
Kissandhan Agri Financial Services Pvt Ltd	535.36	-
Klay Finvest Private Limited	500.00	-
Maanaveeya (OIKO credit)	1,666.60	-
MAS Financial Services Ltd	1,000.00	-
Oxyzo Financial services pvt ltd	777.78	-
SMC Finance	696.70	-
USHA Financial Services Ltd.	34.14	-
Western Capital Advisory Pvt Ltd	562.50	-
<b>Unsecured</b>		
From related parties	2,948.00	-
<b>Total</b>	<b>16,540.02</b>	<b>-</b>

\*\*\*\*\* Note: Details of terms of repayment and security provided in respect of Long Term Borrowings disclosed in Note 2.32

**NOTE 2.4 LONG TERM PROVISIONS**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for employee benefits		
Gratuity	0.02	-
<b>Total</b>	<b>0.02</b>	<b>-</b>

**NOTE 2.5 SHORT TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Current Maturities of Long Term Debt</b>		
<b>Term loan</b>		
<b>(a) From Banks</b>		
ESAF Small Finance Bank	1,027.93	-
IDFC First Bank	3,500.00	-
IndusInd Bank Ltd	1,363.64	-
Kotak Mahindra Bank Limited	3,000.00	-
Suryoday Small Finance Bank	841.91	-
Yes Bank Ltd	1,500.00	-
<b>(b) From Others</b>		
Aditya Birla Finance Limited	2,000.00	-
Ambit Finvest Pvt Ltd	594.17	-
Capri Global Capital Limited	1,187.50	-
Cholamandalam Finance Limited	482.41	-
Credit Saison	1,125.00	-
Electronica Finance Limited	344.79	-
Grow Money Capital Private Limited	996.22	-
Hinduja Leyland Finance Limited	937.73	-
IKF Finance	500.00	-
Incred Financials Services Ltd	1,144.83	-
Kissandhan Agri Financial Services Pvt Ltd	464.64	-
Klay Finvest Private Limited	500.00	-
Maanaveeya (OIKO credit)	833.40	-
MAS Financial Services Ltd	4,000.00	-
Oxyzo Financial services pvt ltd	2,666.67	-
Profectus Capital Pvt Ltd	681.70	-
SMC Finance	803.82	-
Sundaram Finance Limited	1,435.73	-
USHA Financial Services Ltd.	1,195.78	-
Vivriti Capital Pvt Ltd	375.00	-
Western Capital Advisory Pvt Ltd	687.50	-
<b>Total</b>	<b>34,190.37</b>	<b>-</b>



**NOTE 2.6 TRADE PAYABLES**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Due to Micro and Small Enterprises	-	-
Others	62.29	0.13
<b>Total</b>	<b>62.29</b>	<b>0.13</b>

As at 31st March 2022				
Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years
(i)MSME	-	-	-	-
(ii)Others	0.13	-	-	-
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

As at 31st March 2023				
Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years
(i)MSME	-	-	-	-
(ii)Others*****	62.29	-	-	-
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

\*\*\*\*\* includes unbilled amount as at 31st March 2023

**NOTE 2.7 OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Employee Related Payables	172.49	-
Statutory liabilities	74.51	-
Interest accrued but not due on Borrowings	182.47	-
Insurance premium collected and payable	11.66	-
Amount payable to borrowers	8.07	-
Fund transfer pending*****	126.66	-
<b>Total</b>	<b>575.86</b>	<b>-</b>

\*\*\*\*\* includes an amount of ₹ 126.66 lakhs disbursed in the month of April' 23

**NOTE 2.8 SHORT TERM PROVISIONS**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for employee benefits		
Gratuity	6.86	-
Leave Encashment	18.04	-
Others		
Contingent provision on standard assets	93.45	0.47
NPA Provision	4.16	-
Provision for Income Tax (net)	455.45	0.78
<b>Total</b>	<b>577.96</b>	<b>1.25</b>

**NOTE 2.10 DEFERRED TAX ASSETS / (LIABILITIES)**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Deferred Tax Assets / (Liabilities)	4.10	(0.01)
<b>Total</b>	<b>4.10</b>	<b>(0.01)</b>

**NOTE 2.10(a) MOVEMENT IN DEFERRED TAX ASSETS / (LIABILITIES)**

(₹ in Lakhs)

Particulars	WDV of Assets	Expenses allowable on payment basis	Total
As at 31st March 2022	-0.01	-	(0.01)
(Charged) / Credited to the Statement of profit and loss	406.07	16.28	422.35
<b>As at 31st March 2023</b>	<b>406.06</b>	<b>16.28</b>	<b>422.34</b>

**NOTE 2.11 LONG TERM LOANS AND ADVANCES**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Secured</b>		
Loan Against Property	2,726.45	-
<b>Unsecured, considered good</b>		
Business Loan*****	9,587.36	-
Capital Advances	111.29	-
<b>Total</b>	<b>12,425.10</b>	<b>-</b>

\*\*\*\*\* includes an amount of ₹ 126.66 lakhs disbursed in the month of April' 23



**KEERTANA FINSERV PRIVATE LIMITED**  
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)  
CIN:U65100WB1996PTC077252  
**Notes forming part of Balance Sheet**

**NOTE 2.12 OTHER NON CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Rental Deposits	204.53	-
<b>Total</b>	<b>204.53</b>	<b>-</b>

**NOTE 2.13 CASH AND BANK BALANCES**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Cash and cash equivalents</b>		
Cash on hand	452.70	0.01
Balance with banks in current accounts *****	3,756.84	86.82
Fixed Deposits	10.00	-
Cheque in hand	-	-
<b>Other Bank Balances</b>		
Fixed Deposits for Overdraft Facility from Banks	6.00	-
Fixed Deposit with FI to the extent held as credit enhancement or security against the borrowings, guarantees, other commitments *****	100.00	-
<b>Total</b>	<b>4,325.54</b>	<b>86.83</b>

\*\*\*\*\*Note: Represents margin money deposits placed to avail term loans from banks / Financial institutions

**NOTE 2.14 SHORT TERM LOANS AND ADVANCES**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Standard</b>		
Secured		
Gold Loans	38,430.09	-
Loan Against Property	426.76	-
<b>Unsecured, considered good</b>		
Business Loans*****	9,742.94	-
Other Unsecured Loans	-	188.36
<b>Total</b>	<b>48,599.79</b>	<b>188.36</b>

\*\*\*\*\* includes an amount of ₹ 126.66 lakhs disbursed in the month of April' 23

**NOTE 2.15 OTHER CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Interest accrued but not due on portfolio loans	1,708.49	-
Prepaid Expenses	304.77	-
Advance for Expenses	8.50	-
Interest accrued on Fixed Deposits	2.43	-
GST Input Credit	101.64	-
Other receivables	29.16	-
<b>Total</b>	<b>2,154.99</b>	<b>-</b>



**KEERTANA FINSERV PRIVATE LIMITED**  
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Notes to financial statements for the year ended March 31, 2023

**NOTE 2.9 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

(₹ in Lakhs)

Particulars	Gross block			Depreciation/ Amortization block					Net block	
	As at 1 Apr 22	Additions	Deletions	As at 31 Mar 23	Up to 31 Mar 22	For the year*	On Deletions	Upto 31 Mar 23	As at 31 Mar 23	As at 31 Mar 23
<b>Property, Plant &amp; Equipment</b>										
Furniture & Fixtures	-	906.97	-	906.97	-	52.55	-	52.55	854.43	-
Office equipment	-	644.66	-	644.66	-	84.64	-	84.64	560.02	-
Computers and printers	1.15	190.66	1.15	190.66	1.12	38.33	1.12	38.33	152.34	0.03
Servers	-	2.77	-	2.77	-	0.43	-	0.43	2.33	-
Vehicles	-	101.41	-	101.41	-	8.73	-	8.73	92.68	-
<b>Total</b>	<b>1.15</b>	<b>1,846.47</b>	<b>1.15</b>	<b>1,846.47</b>	<b>1.12</b>	<b>184.68</b>	<b>1.12</b>	<b>184.68</b>	<b>1,661.80</b>	<b>0.03</b>
<b>Previous Year</b>	<b>1.15</b>	<b>-</b>	<b>-</b>	<b>1.15</b>	<b>1.12</b>	<b>-</b>	<b>-</b>	<b>1.12</b>	<b>0.03</b>	<b>0.03</b>

\* Please refer note no. 1.2 relating to Property, Plant and Equipment



**Notes forming part of Statement of Profit and Loss**

**NOTE 2.16 REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Interest income on portfolio loans	8,948.94	22.07
Other financial services	458.02	-
<b>Total</b>	<b>9,406.96</b>	<b>22.07</b>

**NOTE 2.17 OTHER INCOME**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Income from mutual funds	-	11.12
Interest Income on Deposits (FD)	2.66	-
Provisions written off	-	0.04
Commission Income	26.19	-
Net (gain)/ loss on sale of current investments	0.39	-
Charges Collected against Gold Loans	82.56	-
Group Registration Fee	6.23	-
Miscellaneous income	0.13	-
<b>Total</b>	<b>118.16</b>	<b>11.16</b>

**NOTE 2.18 FINANCE COST**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Interest on Unsecured Loans	904.62	-
Interest on Secured loans	2,593.01	-
Other Borrowing Cost	195.96	-
<b>Total</b>	<b>3,693.59</b>	<b>-</b>

**NOTE 2.19 EMPLOYEE BENEFITS EXPENSE**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Salaries	1,877.24	-
Gratuity expenses	6.88	-
Staff welfare expenses	0.38	-
Directors' Remuneration	12.50	8.00
<b>Total</b>	<b>1,897.00</b>	<b>8.00</b>



**NOTE 2.20 OTHER EXPENSES**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Office Rent	326.68	-
Rates and taxes	77.86	0.04
DP Custodian Fees	0.61	-
Bank charges	11.19	0.00
Office maintenance	60.83	-
Repairs and maintenance - Others	39.98	-
Electricity charges	20.64	-
Travelling and conveyance	7.84	-
Vehicle Maintenance	1.05	-
Communication expenses	41.14	-
Printing and stationery expenses	32.35	-
Legal and professional Fee	46.70	0.71
Auditor's Remuneration	12.05	0.12
Security Charges	3.16	-
Sitting fees to Non-Executive Directors	18.53	-
Insurance Expenses	20.05	-
Business Promotion Expenses	11.42	-
Advertisement expenses	11.65	-
Miscellaneous Expenses	4.09	-
Expenses for Credit Information Companies (under RBI)	11.28	-
<b>Total</b>	<b>759.10</b>	<b>0.87</b>

**NOTE 2.20(a) AUDITORS' REMUNERATION**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Statutory Audit Fees	9.27	0.12
Tax Audit Fees	2.50	-
Certification fees	0.18	-
Reimbursement of expenses	0.10	-
<b>Total</b>	<b>12.05</b>	<b>0.12</b>

**NOTE 2.21 PROVISIONS AND WRITE OFFS**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Contingent Provision against standard assets	92.98	-
Provision on Sub-Standard Assets	4.16	-
Provisions and Write-offs	0.03	-
<b>Total</b>	<b>97.17</b>	<b>-</b>





**KEERTANA FINSERV PRIVATE LIMITED**  
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Notes on financial statements for the year ended March 31, 2023

**NOTE 2.22 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

		(₹ in Lakhs)	
Particulars		For the Year ended 31.03.2023	For the year ended 31.03.2022
(A)	Contingent Liabilities	NIL	NIL
(B)	Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		209.55	-
		209.55	-

**NOTE 2.23 EMPLOYEE BENEFIT EXPENSES**

In accordance with Para (C) of the Accounting Standard (AS) 15 on Employee Benefits, the required disclosures are as follows:

		(₹ in Lakhs)	
Particulars		For the Year ended 31.03.2023	For the year ended 31.03.2022
(i)	Defined contribution plan: *		
i)	Employer's contribution to Gratuity Fund	-	N.A.
(ii)	Principal Actuarial assumptions of Gratuity at the Balance sheet date are as follows:*		
i)	Discount Rate at 31st March	7.52%	N.A.
ii)	Mortality Rate	100%	N.A.
iii)	Salary Escalation	3%	N.A.
iv)	Attrition Rate	16.31%	N.A.

\* Based on Actuarial Valuation Report

Expense Recognized in the Statement of Profit and Loss		Movement in the Liability recognized in the Balance Sheet	
(₹ in Crores)		(₹ in Lakhs)	
Particulars	Financial Year Ending 31.03.2023	Particulars	Financial Year Ending 31.03.2023
Current Service cost	6.81	Present Value of Obligations as at the beginning	-
Interest Cost on Obligation	-	Expenses Recognized in P & L Statement	6.88
Past Service Cost	0.07	Benefits Paid	-
Expected Return on Plan Assets	-	Actual Return on Plan Assets	-
Amortization of Prior Service Cost	-	Acquisition Adjustment	-
Net Actuarial (Gain) / Loss to be recognized	-		-
Transfer In / Out	-		-
Curtailement (Gain) / Loss recognized	-		-
Settlement (Gain) / Loss recognized	-		-
<b>Expense Recognized in the Statement of Profit and Loss</b>	<b>6.88</b>	<b>Present Value of Obligations as at the end</b>	<b>6.88</b>

**NOTE 2.24 RELATED PARTY DISCLOSURES**

As per Accounting Standard 18 specified in 133 of the Companies Act, 2013 read together with Rules thereon, the related parties are under:

		(₹ in Lakhs)	
a)	<b>Key Managerial Personnel</b>	Padmaja Gangireddy - Raghu Venkata Harish Venu Prasad Chopanti Mahesh Pavanaswar Vijaya Sivarami Reddy Vaidilandi Sudhu Kandukuri Siddharth Mehta	Managing Director (w.e.f. 03.11.2022) CEO (till 03.11.2022) Non-Executive Director Non-Executive Director Non-Executive Director (w.e.f. 28.02.2023) Non-Executive Director (w.e.f. 02.11.2022) Company Secretary (till 17.01.2023) Company Secretary (w.e.f. 18.01.2023)
b)	<b>Entities in which KMP has significant control</b>	Spandana Rural & Urban Development Organization (SRUDO) Spandana Mutual Benefit Trust (SMBT) Spandana Employees Welfare Trust (SEWT) Ashram Marketing Services Limited (AMSL) Fins Technologies Limited (FINL) Keertana Financial Limited (KFL) IQ Technologies (Partnership Firm)	
c)	<b>Relatives of KMP</b>	Koteswaramma Enumata, sister of Padmaja Gangireddy Revani Saahith Reddy Vaidilandi, son of Padmaja Gangireddy	

Transaction with related parties		(₹ in Lakhs)			
Particulars	Entities in which KMP has significant control	Key Managerial Personnel	Relatives of KMP	Total	
(i)	<b>Remuneration to Directors &amp; KMPs</b>				
	Padmaja Gangireddy	30.00	-	-	30.00
	Sudhu Kandukuri	4.01	-	-	4.01
	Siddharth Mehta	2.85	-	-	2.85
	Revani Saahith Reddy Vaidilandi	-	8.73	-	8.73
(ii)	<b>Sitting Fees Paid to Non-Executive Independent Directors</b>				
	Raghu Venkata Harish	8.00	-	-	8.00
	Venu Prasad Chopanti	8.00	-	-	8.00
	Mahesh Pavanaswar	0.67	-	-	0.67
(iii)	<b>Borrowings from Related Parties</b>				
	Spandana Rural & Urban Development Organization (SRUDO)	41,159.00	-	-	41,159.00
	Spandana Mutual Benefit Trust (SMBT)	1,423.00	-	-	1,423.00
	Ashram Marketing Services Limited (AMSL)	4,519.00	-	-	4,519.00
	Keertana Financial Limited (KFL)	486.00	-	-	486.00
	Vijaya Sivarami Reddy Vaidilandi	-	10,100.00	-	10,100.00
	Padmaja Gangireddy	-	10,400.00	-	10,400.00
	Koteswaramma Enumata	-	-	10.90	10.90



**Notes to financial statements for the year ended March 31, 2023**

<b>Repayments to Related Parties</b>					
Spandana Rural & Urban Development Organization (SRUDDO)	38,211.00	-	-	-	38,211.00
Spandana Mutual Benefit Trust (SMBT)	1,423.00	-	-	-	1,423.00
Abhiram Marketing Services Limited (AMSL)	4,519.00	-	-	-	4,519.00
Keertana Financial Limited (KFL)	486.00	-	-	-	486.00
Vijaya Sivarami Reddy Vendidandi	-	10,100.00	-	-	10,100.00
Padmaja Gangireddy	-	10,400.00	-	-	10,400.00
Koteswaramma Enimula	-	-	10.00	-	10.00
<b>Advance to Related Parties</b>					
Spandana Rural & Urban Development Organization (SRUDDO)	291.78	-	-	-	291.78
Spandana Mutual Benefit Trust (SMBT)	254.00	-	-	-	254.00
<b>Refund of advance by Related Parties</b>					
Spandana Mutual Benefit Trust (SMBT)	254.00	-	-	-	254.00
<b>(iii) Interest Expenses</b>					
Spandana Rural & Urban Development Organization (SRUDDO)	507.99	-	-	-	507.99
Spandana Mutual Benefit Trust (SMBT)	12.90	-	-	-	12.90
Abhiram Marketing Services Limited (AMSL)	64.04	-	-	-	64.04
Keertana Financial Limited (KFL)	9.52	-	-	-	9.52
Vijaya Sivarami Reddy Vendidandi	-	94.74	-	-	94.74
Padmaja Gangireddy	-	220.36	-	-	220.36
Koteswaramma Enimula	-	-	0.07	-	0.07
<b>(iv) Commission Income</b>					
Abhiram Marketing Services Limited (AMSL)	26.19	-	-	-	26.19
<b>(v) Rental Expenses</b>					
Spandana Rural & Urban Development Organization (SRUDDO)	29.06	-	-	-	29.06
Vijaya Sivarami Reddy Vendidandi	-	10.45	-	-	10.45
<b>(vi) Business Purchase</b>					
Spandana Rural & Urban Development Organization (SRUDDO)	3,246.06	-	-	-	3,246.06
Spandana Mutual Benefit Trust (SMBT)	20,144.45	-	-	-	20,144.45
<b>(vii) Any Other Expenses</b>					
Fins Technologies Limited (FINS) (Software Usage Charges)	26.16	-	-	-	26.16
Spandana Mutual Benefit Trust (SMBT) (Purchase of Fixed Assets)	719.41	-	-	-	719.41
Abhiram Marketing Services Limited (Purchase of Fixed Assets)	69.28	-	-	-	69.28

(₹ in Lakhs)

<b>Details of Outstanding Balances as at the year end where related party relationship existed</b>			
Name of the Related Party	Nature	As at 31.03.2023	As at 31.03.2022
Spandana Rural & Urban Development Organization (SRUDDO)	Borrowing	2,948.00	-
Spandana Rural & Urban Development Organization (SRUDDO)	DRRF receivable	0.07	-
Padmaja Gangireddy	Remuneration	2.20	-
Raghu Venkata Harish	Sitting Fees	1.80	-
Vara Prasad Chaganti	Sitting Fees	1.80	-
Mahesh Dasanwar	Sitting Fees	0.67	-

**NOTE 2.25 EARNINGS PER SHARE (EPS)**

(₹)

Particulars		For the Year ended 31.03.2023	For the year ended 31.03.2022
Profit for the year	A	2,141.23	19.10
No. of Equity Shares		6,43,11,288	12,47,630
Weighted average number of Equity Shares outstanding during the year	B	5,93,83,802	12,47,630
Nominal Value of Equity Shares		10	10
Basic Earnings per share	A/B	3.87	1.53
Diluted Earnings per share	A/B	3.87	1.53

**NOTE 2.26 DUES TO MICRO AND SMALL ENTERPRISES UNDER MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006: (MSMED)**

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2023	For the year ended 31.03.2022
a) Principal amount due to suppliers under MSMED	-	-

Note - Other information / disclosures relating to payments made beyond the appointed date, Interest accrued and paid and cumulative interest are not applicable, being Nil.

**NOTE 2.27 THERE IS NO AMOUNT DUE AND OUTSTANDING TO BE CREDITED TO INVESTOR EDUCATION AND PROTECTION FUND.**

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2023	For the year ended 31.03.2022
	-	-

**NOTE 2.28 MATURITY ANALYSIS OF ASSETS AND LIABILITIES**

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2023			For the year ended 31.03.2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
Cash and cash equivalents	4,325.54	-	4,325.54	86.83	-	86.83
Loans	48,999.79	12,125.10	61,024.89	198.36	-	198.36
Advances	8.50	-	8.50	-	-	-
Other Current assets	2,140.49	-	2,140.49	-	-	-
<b>Non-Current assets</b>						
Property, plant and equipment	-	1,661.80	1,661.80	-	-	-
Deferred Tax Assets (net)	-	4.10	4.10	-	-	-
Other non-current assets	-	204.53	204.53	-	-	-
<b>Total assets</b>	<b>55,080.33</b>	<b>14,296.63</b>	<b>69,376.85</b>	<b>275.19</b>	<b>-</b>	<b>275.19</b>
<b>Liabilities</b>						
Trade Payables	-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	34,766.33	-	34,766.33	-	-	-
Other Liabilities	-	-	-	-	-	-
Non-Current Liabilities	-	16,540.02	16,540.02	-	-	-
Provisions	577.46	0.02	577.98	1.25	-	1.25
<b>NET</b>	<b>19,736.16</b>	<b>(2,244.61)</b>	<b>17,491.62</b>	<b>273.94</b>	<b>-</b>	<b>273.94</b>



**NOTE 2.29 RATIOS**

Particulars	For the Year ended 31.03.2023	For the year ended 31.03.2022	Variance *****
(i) Current Ratio (Current Assets / Current Liabilities)	1.80	199.30	50%
(ii) Debt-Equity Ratio (Total Debts / Total Shareholders' Equity)	2.01	-	100%
(iii) Debt Service Coverage Ratio (Net Operating Income / Total Debt Service)	0.13	-	100%
(iv) Return on Equity Ratio (Net Income / Shareholder's Equity)	0.24	0.09	-70%
(v) Inventory Turnover Ratio (Net Sales / Average Inventory at Selling Price)	NA	NA	NA
(vi) Trade Receivable Turnover Ratio (Net Credit Sales / Average Trade Receivable)	NA	NA	NA
(vii) Trade Payable Turnover Ratio (Net Credit Purchase / Average Trade Payable)	NA	NA	NA
(viii) Net Capital Turnover Ratio (Total Turnover / Shareholders' Equity)	0.55	0.12	-45%
(ix) Net Profit Ratio (Net Profit / Net Turnover)	0.22	0.57	-70%
Return On Capital Employed			
(x) [Earning Before Interest and Tax (EBIT) / Capital Employed / Capital Employed - Total Assets - Current Liabilities]	10%	9%	-8%
Return on Investment			
(xi) [EVI - IVI / Cost of Investment (where EVI = Final Value of Investment & IVI = Initial Value of Investment)]	NA	NA	NA

\*\*\*\*\*Remarks on Variations between two reporting periods: The variations between two comparative figures (i) due to change in control of the company and starting of lending activities w.e.f. 4th April 2022.

**NOTE 2.30 TAXATION REGIME**

The company has opted for new regime of taxation u/s 115BAA.

**NOTE 2.31 COMPARATIVE DATA**

Previous year figures have been restated & regrouped wherever necessary to make them comparable with current year figures.

**NOTE 2.32 REPAYMENT OF LONG TERM BORROWINGS**

**(i) Term loans from banks:**

**(a) Security:** Exclusive charge by way of hypothecation on the company's identified receivables/portfolio

**(ii) Repayment Schedule with rate of interest:**

(₹ in Lakhs)

Sl. No.	Name of the bank	Purpose	Rate of interest	2023-24	2024-25	2025 - 26	2026 - 27
1	PSAP Small Finance Bank	Onward Lending	14.10%	1,027.93	674.46	-	-
2	IDFC First Bank	Onward Lending	14.00%	3,500.00	2,687.50	-	-
3	IndusInd Bank Ltd	Onward Lending - Gold	13.00%	1,763.64	903.09	-	-
4	Kotak Mahindra Bank Limited	Onward Lending - Gold	12.00%	3,000.00	-	-	-
5	Surveysay Small Finance Bank	Onward Lending	13.50%	841.91	-	-	-
6	Yes Bank Ltd	Onward Lending	13.00%	1,500.00	-	-	-
	<b>Total</b>			<b>11,233.47</b>	<b>4,271.05</b>	-	-

**(ii) Term loans from others:**

**(a) Security:** Exclusive charge by way of hypothecation on the company's identified receivables/portfolio

**(ii) Repayment Schedule with rate of interest:**

(₹ in Lakhs)

Sl. No.	Name of the bank	Purpose	Rate of interest	2023-24	2024-25	2025 - 26	2026 - 27
1	Aditya Birla Finance Limited	Onward Lending	10.10%	2,000.00	-	-	-
2	Ambli Finvest Pvt Ltd	Onward Lending	15.35%	504.17	168.69	-	-
3	Capri Global Capital Limited	Onward Lending - Gold	15.00%	1,187.50	916.67	62.50	-
4	Cholamandlam Finance Limited	Onward Lending - Gold	14.00%	482.41	267.59	-	-
5	Credit Saison	Onward Lending	14.10%	1,125.00	-	-	-
6	Electronica Finance Limited	Onward Lending	14.00%	344.79	-	-	-
7	Grow Money Capital Private Limited	Onward Lending - Gold	15.00%	986.22	-	-	-
8	Hinduja Leasing Finance Limited	Onward Lending - Gold	13.00%	937.75	341.52	-	-
9	JKF Finance	Onward Lending	14.95%	500.00	500.00	500.00	458.33
10	Inerod Financials Services Ltd	Onward Lending	14.25%	1,144.83	304.62	27.77	-
11	Kiosandhan Agri Financial Services Pvt Ltd	Onward Lending - MF	14.25%	464.64	333.36	-	-
12	KJW Finvest Private Limited	Onward Lending - Gold	14.00%	500.00	500.00	-	-
13	Mama's oca (ODSO credit)	Onward Lending - MF	14.75%	833.40	833.40	833.20	-
14	MAAS Financial Services Ltd	Onward Lending	13.70%	4,000.00	1,000.00	-	-
15	ONVIZ Financial services Pvt Ltd	Onward Lending - Gold	14.50%	2,666.67	777.78	-	-
16	Protectus Capital Pvt Ltd	Onward Lending	14.35%	681.70	-	-	-
17	SMC Finance	Onward Lending - Gold	14.75%	803.82	662.04	34.66	-
18	Sundaram Finance Limited	Onward Lending	14.25%	1,435.73	-	-	-
19	USIA Financial Services Ltd	Onward Lending - Gold	14.30%	1,193.78	34.14	-	-
20	Vicini Capital Pvt Ltd	Onward Lending - Gold	15.10%	375.00	-	-	-
21	Western Capital Advisors Pvt Ltd	Onward Lending	14.75%	687.50	562.50	-	-
	<b>Total</b>			<b>22,956.91</b>	<b>7,404.50</b>	<b>1,458.13</b>	<b>458.33</b>

**Unsecured loans:**

Sl. No.	Name of the bank	Purpose	Rate of interest	2023-24	2024-25	2025 - 26	2026 - 27
1	Spandan Urban & Rural Development Organisation (SUDCO)	Onward Lending	13.00%	-	-	-	2,948.00

**NOTE 2.33 CODE ON SOCIAL SECURITY**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**NOTE 2.34 BENAMI PROPERTY**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**NOTE 2.35 WILFUL DEFAULTER**

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.



**KEERTANA FINSERV PRIVATE LIMITED**

(FORMERLY KNOWN AS KANSHEE DIGCOM PRIVATE LIMITED)

CIN:U65100WB1969TC077252

Notes to financial statements for the year ended March 31, 2023

**NOTE 2.36 RELATIONSHIP WITH STUCK OFF COMPANIES**

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

**NOTE 2.37 REGISTRATION / SATISFACTION OF CHARGES**

All charges or satisfactions are registered with ROC within the statutory period for the financial year ended March 31, 2023. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

**NOTE 2.38 UTILISATION OF BORROWED FUND AND SECURITIES PREMIUM**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in part identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**NOTE 2.39 UNDISCLOSED INCOME**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

**NOTE 2.40 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**NOTE 2.41 UTILISATION OF FUNDS BORROWED FUNDS FROM BANKS & FINANCIAL INSTITUTIONS**

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

**NOTE 2.42 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**NOTE 2.43 RELATED PARTY DISCLOSURES**

As per RHP/2022-23/26/DPR/ACC/REG/No-2021/04/018/2022-23, dated 19th April 2022, issued by the Reserve Bank of India as applicable NIFC-ND-III.

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Group Entities	Key Managerial Personnel	Relatives of KMP	Total
<b>(i) Remuneration to Directors &amp; KMPs</b>								
Padmaja Gangireddy	0.30							0.30
Neha Kandukuri	0.04							0.04
Nishanth Mehta	0.03							0.03
Ravan Sathish Reddy Vondilandi							0.09	0.09
<b>(ii) Sitting Fees Paid to Non-Executive Independent Directors</b>								
Rupin Venkatesh Harish	0.09							0.09
Vasu Purand Chaturani	0.09							0.09
Mahesh Pavannavar	0.01							0.01
<b>(iii) Borrowings from Related Parties</b>								
Spandana Rural & Urban Development Organization (SRUDO)	411.59							411.59
Spandana Mutual Benefit Trust (SMBT)	14.23							14.23
Abhiram Marketing Services Limited (AMSL)	45.19							45.19
Keertana Financial Limited (KFL)	4.86							4.86
Vijaya Sivarami Reddy Vondilandi	101.00							101.00
Padmaja Gangireddy	104.00							104.00
Koteswaramma Ennamala							0.11	0.11
<b>Repayments to Related Parties</b>								
Spandana Rural & Urban Development Organization (SRUDO)	382.11							382.11
Spandana Mutual Benefit Trust (SMBT)	14.23							14.23
Abhiram Marketing Services Limited (AMSL)	45.19							45.19
Keertana Financial Limited (KFL)	4.86							4.86
Vijaya Sivarami Reddy Vondilandi	101.00							101.00
Padmaja Gangireddy	104.00							104.00
Koteswaramma Ennamala							0.11	0.11
<b>Advance to Related Parties</b>								
Spandana Rural & Urban Development Organization (SRUDO)	2.91							2.91
Spandana Mutual Benefit Trust (SMBT)	2.54							2.54
<b>Refund of advance by Related Parties</b>								
Spandana Mutual Benefit Trust (SMBT)	2.54							2.54
<b>(iii) Interest Expenses</b>								
Spandana Rural & Urban Development Organization (SRUDO)	5.03							5.03
Spandana Mutual Benefit Trust (SMBT)	0.13							0.13
Abhiram Marketing Services Limited (AMSL)	0.64							0.64
Keertana Financial Limited (KFL)	0.10							0.10
Vijaya Sivarami Reddy Vondilandi	0.95							0.95
Padmaja Gangireddy	2.20							2.20
Koteswaramma Ennamala							0.00	0.00
<b>(iv) Commission Income (TB Balance)</b>								
Abhiram Marketing Services Limited (AMSL)	0.26							0.26
<b>(v) Rental Expenses (Download)</b>								
Spandana Rural & Urban Development Organization (SRUDO)	0.29							0.29
Vijaya Sivarami Reddy Vondilandi	0.10							0.10
<b>(vi) Business Purchase</b>								
Spandana Rural & Urban Development Organization (SRUDO)	32.46							32.46
Spandana Mutual Benefit Trust (SMBT)	201.44							201.44
<b>(vii) Any Other Expenses</b>								
Flux Technology Limited (FNst) ; Software Usage Charges;	0.26							0.26
Spandana Mutual Benefit Trust (SMBT) ; Purchase of Fixed Assets;	7.19							7.19
Abhiram Marketing Services Limited ; Purchase of Fixed Assets;	0.69							0.69



Schedule to the Balance Sheet of a Non-deposit taking Non Banking Financial Company

As required in term of Paragraph 19 of Master Direction - Non-Banking Financial Company - Non - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

		(₹ in Lakhs)	
<b>Liabilities Side:</b>			
<b>1 Loans and Advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>		<b>Amount Outstanding</b>	<b>Amount Overdue</b>
a) Debenture		-	-
Secured		-	-
Unsecured		-	-
(Other than falling within the meaning of public deposits)		-	-
b) Deferred Credits		-	-
c) Term Loans		47,782.39	-
d) Inter- Corporate loans and borrowing		2,948.00	-
e) Commercial Paper		-	-
f) Other Loans (Specify Nature)		-	-
<b>2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		<b>Amount Outstanding</b>	<b>Amount Overdue</b>
a) In the form of unsecured Debentures		-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		-	-
c) Other public deposits		-	-
<b>Assets Side:</b>			
<b>3 Breakup of Loans and Advances including bills receivables (other than those included in (4) below):</b>		<b>Amount Outstanding</b>	
a) Secured			41,583.30
b) Unsecured			19,310.30
<b>4 Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		<b>Amount Outstanding</b>	
i) Lease assets including lease rentals under sundry debtors:			
a) Financial Lease			-
b) Operating Lease			-
ii) Stock on hire including hire charges under sundry debtors:			
a) Assets on hire			-
b) Repossessed Assets			-
iii) Other loans counting towards AFC activities			
a) loans where assets have been repossessed			-
b) Loans other than (a) above			-
<b>5 Breakup of Investments:</b>		<b>Amount Outstanding</b>	
<b>Current Investments</b>			
<b>1. Quoted:</b>			
	i) Shares:		-
	a) Equity		-
	b) Preference		-
	ii) Debentures and Bonds		-
	iii) Units of Mutual Funds		-
	iv) Government Securities		-
	v) Others (Please specify)		-
<b>2. Unquoted:</b>			
	i) Shares:		-
	a) Equity		-
	b) Preference		-
	ii) Debentures and Bonds		-
	iii) Units of Mutual Funds		-
	iv) Government Securities		-
	v) Others (Please specify)		-
<b>Long Term Investments:</b>			
<b>1. Quoted:</b>			
	i) Shares:		-
	a) Equity		-
	b) Preference		-
	ii) Debentures and Bonds		-
	iii) Units of Mutual Funds		-
	iv) Government Securities		-
	v) Others (Please specify)		-
<b>2. Unquoted:</b>			
	i) Shares:		-
	a) Equity		-
	b) Preference		-
	ii) Debentures and Bonds		-
	iii) Units of Mutual Funds		-
	iv) Government Securities		-
	v) Others (Venture Capital Fund)		-



Schedule to the Balance Sheet of a Non-deposit taking Non Banking Financial Company

6 Borrower group wise classification of assets financed as in (3) and (4) above:

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related Parties	-	-	-
2. Other than related parties	41,583.30	19,330.30	60,913.60
<b>Total</b>	<b>41,583.30</b>	<b>19,330.30</b>	<b>60,913.60</b>

7 Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	-	-
b) Companies in the same group	-	-
c) Other related Parties	-	-
2. Other than related parties		
a) Listed Equity Shares	-	-
b) Mutual Funds	-	-
c) Debentures/ Bonds	-	-
d) Others: Special Purpose Vehicles	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

8 Other Information

Particulars	Amount
i) Gross Non Performing Assets	
a) Related Parties	-
b) Other than related parties	4.38
ii) Net Non Performing Assets	
a) Related Parties	-
b) Other than related parties	0.22
iii) Assets acquired in satisfaction of debt	-

NOTE:

All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, Market value in respect of quoted investment and break up/ fair value/ NAV in respect unquoted investment should be disclosed irrespective of whether they are classified as long term or current in (4) above.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

2) Exposure to Real Estate Sector

Category	₹ in Lakhs	
	For the year ended 31st March 2023	For the year ended 31st March 2022
i) Direct exposure		
(a) Residential Mortgages -		
Lending secured by mortgages on residential property that is or will be occupied by the borrower or that is rented, (Individual housing loans up to Rs. 15 lakh may be shown separately)	-	-
(b) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits,	-	-
(c) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
ii) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>-</b>	<b>-</b>

3) Regulatory capital

	For the year ended 31st March 2023*	For the year ended 31st March 2022*
CRAR	26.36%	145.35%
CRAR - Tier I capital (%)	26.36%	145.35%
CRAR - Tier II capital (%)	0.00%	0.00%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-
Leverage Ratio	2.96	-

\* CRAR has been calculated on the basis of RBI Circular No. RBI/2019-20/170 DOR (NBFC), CC.PD.No. 109/22.10.106/2019-20 dated March 13, 2020.



**Computation of Net Owned Fund (NOF), Leverage Ratio & Capital to Risk-weighted Assets Ratio (CRAR)**

(₹ in Lakhs)

	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>Tier I Capital Funds</b>		
(i) Ordinary Shares	6,431.13	124.76
(ii) Preference shares to be compulsorily convertible into equity	-	-
(iii) Perpetual Debt Instrument ( Not to exceed 15% of Aggregate Tier I Capital as on March 31 of the previous year)	-	-
(iv) Free reserves	10,998.20	149.07
(a) Statutory / Spl. Reserves Under Sec. 45IC of RBI Act, 1934.	444.45	16.20
(b) General Reserves	-	-
(c) Share Premium	8,777.52	69.62
(d) Capital Reserves (representing surplus on sale of assets held in separate account)	-	-
(e) Capital redemption reserve	-	-
(f) Debenture Redemption Reserve	-	-
(g) Credit Balance in P & L Account	1,776.23	63.25
(h) Other free reserves (to be specified)	-	-
<b>Total (i+ii+iii+iv)</b>	<b>17,429.33</b>	<b>273.83</b>
(v) Accumulated balance of loss	-	-
(vi) Deferred Revenue Expenditure	304.77	-
(vii) Deferred Tax Asset (Net)	4.10	-
(viii) Other Intangible Assets	-	-
(ix) Others ( to be specified in remarks column)	-	-
<b>Total (v+vi+vii+viii+ix)</b>	<b>308.87</b>	<b>-</b>
<b>(x) Owned Fund</b>	<b>17,120.46</b>	<b>273.83</b>
(xi) Investment in shares of :		
(a) Subsidiaries	-	-
(b) Wholly-Owned Subsidiary/JV abroad	-	-
(c) Companies in the same Group	-	-
(d) Other non-banking financial companies	-	-
(xii) The book value of debentures, bonds, outstanding loans and advances, bills purchased and discounted (including hire-purchase and lease finance) made to, and deposits with		
(a) Subsidiaries	-	-
(b) Wholly-Owned Subsidiary/JV abroad	-	-
(c) Companies in the same Group	-	-
(xiii) Total	-	-
(xiv) Amount of item (xiii) in excess of 10% of item (x) above	-	-
<b>Net owned fund</b>	<b>17,120.46</b>	<b>273.83</b>

	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>Tier II Capital Funds</b>		
(i) Preference Share Capital other than those compulsorily convertible into equity	-	-
(ii) Cumulative Convertible Preference Shares	-	-
(iii) Revaluation reserves (At Discount rate of 55%)	-	-
(iv) General provisions and loss reserves including Provisions for Standard Assets (to the extent not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of 1.25% of RWA)	-	-
(v) Hybrid debt capital instruments	-	-
(vi) Subordinated debt (Subjected to prescribed Discount Rates & Not exceeding 50% of Tier I)	-	-
(vii) First Loss Credit Enhancement	-	-
(viii) Others ( to be specified in remarks column)	-	-
(ix) Aggregate Tier II Capital	-	-
<b>Total Capital Funds</b>	<b>17,120.46</b>	<b>273.83</b>

	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>Leverage Ratio</b>		
Total Outside Liability	50,730.39	-
Total Owned Fund	17,120.46	273.83
<b>Leverage Ratio - Maximum 7x</b>	<b>2.963</b>	<b>-</b>



Capital to Risk-weighted Assets Ratio	For the Year Ended 31st March 2023			For the Year Ended 31st March 2022		
	Book Value	Risk Weights	Adjusted Value	Book Value	Risk Weights	Adjusted Value
I. Cash	432.70	0.00%	-	0	0.00%	-
II. Bank balances including fixed deposits & certificates of deposits	3,756.84	0.00%	-	87	0.00%	-
III. The deposits/collateral kept with CCIL in connection with CBLO	-	20.00%	-	-	20.00%	-
IV. Investments [See paragraph 6 of the Directions]						
(a) Approved securities as defined in Reserve Bank of India Act, 1934	-	0.00%	-	-	0.00%	-
(b) Bonds of public sector banks						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	20.00%	-	-	20.00%	-
(c) FDs/CDs/bonds of public financial institutions						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	106.00	100.00%	106.00	-	100.00%	-
Sub-total (b+c)	-	-	-	-	-	-
(d) Shares of all companies and debentures/ bonds/ commercial papers of companies and units of all mutual funds						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	-	100.00%	-
Sub-total	-	-	-	-	-	-
V. Current Assets						
(a) Stock on hire (Please see Note 2 below)						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	-	100.00%	-
Sub-total	-	-	-	-	-	-
(b) Inter-corporate loans/ deposits						
(i) Amounts deducted in PART I	-	0.00%	-	2	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	188	100.00%	188.36
Sub-total	-	-	-	-	-	-
(c) Loans and advances fully secured against deposits held	-	0.00%	-	-	0.00%	-
(d) Loans to staff	-	0.00%	-	-	0.00%	-
(e) Other secured loans and advances considered good						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	41,583.30	100.00%	41,583.30	-	100.00%	-
Sub-total	-	-	-	-	-	-
(f) Bills purchased/discounted						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	-	100.00%	-
Sub-total	-	-	-	-	-	-
(g) Others (to be specified in Table 7: Current Assets)	19,330.30	100.00%	19,330.30	-	100.00%	-
VI. Fixed Asset (net of depreciation)						
(a) Assets leased out						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	-	100.00%	-
Sub-total	-	-	-	-	-	-
Total credit exposure						
(b) Premises	-	100.00%	-	-	100.00%	-
(c) Furniture & Fixtures	854.43	100.00%	854.43	0	100.00%	0.03
VII. Other Assets						
(a) Income-tax deducted at source (net of Provisions)	-	0.00%	-	-	0.00%	-
(b) Advance tax paid (net of Provision)	-	0.00%	-	-	0.00%	-
(c) GST Receivable	101.64	0.00%	-	-	0.00%	-
(d) Interest due on Government securities	-	0.00%	-	-	0.00%	-
(e) Others (to be specified in Table 8: Other Assets)	3,065.25	100.00%	3,065.25	-	100.00%	-
VIII. Domestic sovereign						
(a) Fund-based claims on the Central Government	-	0.00%	-	-	0.00%	-
(b) Direct loan / credit / overdraft exposure and investment in State Government securities	-	0.00%	-	-	0.00%	-
(c) Central Government guaranteed claims	-	0.00%	-	-	0.00%	-
(d) State Government guaranteed claims, which have not remained in default / which are in default for a period not more than 90 days	-	20.00%	-	-	20.00%	-
(e) State Government guaranteed claims which have remained in default for a period of more than 90 days	-	100.00%	-	-	100.00%	-
<b>Total weighted assets</b>	<b>69,250.46</b>		<b>64,939.28</b>	<b>278.22</b>		<b>188.39</b>
<b>CRAR - Minimum 15%</b>			<b>26.36%</b>			<b>145.35%</b>
<b>Tier I CRAR - Minimum 10%</b>			<b>26.36%</b>			<b>145.35%</b>
<b>Tier II CRAR</b>			<b>0.00%</b>			<b>0.00%</b>





Sectoral Exposure	Current Year			Previous Year		
	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	516.17	-	0.00%	-	-	0.00%
2. Industry - Others	91.48	0.04	0.05%	-	-	0.00%
3. Services	-	-	0.00%	-	-	0.00%
4. Personal Loans	-	-	0.00%	-	-	0.00%
5. Others, if any	1.39	-	0.00%	1.88	-	0.00%

**Disclosure of complaints** - There were no complaints received by the Company from Customers and from Offices of the Ombudsman during the current year or previous year.

Details of Auctions Conducted	No. of Auctions Conducted	No. of Loan accounts involved	Outstanding Value of Loans	Value Fetched in Auction	Participation of any group concern in the auctions
					NO
Auctions for outstanding gold loans advanced conducted during FY 2022-23	17	1,736	15.36	15.44	NO

Significant Accounting Policies  
 Notes to accounts form an integral part of financial statements  
 As per our report of even date  
**For M. Anandam & Co.**  
 Chartered Accountants  
 Firm's registration No. 0691255



M. V. Ranginath,  
 Partner  
 Membership No. 028031  
 Place: Hyderabad  
 Date: 08-05-2023  
 UDIN: 23028031B6VWJZ9071

2.1 to 2.43  
 For Keertana Finserv Private Limited

*Sadmafa*  
 Padmaja Gangireddy  
 Managing Director  
 DIN: 00004842  
 Place: Hyderabad  
 Date: 08-05-2023

*Siddharth Mehta*  
 Siddharth Mehta  
 Company Secretary  
 PAN: CIEPM6022F  
 Place: Hyderabad  
 Date: 08-05-2023

*Ch. Venkatesh*  
 Vara Prasad Chaganti  
 Director  
 DIN: 09425725  
 Place: Hyderabad  
 Date: 08-05-2023



**RAJSHREE TRACOM PVT. LTD.**

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Kolkata, West Bengal - 700001

Administrative Office: Plot No. 31 & 32, Ramky  
Selenium Towers, Tower – A, Financial District,  
Nanakaramguda, Hyderabad, Telangana - 500032,

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Twenty Seventh Annual General Meeting of **RAJSHREE TRACOM PRIVATE LIMITED** will be held on Monday, 25<sup>th</sup> July, 2022 at 04:00 P.M with short notice through video conferencing ("VC")/other Audio Visual Means (OAVM) to transact the following business:

---

**Ordinary Business:**

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

**"RESOLVED THAT** the Audited Balance Sheet & statement of Profit and Loss Account and Cash Flow Statement for the financial year ended 31<sup>st</sup> March, 2022 along with the Auditor's Report and the Directors' Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted."

2. 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 139,142 and other applicable provisions, if any of the Companies Act, 2013 and rules and regulations made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. M. Anandam & Co, Chartered Accountants(Firm Registration Number: 000125S), Hyderabad be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2025, at such remuneration plus Goods and service tax and out-of-pocket expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors".

**Special Business:**

3. To consider the appointment of Mr. Raghu Venkata Harish as Director of the Company

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

**"RESOLVED THAT** Mr. Raghu Venkata Harish, (DIN: 06792543), who was appointed by the Board of Directors, as an Additional Director of the Company with effect from 30<sup>th</sup> March, 2022 and who holds office up to the date of this Annual General Meeting in terms of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies



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(Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of the Company be and is hereby appointed as a Director of the Company.”

4. To consider the appointment of Mr. Vara Prasad Chaganti as Director of the Company

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

**“RESOLVED THAT** Mr. Vara Prasad Chaganti, (DIN: 09425725), who was appointed by the Board of Directors, as an Additional Director of the Company with effect from 30<sup>th</sup> March, 2022 and who holds office up to the date of this Annual General Meeting in terms of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of the Company be and is hereby appointed as a Director of the Company.”

5. Approval for change of Name of the Company

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

**“RESOLVED THAT** pursuant to the provisions of section 13 &14 of the Companies Act 2013, read with rule 29 of the Companies (Incorporation) rules, 2014, the name of the company be changed from **“Rajshree Tracom Pvt Limited”** to **“Keertana Finserv Private Limited”** and Clause I of the Memorandum of Association of the company be and is hereby altered and read as follows”;

The name of the company is **“Keertana Finserv Private Limited”**

**“RESOLVED FURTHER THAT** the Articles of Association of the Company be and hereby altered to substitute the name of the company to **“Keertana Finserv Private Limited”**.

**“RESOLVED FURTHER THAT** the alterations as mentioned in this resolution be noted in the Memorandum of Association & Articles of Association

**FURTHER RESOLVED THAT** any one of the Director of the Company and/or any authorized representative of the Company be and is hereby authorised to do all such acts, deeds and things may be deemed to expedient and necessary to give effect to this resolution.”

*Ch. Varaprasad.*

# Rajshree

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//By Order of the Board//

For **RAJSHREE TRACOM PRIVATE LIMITED**



**Vara Prasad Chaganti**

**Director**

**DIN: 09425725**

Place : Hyderabad

Date : 22<sup>nd</sup> July, 2022



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**NOTES FOR MEMBERS' ATTENTION:**

1. The Annual General Meeting is called upon by giving shorter notice and after obtaining approval of all the members of the company.
2. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Register of Directors and their shareholding, maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 and all other documents referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at Registered office of the Company during business hours 10:00 A.M. to 06:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. A Route Map along with Prominent Landmark for easy location to reach the venue of Annual General Meeting is annexed with the notice of Annual General Meeting.
6. Members/proxies attending the meeting are requested to bring their duly filled admission/attendance slips sent along with the notice of annual general meeting at the meeting.

*A. V. S. Rao*



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**STATEMENT IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013**

Statement with respect to items under Special Business covered in the Notice of Meeting are given below:

**Item No.3**

Mr. Raghu Venkata Harish (06792543) was appointed as an Additional Director on the Board of the Company with effect from 30th March, 2022 to hold office upto the date of the Annual General Meeting. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") along with the amount of requisite deposit from a Member signifying his intention to propose the appointment of Mr. Raghu Venkata Harish (06792543) as a Director of the Company.

Your directors recommends the resolution as set out at item no. 3 for approval of the members of the Company.

None of the Directors, their relatives, key managerial personnel are interested in the said resolution except Mr. Raghu Venkata Harish (06792543).

**Item No.4**

Mr. Vara Prasad Chaganti (09425725) was appointed as an Additional Director on the Board of the Company with effect from 30th March, 2022 to hold office upto the date of the Annual General Meeting. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") along with the amount of requisite deposit from a Member signifying his intention to propose the appointment of Mr. Vara Prasad Chaganti (09425725) as a Director of the Company.

Your directors recommends the resolution as set out at item no. 4 for approval of the members of the Company.

None of the Directors, their relatives, key managerial personnel are interested in the said resolution except Mr. Vara Prasad Chaganti (09425725)

**Item No.5**

Members are aware that there is change in management and control of the company owing to transfer of entire shareholding and resignation of all earlier directors. The new management has thought it fit to change the name of the Company in order to establish new brand and image in the financial sector and accordingly had passed a resolution on 26<sup>th</sup> March, 2022 to change the name of the Company from Rajshree Tracom Private Limited to Keertana Finserv Private

*Q. Varaprasad*



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Limited subject to approval of the Registrar of Companies, approval of the Reserve Bank of India and also approval of the members of the Company. The Company has obtained no objection from the Reserve Bank of India vide its letter dated DNBS.RO.Kol.No.1012/03.03.006/2022-23, dated July 15, 2022. Accordingly, name availability letter confirming the availability of name i.e., Keertana Finserv Private Limited has also been obtained from the Ministry of Corporate Affairs vide SRN F15937030, dated 19<sup>th</sup> July, 2022 on 20<sup>th</sup> July, 2022.

The Board commends the Special Resolution set out in Item No. 5 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested or otherwise, in the Special Resolution set out at Item No. 5 of the Notice.

//By Order of the Board//

For **RAJSHREE TRACOM PRIVATE LIMITED**

**SD/-**

**Vara Prasad Chaganti**  
**Director**

**DIN: 09425725**

Place : Hyderabad

Date : 22<sup>nd</sup> July, 2022

## BOARD'S REPORT

To,  
The Members,

Your Directors have pleasure in submitting their Twenty Seventh Annual Report of the Company together with the Audited Balance Sheet and Statements of Profit & Loss for the financial year ended March 31, 2022.

### 1. FINANCIAL SUMMARY / HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

Particulars	2021-22	2020-21
Revenue from operations	33,19,101	26,57,028
Other Income	3,981	3,62,145
<b>Total Revenue</b>	<b>33,23,082</b>	<b>30,19,173</b>
<b>Total Expenditure</b>	<b>8,87,207</b>	<b>20,80,754</b>
<b>Profit/ (Loss) Before Tax</b>	<b>24,35,875</b>	<b>9,38,419</b>
<b>Tax :</b>		
Current Tax	4,70,000	3,20,000
Current Tax Expense for Previous Years	--	--
Deferred Tax	55,511	(55,477)
<b>Net Profit/ (Loss) After Tax</b>	<b>19,10,364</b>	<b>6,81,886</b>
<b>Surplus/(Deficit) carried to Balance Sheet</b>	<b>19,10,364</b>	<b>6,81,886</b>

### COMPANY PERFORMANCE:

The financial statements have been prepared as per the Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI).

During the year under review, your Company has achieved a revenue from its business operations of Rs.33,19,101. The Company reported a Net Profit of Rs. 19,10,364 as against Net Profit of Rs. 6,81,886 during previous year.



**2. DIVIDEND:**

Considering the Financial requirement for the expansion of the business activity of the Company, no dividend was declared for year 2021-2022.

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

The Provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid during the previous Financial years.

**4. CHANGE IN THE NATURE OF BUSINESS:**

No Change in the nature of the business of the Company during the year under review.

**5. AUDITORS:**

M/s. Maruti & Co (FRN: 322165E), Chartered Accountants, appointed as Statutory Auditors of the Company for a period of five years i.e; till the Financial Year 2024-25.

The Ministry of Corporate Affairs vide its notification dated 7th May, 2018 has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditors appointment is not included in the notice of the ensuing Annual General Meeting.

**6. MEETINGS OF THE BOARD OF DIRECTORS:**

During the year under review, Six Board Meetings were convened and held.

**7. SHARE CAPITAL:**

During the year under review, the Company has made an application to RBI on 19<sup>th</sup> February, 2022, proposing the change in Management and Change in Control. RBI has approved it vide Approval letter KOL.DOS.RSG.No.S124/08.02.400/2021-2022 dated 22<sup>nd</sup> February, 2022.

Further, subject to the approval of RBI, the shares had been transferred as follows on 30<sup>th</sup> March, 2022.

Name of the Transferor	Total No. of equity shares	Name of the Transferee
Archana Mundhra	2,07,500	Vijaya Sivarami Reddy Vendidandi
Varun Mundhra	32,200	Vijaya Sivarami Reddy Vendidandi
Devang Mundhra	20,000	Vijaya Sivarami Reddy Vendidandi
Vandana Mundhra	2,500	Vijaya Sivarami Reddy Vendidandi

*Shrini*

*A. Varadachari*

Radha Devi Mundhra	88,000	Hina Ansari
Chiranji Lal Mundhra (HUF)	40,000	Hina Ansari

Shares transferred on 31<sup>st</sup> March, 2022 as follows:

Name of the Transferor	Total No. of equity shares	Name of the Transferee
Dayal Chand Mundhra & Sons (HUF)	3,28,000	Vijaya Sivarami Reddy Vendidandi
Pradeep Kumar Mundhra	2,44,200	Vijaya Sivarami Reddy Vendidandi
Varun Mundhra	13,047	Vijaya Sivarami Reddy Vendidandi
Shakuntala Maheswari	5,000	Hina Ansari
Tara Mundhra	2,65,230	Hina Ansari
Varun Mundhra	1,953	Hina Ansari

**8. DIRECTORS:**

During the year under review, the Company has made an application to RBI on 19th February, 2022, proposing the change in Management and Change in Control. RBI has approved it vide Approval letter KOL.DOS.RSG.No.S124/08.02.400/2021-2022 dated 22nd February, 2022.

Further, subject to the approval of RBI, Board of Directors in the Board Meeting held on 30<sup>th</sup> March, 2022 has appointed Mr. Raghu Venkata Harish, (DIN: 06792543) and Mr. Vara Prasad Chaganti, (DIN: 09425725), as Additional Directors of the Company

Further, the existing Board of Directors Mr. Varun Mundhra, (DIN: 01394710), and Mrs. Archana Mundhra, (DIN: 00112810) has tendered their resignations in the Board Meeting held on 31<sup>st</sup> March, 2022.

**9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No such material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which this financial statement relate and the date of the report.

**10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions during 2021-22 were in the ordinary course of business and satisfied the test of arm's length. Information on transactions with related parties pursuant to section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014.

*Ch. Varaprasad*

*Ch. Varaprasad*

**11. PARTICULARS OF EMPLOYEES:**

The Company did not employ any such person whose particulars are required to be given under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

**12. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:**

This provisions are not applicable to the Company.

**13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The provision of Section 186 of the Companies Act, 2013 pertaining to investment and lending activities are not applicable to the Company since the company is a NBFC company. Details of guarantees and/or security in connection with loans to other body corporate or persons wherever applicable are given in Note No.28 (b) of the notes to the financial statements.

**14. DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

*Amir*

*Ch. Vardrao*

**15. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**16. DECLARATION BY INDEPENDENT DIRECTORS:**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

**17. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE:**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

**18. SECRETARIAL AUDIT REPORT:**

The provisions of Section 204(1) of the Companies Act 2013 relating to secretarial audit report does not apply to your Company.

**19. COMPLIANCE WITH SECRETARIAL STANDARDS:**

We have always believed in maximum fiscal transparency and benchmarked our disclosures against all the guidelines and regulations applicable and as such we have complied with the secretarial standards issued by the Institute of Company Secretaries of India.

**20. DEPOSITS:**


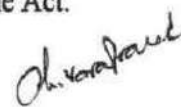
The Company has neither accepted nor renewed any deposits during the year under review.

**21. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any subsidiary, joint ventures and associate companies.

**22. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of directors, payment of managerial remuneration, director's qualifications, other related matters as provided under section 178(3) of the Act.

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

The Company have not constituted the Internal Complaints Committee as the Company does not have the ten or more employees during the Financial year 2022-23. However, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**24. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**26. RISK MANAGEMENT POLICY**

Major risks are identified by the company on continuous basis and necessary remedial measures are also taken by management accordingly.

**27. INTERNAL CONTROL AND SYSTEMS**

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Company has performed an evaluation and made an assessment of the adequacy and the effectiveness of the Company's Internal Financial Control system. The Statutory Auditors of the Company have also reviewed the Internal Financial Control system implemented by the Company on financial reporting and in their opinion, the Company has, in all material respects, adequate Internal Financial Control system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as on 31st March, 2022 based on the internal control over Financial Reporting Criteria established by the Company.

The policies and procedures adopted by the company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and the timely preparation of reliable financial information.

The Management continuously monitor the efficiency of internal controls with the objectives and reasonable assurance on the adequacy and effectiveness of the organisation's risk management with regard to the internal control framework.

The Management meets regularly to review reports to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

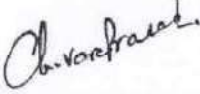
**28. ACKNOWLEDGEMENTS:**

Your directors place on record their sincere thanks to all with whose help, cooperation and hard work the Company is able to achieve the results. Your directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

//By Order of the Board//  
For **Rajshree Tracom Private Limited**

Place : Hyderabad  
Date : 22<sup>nd</sup> July, 2022

  
**Raghu Venkata Harish**  
Director  
(DIN: 06792543)

  
**Vara Prasad Chaganti**  
Director  
(DIN: 09425725)

# MAROTI & CO.

CHARTERED ACCOUNTANTS

3A, Surendra Mohan Ghosh Sarani (Formerly Mangoe Lane)  
1st Floor (South-West Side), Kolkata - 700 001  
Tel. No. (033) 2210 7378 • Fax : (033) 2242 8158  
E-mail : dkmaroti@gmail.com / marotiandcoca@gmail.com

## Independent Auditors' Report

**To the Members of Rajshree Tracom Private Limited  
Report on the Audit of Standalone Financial Statements**

### Opinion

We have audited the accompanying standalone financial statements of **Rajshree Tracom Private Limited** ("the Company"), which comprise the balance sheet as at March 31 2022, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006 as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA") 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 standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's management and the 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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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.



Contd....

# MAROTI & CO.

CHARTERED ACCOUNTANTS

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## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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:

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



Contd...



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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report is in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.



Contd...

# MAROTI & CO.

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- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- g) Since the Company's turnover as per last audited financial statements is less than Rs. 50 crores and its borrowings from banks and financial institutions at any time during the year is less than Rs. 25 crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position in its standalone financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



Contd...

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- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company had not paid or declared any dividend during the year.
- i) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we are not required to give a statement on the matters specified in paragraphs 3 and 4 of the Order.

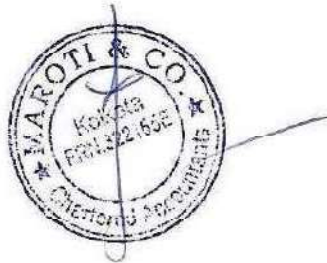
Place : Kolkata

Date : 25/04/2022

For MAROTI & CO.  
Chartered Accountants

(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 055931  
FRN 322165E

UDIN: 22055931AHSUY2TT0



**RAJSHREE TRACOM PRIVATE LIMITED**  
Balance Sheet as at 31st March 2022

	Particulars	Note	As at 31st March 2022	As at 31st March 2021
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholder's fund</b>			
	Share capital	2.1	1,24,76,300	1,24,76,300
	Reserves and surplus	2.2	1,49,07,029	1,29,96,665
			<b>2,73,83,329</b>	<b>2,54,72,965</b>
	<b>Current Liabilities</b>			
	Short-term borrowings	2.3	-	47,278
	Other current liabilities	2.4	12,600	9,76,650
	Short-term provisions	2.5	8,37,090	3,71,071
	Deferred tax liability (net)	2.6	872	-
			<b>8,50,562</b>	<b>13,94,999</b>
	<b>TOTAL</b>		<b>2,82,33,891</b>	<b>2,68,67,964</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-current Assets</b>			
	Property, Plant and Equipment	2.7	3,429	3,429
	Non-current Investments	2.8	-	60,00,000
	Deferred Tax Asset (net)	2.6	-	54,639
			<b>3,429</b>	<b>60,58,068</b>
	<b>Current assets</b>			
	Cash and Bank balances	2.9	86,82,847	1,42,438
	Short-term loans and advances	2.10	1,95,47,615	2,06,67,458
			<b>2,82,30,462</b>	<b>2,08,09,896</b>
	<b>TOTAL</b>		<b>2,82,33,891</b>	<b>2,68,67,964</b>

Significant Accounting Policies

1.1

Notes to Accounts

2.1 to 2.28

The accompanying notes referred above form an integral part of the Financial Statements

As per our report of even date

For Maroti & Co.

For Rajshree Tracom Private Limited

Chartered Accountants

Firm's registration No. 322165E

**For MAROTI & CO.**  
Chartered Accountants

Dilip Kumar Maroti

(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 055931  
FRN 322165E

Proprietor

Membership No. 055931

UDIN: 22055931AHSUY2770

Vara Prasad Chaganti

Director

DIN: 09425725

Raghu Venkata Harish

Director

DIN: 06792543



Place: Kolkata

Date: 25/04/2022



**RAJSHREE TRACOM PRIVATE LIMITED**

**Statement of Profit and Loss for the Period Ended 31st March 2022**

Particulars	Note	Period Ended 31st March 2022	Period Ended 31st March 2021
Revenue from operations	2.12	33,19,101	26,57,028
Other income	2.13	3,981	3,62,145
<b>Total Revenue</b>		<b>33,23,082</b>	<b>30,19,173</b>
<b>Expenses</b>			
Employee benefit expenses	2.14	8,00,000	9,60,000
Depreciation and Amortisation	2.15	-	13,700
Other expenses	2.16	87,207	11,07,054
<b>Total Expenses</b>		<b>8,87,207</b>	<b>20,80,754</b>
<b>Profit before tax</b>		<b>24,35,875</b>	<b>9,38,419</b>
Tax expense:			
Current Tax		4,70,000	3,20,000
Deferred Tax		55,511	(55,477)
Income Tax Adjustment for Earlier Year		-	(7,990)
<b>Profit for the period</b>		<b>19,10,364</b>	<b>6,81,886</b>
Earnings per equity share of Rs. 10 each - Basic & Diluted		1.53	0.55

Significant Accounting Policies

1.1

Notes to Accounts

2.1 to 2.28

The accompanying notes referred above form an integral part of the Financial Statements

As per our report of even date attached

**For Maroti & Co.**

Chartered Accountants

Firm's registration No. 322165E

**Dilip Kumar Maroti**

Proprietor

Membership No.055931

**For MAROTI & CO.**  
Chartered Accountants

(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 055931  
FRN 322165E

UIN: 22055931AHSUY270

**For Rajshree Tracom Private Limited**

**Vara Prasad Chaganti**

Director

DIN: 09425725

**Raghu Venkata Harish**

Director



DIN: 06792543



Place : Kolkata

Date : 25/04/2022



RAJSHREE TRACOM PRIVATE LIMITED		
Cash Flow Statement for the Year Ended 31st March 2022		
Particulars	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
<b>Cash flow from operating activities</b>		
Profit / (Loss) before tax	24,35,875	9,38,419
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortization	-	13,700
Impairment on Financial Instruments	(3,981)	-
<b>Operating Profit before working capital changes</b>	<b>24,31,894</b>	<b>9,52,119</b>
<b>Movements in working capital :</b>		
Increase/ (decrease) in other current liabilities	(9,64,050)	(36,058)
(Increase)/Decrease in Short Term Loans & Advances	15,92,522	(19,65,272)
Increase/ (decrease) in short term provisions	-	32,832
Decrease / (increase) in other current assets	(4,72,679)	66,15,554
<b>Cash generated from / (used in) operations:</b>	<b>25,87,687</b>	<b>55,99,176</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>25,87,687</b>	<b>55,99,176</b>
<b>Cash flows from investing activities</b>		
Profit/Loss on Sale of Investment	-	2,56,816
Purchase of current investments	-	(1,56,816)
Sale of current investments	60,00,000	-
<b>Net cash flow (used in) / from investing activities (B)</b>	<b>60,00,000</b>	<b>1,00,000</b>
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	-	-
Repayment of short term borrowings	(47,278)	(58,89,106)
Interest on borrowings paid	-	-
<b>Net cash flow used in financing activities (C)</b>	<b>(47,278)</b>	<b>(58,89,106)</b>
Net increase/(decrease) in cash and cash equivalents (A + B + C)	85,40,410	(1,89,930)
Cash and cash equivalents at the beginning of the year	1,42,438	3,32,368
<b>Cash and cash equivalents at the end of the year</b>	<b>86,82,847</b>	<b>1,42,438</b>
<b>Cash and cash equivalents comprise</b>		
Cash and Balance with schedule banks	86,82,847	1,42,438
	<b>86,82,847</b>	<b>1,42,438</b>
<b>NOTE -</b>		
Cash flow statement has been prepared under indirect method as set out in the AS-3 "Cash Flow Statement" and previous year figures have been recast/restated wherever considered necessary.		
For Maroti & Co. Chartered Accountants Firm's registration No. 322165E	For Rajshree Tracom Private Limited	
 Dilip Kumar Maroti Proprietor Membership No. 055931	 Vara Prasad Chaganti Director DIN: 09425725	 Raghu Venkata Harish Director DIN: 06792543
Place : Kolkata Date : 25/04/2022		



RAJSHREE TRACOM PRIVATE LIMITED

Notes to Financial Statements as at 31st March 2022

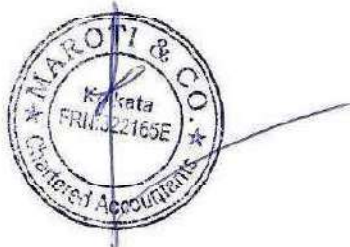
Note																																																	
1.1	<p><b>Specific Accounting Policies :</b></p> <p>1. The Financial Statement are prepared under the 'Historical Cost Convention' in accordance with applicable accounting standards.</p> <p>2. Pursuant to the enactment of Companies Act, 2013 the company has applied the Estimated useful life as specified in schedule II of the companies Act, 2013.</p>																																																
Note	Particulars	As at 31st March 2022		As at 31st March 2021																																													
		No. Of Shares	Amount	No. Of Shares	Amount																																												
2.1	<p><b>a) Share Capital</b></p> <p><b>Authorised</b></p> <p>Equity shares of Rs. 10/- each</p> <p>13,00,000      1,30,00,000      13,00,000      1,30,00,000</p> <p><b>Issued, subscribed and fully paid up Equity shares of Rs. 10/- each</b></p> <p>12,47,630      1,24,76,300      12,47,630      1,24,76,300</p>																																																
	<p><b>b) Rights, preferences and restrictions attached to equity shares</b></p> <p>The Company has only one class of Issued, subscribed and paid up equity shares having a par value of Rs. 10/- each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends (if any) in Indian rupees. The dividend (if any) proposed by the board of directors is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares.</p>																																																
	<p><b>c) Shares held by each share holder in excess of 5% of the shareholding in the company</b></p> <table border="1"> <thead> <tr> <th rowspan="2">Name of the Share holder</th> <th colspan="2">As at 31st March 2022</th> <th colspan="2">As at 31st March 2021</th> </tr> <tr> <th>Number of Shares</th> <th>% of holding</th> <th>Number of Shares</th> <th>% of holding</th> </tr> </thead> <tbody> <tr> <td>Smt. Archana Mundhra</td> <td>-</td> <td>-</td> <td>2,07,500</td> <td>16.63</td> </tr> <tr> <td>Smt Radha Devi Mundhra</td> <td>-</td> <td>-</td> <td>88,000</td> <td>7.05</td> </tr> <tr> <td>M/S Shree Dayal Chand Mundhra &amp; sons (HUF)</td> <td>-</td> <td>-</td> <td>3,28,000</td> <td>26.28</td> </tr> <tr> <td>Smt. Tara Mundhra</td> <td>-</td> <td>-</td> <td>2,65,230</td> <td>21.26</td> </tr> <tr> <td>Pradeep Kumar Mundhra</td> <td>-</td> <td>-</td> <td>2,44,200</td> <td>19.57</td> </tr> <tr> <td>Hina Ansari</td> <td>4,00,183</td> <td>32.08</td> <td>-</td> <td>-</td> </tr> <tr> <td>Vijaya Sivarami Reddy Vendidandi</td> <td>8,47,447</td> <td>67.92</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>Pursuant to prior approval of the Reserve Bank of India dated 22 Feb 2022 towards change in management control and Memorandum of Understanding dated 15 Dec 2021 all the erstwhile shareholders have transferred their entire stake in the Company to new shareholders viz., Mrs. Hina Ansari and Vijaya Sivarami Reddy.</p>					Name of the Share holder	As at 31st March 2022		As at 31st March 2021		Number of Shares	% of holding	Number of Shares	% of holding	Smt. Archana Mundhra	-	-	2,07,500	16.63	Smt Radha Devi Mundhra	-	-	88,000	7.05	M/S Shree Dayal Chand Mundhra & sons (HUF)	-	-	3,28,000	26.28	Smt. Tara Mundhra	-	-	2,65,230	21.26	Pradeep Kumar Mundhra	-	-	2,44,200	19.57	Hina Ansari	4,00,183	32.08	-	-	Vijaya Sivarami Reddy Vendidandi	8,47,447	67.92	-	-
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	<p><b>d) Reconciliation of Equity Shares outstanding at the beginning and end of the year</b></p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">As at 31st March 2022</th> <th colspan="2">As at 31st March 2021</th> </tr> <tr> <th>Number of Shares</th> <th>Amount</th> <th>Number of Shares</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Shares outstanding at the beginning of the year</td> <td>12,47,630</td> <td>1,24,76,300</td> <td>12,47,630</td> <td>1,24,76,300</td> </tr> <tr> <td>Shares issued during the year</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Shares bought back during the year</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Shares outstanding at the end of the year</td> <td>12,47,630</td> <td>1,24,76,300</td> <td>12,47,630</td> <td>1,24,76,300</td> </tr> </tbody> </table>					Particulars	As at 31st March 2022		As at 31st March 2021		Number of Shares	Amount	Number of Shares	Amount	Shares outstanding at the beginning of the year	12,47,630	1,24,76,300	12,47,630	1,24,76,300	Shares issued during the year	-	-	-	-	Shares bought back during the year	-	-	-	-	Shares outstanding at the end of the year	12,47,630	1,24,76,300	12,47,630	1,24,76,300															
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RAJSHREE TRACOM PRIVATE LIMITED

Notes to Financial Statements as at 31st March 2022

Note	Particulars	As at 31st March 2022	As at 31st March 2021
<b>2.2</b>	<b>Reserves and Surplus</b>		
	A. Security Premium Account	69,62,010	69,52,010
	B. Statutory Reserves (RBI)		
	At the commencement of the year	12,38,183	10,88,183
	Add: During the year	3,82,073	1,50,000
	At the end of the year	16,20,256	12,38,183
	C. Surplus/Deficit in the statement of profit and loss		
	At the commencement of the year	47,96,472	42,64,586
	Add: Profit for the year	19,10,364	6,81,886
	At the end of the year	67,06,836	49,46,472
	Less: Transfer to Statutory Reserve R.B.I.	3,82,073	1,50,000
	At the end of the year	63,24,763	47,96,472
		<b>1,49,07,029</b>	<b>1,29,96,665</b>
<b>2.3</b>	<b>Short Term borrowings</b>		
	<b>Unsecured Loans</b>		
	Minions Venture Pvt. Ltd.	-	47,278
		-	<b>47,278</b>
<b>2.4</b>	<b>Other Current Liabilities</b>		
	Payable for Expenses	12,600	9,76,650
		<b>12,600</b>	<b>9,76,650</b>
<b>2.5</b>	<b>Short Term Provisions</b>		
	Contingent Provision on Standard Assets	47,090	51,071
	Provision for taxation	7,90,000	3,20,000
		<b>8,37,090</b>	<b>3,71,071</b>
<b>2.6</b>	<b>Deferred tax Liability</b>		
	Deferred tax Liability (Net) for the year (Ref Note No 2.22 also)	872	-
	Closing Deferred Tax Asset/(Liability)	<b>872</b>	-
<b>2.8</b>	<b>Non current Investments</b>		
	Investment in Mutual Funds (Quoted)		
	Aditya Birla Sun Life Low Duration	-	35,00,000
	HDFC Balanced Advantage Fund	-	25,00,000
	(Market value of quoted investment as on 31/03/2022 Rs. NIL as on 31/03/2021 Rs.64,69,847.60)		
		-	<b>60,00,000</b>





RAJSHREE TRACOM PRIVATE LIMITED  
Notes to Financial Statements as at 31st March 2022

2.7 Property, Plant and Equipment (at cost less depreciation)

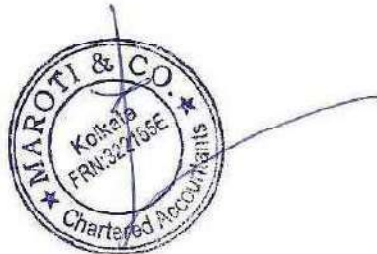
Particulars	Gross Block			Depreciation and amortisation			Net Block		
	As at 1st April 2021	Additions	Deletions	As at 31st March 2022	As at 1st April 2021	For the Year	Deletions	As at 31st March 2022	As at 31st March 2021
Computers & Printers	1,14,978	-	-	1,14,978	1,11,549	-	-	1,13,549	3,429
Total tangible Assets(A)	1,14,978	-	-	1,14,978	1,11,549	-	-	1,11,549	3,429
Software	-	-	-	-	-	-	-	-	-
Total Intangible assets (B)	-	-	-	-	-	-	-	-	-
Grand Total (A+B)	1,14,978	-	-	1,14,978	1,11,549	-	-	1,11,549	3,429
Previous years Figures	1,14,978	-	-	1,14,978	1,11,549	-	-	1,11,549	3,429



RAJSHREE TRACOM PRIVATE LIMITED

Notes to financial statements for the Period Ended 31st March 2022

Note	Particulars	Period Ended 31st March 2022	Period Ended 31st March 2021
2.12	<b>Revenue from operations</b>		
	Profit on Sale of Investment	11,12,307	-
	Dividend Income(Including TDS Rs.NIL)	-	1,35,958
	Interest Received (Including TDS Rs.220679/- Previous Year Rs.224473/-)	22,06,794	24,71,070
		<b>33,19,101</b>	<b>26,57,028</b>
2.13	<b>Other income</b>		
	Misc. Receipts	-	3,62,145
	Contingent Provision on Standard Assets	3,981	-
		<b>3,981</b>	<b>3,62,145</b>
2.14	<b>Employee benefit Expenses</b>		
	Director Remuneration	8,00,000	9,60,000
		<b>8,00,000</b>	<b>9,60,000</b>
2.15	<b>Depreciation and Amortization Expenses</b>		
	Preliminary Expenses(w/o)	-	13,700
		-	<b>13,700</b>
2.16	<b>Other expenses</b>		
	Telephone & Telex Charges	-	5,298
	Trade License	2,200	2,150
	Bank Charges	207	-
	Service Charges	-	46,500
	Professional Tax	2,500	2,500
	Travelling & Conveyance	-	1,220
	Audit fees	12,000	12,000
	Repairing & Maintenance	-	7,919
	General Expenses	-	4,962
	Computer Maintenance	-	1,000
	Consultancy Charges	68,500	40,000
	STT Charges	-	23
	Interest paid	-	1,35,465
	Filing Fees	1,800	1,800
	Legal Charges	-	11,500
	Loss in sale of Investment	-	2,66,816
	Processing Fees	-	5,59,276
	Printing & Stationery	-	2,470
	Postage & Telegrams	-	2,170
	Contingent Provision on Standard Assets	-	3,986
		<b>87,207</b>	<b>11,07,054</b>



**RAJSHREE TRACOM PRIVATE LIMITED**  
**NOTES FORMING PART OF THE ACCOUNTS AS ON 31<sup>ST</sup> MARCH, 2022**

Note - '2.17'

Schedule to the Balance Sheet as required in terms of Paragraph 18 of  
 Non-Banking Financial Company – Non Systemically Important  
 Non-Deposit taking Company(Reserve Bank) Direction, 2016

(Rs. in Lakhs)

Particulars	<u>Amount Outstanding</u> <u>Amount Overdue</u>	
<u>Liabilities Side:-</u>		
<b>1. Loans and Advances availed by the Non-Banking Financial Company inclusive of Interest Accrued thereon but not paid :</b>	NIL	NIL
(a) Debentures : Secured		
Unsecured	NIL	NIL
(Other than falling within the meaning public deposits *)		
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate Loans and borrowing	NIL	NIL
(e) Commercial Paper	NIL	NIL
(f) Public Deposit	NIL	NIL
(g) Other Loans (specify nature)	NIL	NIL
* Please see Note 1 Below.		
<b>2. Break-up of (1)(f) above (Outstanding Public deposits Inclusive of interest accrued thereon but not paid:</b>		
(a) In the form of Unsecured debentures	NIL	NIL
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NIL	NIL
(c) Other public deposits	NIL	NIL
* Please see Note 1 below.		
<u>Assets Side: -</u>		
<b>3. Break-up of Loans and Advances including Bills/Receivables [other than those included in (4) below]:</b>		
(a) Secured		NIL
(b) Unsecured		188.36
<b>4. Break up of Leased Assets and stock on hire and other assets counting towards AFC Activities:</b>		
(i) Lease Assets including Lease Rentals under Sundry Debtors:		
(a) Financial Lease		NIL
(b) Operating Lease		NIL
(ii) Stock on hire including hire charges Under sundry debtors:		
(a) Assets on hire		NIL
(b) Repossessed Assets		NIL
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed		NIL
(b) Loans other than (a) above		

Contd.....



**RAJSHREE TRACOM HOLDING PRIVATE LIMITED**  
**NOTES FORMING PART OF THE ACCOUNTS AS ON 31<sup>ST</sup> MARCH, 2022**

5. Break-up of Investments:

Current Investments:

1. **Quoted:**

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

Amount Outstanding

2. **Unquoted:**

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

Long Term Investments:

1. **Quoted:**

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

2. **Unquoted:**

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

TOTAL

NIL

6. Borrower group-wise classification of Assets  
 Financed as in (3) and (4) above

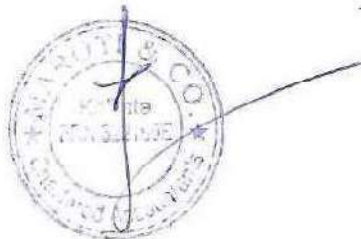
Please see Note 2 below

Category

Amount net of provisions

Category	Amount net of provisions		Total
	Secured	Unsecured	
1. Related Parties **			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	187.89	187.89
2. Other than related parties	NIL	NIL	NIL
<b>Total</b>	NIL	187.89	187.89

Contd.....



**RAJSHREE TRACOM PRIVATE LIMITED**  
**NOTES FORMING PART OF THE ACCOUNTS AS ON 31<sup>ST</sup> MARCH, 22**

**7. Investor group-wise classification of all Investments (current and long term) in Shares and securities (both quoted and unquoted):**

Please see note 3 below.

<u>Category</u>	<u>Market Value/Break up Or Fair Value or NAV</u>	<u>Book Value</u>	<u>(Net of Provision)</u>
1. Related Parties * *			
(a) Subsidiaries	---		---
(b) Companies in the same group	NIL		NIL
(c) Other related parties (Unquoted)	---		---
2. Other than related parties	NIL		NIL
<b>Total</b>	<u>NIL</u>		<u>NIL</u>

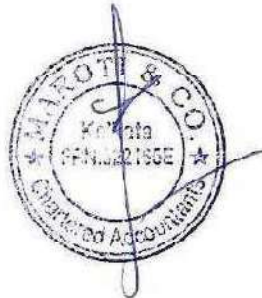
\* \* As per Accounting Standard of ICAI (Please see Note 3)

**8. Other Information:**

<u>Particulars</u>	<u>Amount</u>
(i) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(ii) Net Non-performing Assets	
(a) Related Parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

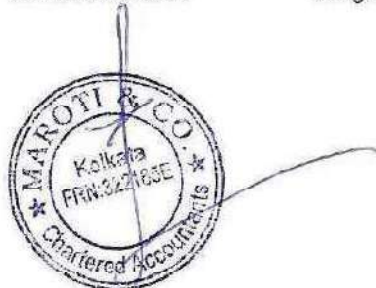
**Notes:**

- As defined in Point xix of paragraph 3 of chapter – 2 of these Direction
- Provisioning norms shall be applicable as prescribed in these Directions.
- All Accounting Standard and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether are classified as long term or current in column (5) above.



**RAJSHREE TRACOM PRIVATE LIMITED**  
**Notes forming part of the Financial Statement for the**  
**year ended 31<sup>st</sup> March, 2022**

- 2.18 In the opinion of the Board, Current Assets, Loans & Advances are of the value stated if realized in the normal course of business.
- 2.19 Balance due to Sundry creditors, Loans & Advances third parties are subject to confirmation, reconciliation and adjustment (if any).
- 2.20 The company has complied with prudential Norms as required by Non Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding), issued by Reserve Bank of India in respect of Assets classification, Income recognition, provision for bad & doubtful debts & accounting standards except otherwise stated if any. However the Company has to take membership of all CIC and to registration with CERSAI for CKYC as per applicable RBI Guidelines.
- 2.21 Depreciation has been provided as per rate prescribed in schedule xiv of the Companies Act, 1956 on Written Down Value Method till 31/03/2014 and thereafter the company has applied the estimated useful life of Fixed Assets as specified in Schedule II of Companies Act, 2013.
- 2.22 The Company has implemented Accounting Standard – 22 accounting For Taxes on income issued by ICAI during the year. In accordance with the Accounting Standard an amount of Rs.872/- (P.Y. 859/-) representing the net Deferred Tax Liability as on 31-03-2022 and accordingly Rs. 55,511/- has been written back (P.Y. Rs. 55,477/-) Provided) in the Profit & Loss A/c.
- 2.23 Statutory Reserve U/S. 15-IC of RBI Act has been provided at least @ 20% of Profit after Tax.
- 2.24 Contingent Provision on Standard Assets have been made @.25% as Per RBI Guidelines.
- 2.25 Disclosures of related party transactions (as identified & certified by the management):
- a. As per Accounting Standard – 18 - 'Related party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below:  
- Key Management Personnel
- |      |                      |  |
|------|----------------------|--|
| i)   | Raghu Venkata Harish | Appointed as Additional Director w.e.f. 30.03.2022 |
| ii)  | Vara Prasad Chaganti | Appointed as Additional Director w.e.f. 30.03.2022 |
| iii) | Varun Mundhra        | Resigned from Directorship w.e.f. 31.03.2022       |
| iv)  | Archana Mundhra      | Resigned from Directorship w.e.f. 31.03.2022       |



Contd.....



**RAJSHREE TRACOM PRIVATE LIMITED**  
**Notes forming part of the Financial Statement for the**  
**year ended 31<sup>st</sup> March, 2022**

b. Transaction with related parties during the year:

Sl No	Name	Relationship	Nature of Transaction	Balance/ outstanding as on 31.3.2022 Receivable (Payable)	Balance/ outstanding as on 31.3.2021 Receivable (Payable)
1.	Varun Mundhra	Director	Director Remuneration Rs.NIL	---	(4,80,000/-)
2.	Archana Mundhra	Director	Director Remuneration Rs.8,00,000/-	---	(4,80,000/-)
3.	Ascent Poly Products LLP	Associate Company	Loan given Rs.NIL Loan Refund Rs.15,89,610/- Int.Received Rs. 1,50,115/-	---	15,89,610/-

c. In the opinion of the management all transactions entered into With related parties as defined under Companies Act, 2013 during the financial year were in an ordinary course of business and on an arms' length pricing basis and there were no materially significant transaction which were in conflict with the Interest of the company.

2.26 The management of the company has applied to RBI for Prior permission as per circular no. DNBR(PD).CC. No.065/ 03.10.001/2015-16 dated July 09, 2015 for change in control and Management of the Company and approval from RBI has been received vide their letter No.KOL.DOS.RSG. NO.51241 /08.02.400/ 2021-2022 dated February 22, 2022 and accordingly Hina Ansari and Vijaya Sivarami Reddy Vendidandi has acquired entire 100% shareholding of the Company i.e. 32.08% and 67.92% respectively and further to the change in Management, Mr. Varun Mundhra & Mrs. Archana Mundhra were replaces as Directors by Mr. Raghu Venkata Harish & Mr. Vara Prasad Chaganti as an Additional Directors of the Company.

2.27 Management has determined that were no balances outstanding as at beginning of the year and no transactions entered with Micro, Small and medium Enterprises as defined under Micro, small and Medium Enterprises Development Act 2006, during the current year, based on the information available with the Company as at March 31, 2022.

2.28 The Company has reclassified/regrouped/rearranged the previous Year figures wherever considered necessary.

Place: - Kolkata

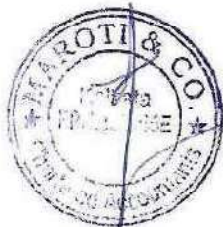
Date:- 25/04/2022

Signature to Schedule '2.1' to '2.28'

For MAROTI & CO.  
Chartered Accountants

(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 055931  
FRN 322165E

U/DIN: 22055931 AH SUY2T70



**RAJSHREE TRACOM PRIVATE LIMITED**  
Balance Sheet as at 31st March 2022

	Particulars	Note	As at 31st March 2022	As at 31st March 2021
I.	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholder's fund</b>			
	Share capital	2.1	1,24,76,300	1,24,76,300
	Reserves and surplus	2.2	1,49,07,029	1,29,96,665
			<b>2,73,83,329</b>	<b>2,54,72,965</b>
	<b>Current Liabilities</b>			
	Short-term borrowings	2.3	-	47,278
	Other current liabilities	2.4	12,600	9,76,650
	Short-term provisions	2.5	8,37,090	3,71,071
	Deferred tax liability (net)	2.6	872	-
			<b>8,50,562</b>	<b>13,94,999</b>
	<b>TOTAL</b>		<b>2,82,33,891</b>	<b>2,68,67,964</b>
II.	<b>ASSETS</b>			
	<b>Non-current Assets</b>			
	Property, Plant and Equipment	2.7	3,429	3,429
	Non-current Investments	2.8	-	60,00,000
	Deferred Tax Asset (net)	2.6	-	54,639
			<b>3,429</b>	<b>60,58,068</b>
	<b>Current assets</b>			
	Cash and Bank balances	2.9	86,82,847	1,42,438
	Short-term loans and advances	2.10	1,95,47,615	2,06,67,458
			<b>2,82,30,462</b>	<b>2,08,09,896</b>
	<b>TOTAL</b>		<b>2,82,33,891</b>	<b>2,68,67,964</b>

Significant Accounting Policies

1.1

Notes to Accounts

2.1 to 2.28

The accompanying notes referred above form an integral part of the Financial Statements

As per our report of even date

For Maroti & Co.

For Rajshree Tracom Private Limited

Chartered Accountants

Firm's registration No. 322165E

**For MAROTI & CO.**  
Chartered Accountants

(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 085931  
FRN 322165E

Dilip Kumar Maroti

Proprietor

Membership No. 055931

UDIN: 22055931AHSUY2770

Vara Prasad Chaganti

Director

DIN: 09425725

Raghu Venkata Harish

Director

DIN: 06792543



Place : Kolkata

Date : 25/04/2022





**RAJSHREE TRACOM PRIVATE LIMITED****Statement of Profit and Loss for the Period Ended 31st March 2022**

Particulars	Note	Period Ended 31st March 2022	Period Ended 31st March 2021
Revenue from operations	2.12	33,19,101	26,57,028
Other income	2.13	3,981	3,62,145
<b>Total Revenue</b>		<b>33,23,082</b>	<b>30,19,173</b>
<b>Expenses</b>			
Employee benefit expenses	2.14	8,00,000	9,60,000
Depreciation and Amortisation	2.15	-	13,700
Other expenses	2.16	87,207	11,07,054
<b>Total Expenses</b>		<b>8,87,207</b>	<b>20,80,754</b>
<b>Profit before tax</b>		<b>24,35,875</b>	<b>9,38,419</b>
Tax expense:			
Current Tax		4,70,000	3,20,000
Deferred Tax		55,511	(55,477)
Income Tax Adjustment for Earlier Year		-	(7,990)
<b>Profit for the period</b>		<b>19,10,364</b>	<b>6,81,886</b>
Earnings per equity share of Rs. 10 each - Basic & Diluted		1.53	0.55

Significant Accounting Policies

1.1

Notes to Accounts

2.1 to 2.28

The accompanying notes referred above form an integral part of the Financial Statements

As per our report of even date attached

**For Maroti & Co.**

Chartered Accountants

Firm's registration No. 322165E

**For MAROTI & CO.**  
Chartered Accountants

**Dilip Kumar Maroti**

Proprietor

Membership No.055931

(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 055931  
FRN 322165E

UDIN: 22055931AHSUYY 2770

**For Rajshree Tracom Private Limited****Vara Prasad Chaganti**

Director

DIN: 09425725

**Raghu Venkata Marish**

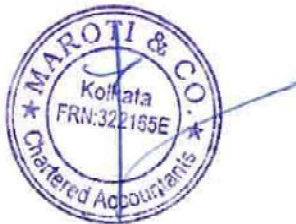
Director

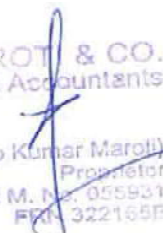




DIN: 06792543



Place : Kolkata

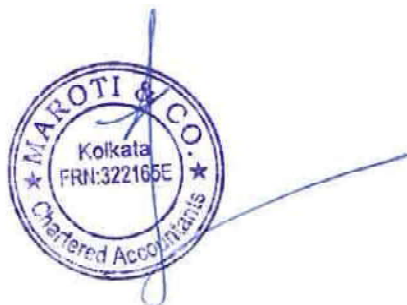
Date : 25/04/2022



RAJSHREE TRACOM PRIVATE LIMITED		
Cash Flow Statement for the Year Ended 31st March 2022		
Particulars	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
<b>Cash flow from operating activities</b>		
Profit / (Loss) before tax	24,35,875	9,38,419
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization	-	13,700
Impairment on Financial Instruments	(3,981)	-
<b>Operating Profit before working capital changes</b>	<b>24,31,894</b>	<b>9,52,119</b>
Movements in working capital :		
Increase/ (decrease) in other current liabilities	(9,64,050)	(36,058)
(Increase)/Decrease in Short Term Loans & Advances	15,92,522	(19,65,272)
Increase/ (decrease) in short term provisions	-	32,832
Decrease / (increase) in other current assets	(4,72,679)	66,15,554
<b>Cash generated from / (used in) operations</b>	<b>25,87,687</b>	<b>55,99,176</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>25,87,687</b>	<b>55,99,176</b>
<b>Cash flows from investing activities</b>		
Profit/Loss on Sale of Investment	-	2,66,816
Purchase of current investments	-	(1,66,816)
Sale of current investments	60,00,000	-
<b>Net cash flow (used in) / from investing activities (B)</b>	<b>60,00,000</b>	<b>1,00,000</b>
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	-	-
Repayment of short-term borrowings	(47,278)	(58,89,106)
Interest on borrowings paid	-	-
<b>Net cash flow used in financing activities (C)</b>	<b>(47,278)</b>	<b>(58,89,106)</b>
Net increase/(decrease) in cash and cash equivalents (A + B + C)	85,40,410	(1,89,930)
Cash and cash equivalents at the beginning of the year	1,42,438	3,32,368
<b>Cash and cash equivalents at the end of the year</b>	<b>86,82,847</b>	<b>1,42,438</b>
<b>Cash and cash equivalents comprise</b>		
Cash and Balance with schedule banks	86,82,847	1,42,438
	<b>86,82,847</b>	<b>1,42,438</b>
<b>NOTE -</b>		
Cash flow statement has been prepared under indirect method as set out in the AS-3 "Cash Flow Statement" and previous year figures have been recast/restated wherever considered necessary		
For Maroti & Co. Chartered Accountants Firm's registration No. 322165E	For Rajshree Tracom Private Limited	
 Dilip Kumar Maroti Proprietor Membership No. 055931	 Vara Prasad Chaganti Director DIN: 09425725	 Raghu Venkata Harish Director DIN: 06792543
Place : Kolkata Date : 25/04/2022		
		

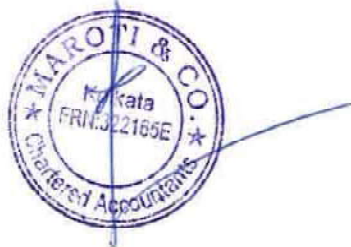
**RAJSHREE TRACOM PRIVATE LIMITED**  
Notes to Financial Statements as at 31st March 2022

Note					
<b>1.1</b>	<b>Specific Accounting Policies :</b>				
	1. The Financial Statement are prepared under the 'Historical Cost Convention' in accordance with applicable accounting standards.				
	2. Pursuant to the enactment of Companies Act, 2013 the company has applied the Estimated useful life as specified in schedule II of the companies Act,2013.				
Note	Particulars	As at 31st March 2022		As at 31st March 2021	
		No. Of Shares	Amount	No. Of Shares	Amount
2.1	<b>a) Share Capital</b>				
	Authorised	13,00,000	1,30,00,000	13,00,000	1,30,00,000
	Equity shares of Rs. 10/- each				
	Issued, subscribed and fully paid up Equity shares of Rs. 10/- each	12,47,630	1,24,76,300	12,47,630	1,24,76,300
	<b>b) Rights, preferences and restrictions attached to equity shares</b>				
	The Company has only one class of Issued , subscribed and paid up equity shares having a par value of Rs. 10/- each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends(if any) in Indian rupees. The dividend (if any) proposed by the board of directors is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares.				
	<b>c) Shares held by each share holder in excess of 5% of the shareholding in the company</b>				
	<b>Name of the Share holder</b>	<b>As at 31st March 2022</b>		<b>As at 31st March 2021</b>	
		<b>Number of Shares</b>	<b>% of holding</b>	<b>Number of Shares</b>	<b>% of holding</b>
	Smt. Archana Mundhra	-	-	2,07,500	16.63
	Smt Radha Devi Mundhra	-	-	88,000	7.05
	M/S Shree Dayal Chand Mundhra & sons (HUF)	-	-	3,28,000	26.28
	Smt. Tara Mundhra	-	-	2,65,230	21.26
	Pradeep Kumar Mundhra	-	-	2,44,200	19.57
	Hina Ansari	4,00,183	32.08	-	-
	Vijaya Sivarami Reddy Vendicandi	8,47,447	67.92	-	-
	Pursuant to prior approval of the Reserve Bank of India dated 22 Feb 2022 towards change in management control and Memorandum of Understanding dated 15 Dec 2021 all the erstwhile shareholders have transferred their entire stake in the Company to New Shareholders viz, Mrs. Hina Ansari and Vijaya Sivarami Reddy.				
	<b>d) Reconciliation of Equity Shares outstanding at the beginning and end of the year</b>				
	<b>Particulars</b>	<b>As at 31st March 2022</b>		<b>As at 31st March 2021</b>	
		<b>Number of Shares</b>	<b>Amount</b>	<b>Number of Shares</b>	<b>Amount</b>
	Shares outstanding at the beginning of the year	12,47,630	1,24,76,300	12,47,630	1,24,76,300
	Shares issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	12,47,630	1,24,76,300	12,47,630	1,24,76,300



**RAJSHREE TRACOM PRIVATE LIMITED**  
**Notes to Financial Statements as at 31st March 2022**

Note	Particulars	As at 31st March 2022	As at 31st March 2021
<b>2.2</b>	<b>Reserves and Surplus</b>		
	A. Security Premium Account	69,62,010	69,62,010
	B. Statutory Reserves (RBI)		
	At the commencement of the year	12,38,183	10,88,183
	Add: During the year	3,82,073	1,50,000
	At the end of the year	16,20,256	12,38,183
	C. Surplus/Deficit in the statement of profit and loss		
	At the commencement of the year	47,96,472	42,64,586
	Add: Profit for the year	19,10,364	6,81,886
	At the end of the year	67,06,836	49,46,472
	Less: Transfer to Statutory Reserve R.B.i.	3,82,073	1,50,000
	At the end of the year	63,24,763	47,96,472
		<b>1,49,07,029</b>	<b>1,29,96,665</b>
<b>2.3</b>	<b>Short Term borrowings</b>		
	Unsecured Loans		
	Minions Venture Pvt. Ltd.	-	47,278
		-	<b>47,278</b>
<b>2.4</b>	<b>Other Current Liabilities</b>		
	Payable for Expenses	12,600	9,76,650
		<b>12,600</b>	<b>9,76,650</b>
<b>2.5</b>	<b>Short Term Provisions</b>		
	Contingent Provision on Standard Assets	47,090	51,071
	Provision for taxation	7,90,000	3,20,000
		<b>8,37,090</b>	<b>3,71,071</b>
<b>2.6</b>	<b>Deferred tax Liability</b>		
	Deferred tax Liability (Net) for the year (Ref Note No 2.22 also)	872	-
	Closing Deferred Tax Asset/(Liability)	<b>872</b>	-
<b>2.8</b>	<b>Non current Investments</b>		
	Investment in Mutual Funds (Quoted)		
	Aditya Birla Sun Life Low Duration	-	35,00,000
	HDFC Balanced Advantage Fund	-	25,00,000
	(Market value of quoted investment as on 31/03/2022 Rs. NIL as on 31/03/2021 Rs.64,69,847.60)		
		-	<b>60,00,000</b>



RAJSHREE TRACOM PRIVATE LIMITED  
Notes to Financial Statements as at 31st March 2022

2.7 Property, Plant and Equipment (at cost less depreciation)

Particulars	Gross Block		Depreciation and amortisation		Net Block	
	As at 1st April 2021	As at 31st March 2022	As at 1st April 2021	For the Year	As at 31st March 2022	As at 31st March 2021
Computers & Printers	1,14,978	1,14,978	1,11,549	-	1,11,549	3,429
Total tangible assets(A)	1,14,978	1,14,978	1,11,549	-	1,11,549	3,429
Software	-	-	-	-	-	-
Total intangible assets (B)	-	-	-	-	-	-
Grand Total (A+B)	1,14,978	1,14,978	1,11,549	-	1,11,549	3,429
Previous years figures	1,14,978	1,14,978	1,11,549	-	1,11,549	3,429

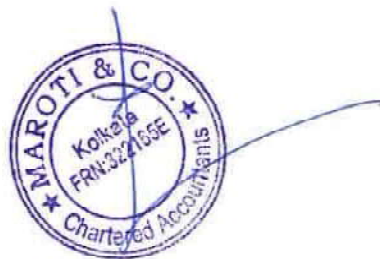


Note	Particulars	As at 31st March 2022	As at 31st March 2021
2.9	<b>Cash and Cash Equivalents</b>		
	Balances with Banks	86,82,148	1,41,738
	Cash in Hand (As Certified)	700	700
		<b>86,82,847</b>	<b>1,42,438</b>
2.10	<b>Short term loans &amp; Advances</b>		
	<b>A Unsecured Loans given</b>		
	Gouri Shankar Mundhra	-	2,912
	Climax Synthetics Pvt. Ltd.	1,88,36,000	1,88,36,000
	Ascent Ploy Products, LLP	-	15,89,610
	Sub Total-A	<b>1,88,36,000</b>	<b>2,04,28,522</b>
	<b>B. Advances</b>		
	TDS receivable for AY 2020-21	2,38,936	2,38,936
	TDS receivable for AY 2021-22	2,20,679	-
	Payment of Income Tax	27,000	-
	Advance Tax F.Y. 2021-22	2,25,000	-
Sub Total-B	<b>7,11,615</b>	<b>2,38,936</b>	
	<b>Total(A+B)</b>	<b>1,95,47,615</b>	<b>2,06,67,458</b>



**RAJSHREE TRACOM PRIVATE LIMITED**  
**Notes to financial statements for the Period Ended 31st March 2022**

Note	Particulars	Period Ended 31st March 2022	Period Ended 31st March 2021
2.12	Revenue from operations		
	Profit on Sale of Investment	11,12,307	-
	Dividend Income(Including TDS Rs.NIL)	-	1,85,958
	Interest Received (Including TDS Rs.220679/- Previous Year Rs.224473/-)	22,06,794	24,71,070
		<b>33,19,101</b>	<b>26,57,028</b>
2.13	Other Income		
	Misc. Receipts	-	3,62,145
	Contingent Provision on Standard Assets	3,981	-
	<b>3,981</b>	<b>3,62,145</b>	
2.14	Employee benefit Expenses		
	Director Remuneration	8,00,000	9,60,000
		<b>8,00,000</b>	<b>9,60,000</b>
2.15	Depreciation and Amortization Expenses		
	Preliminary Expenses(w/o)	-	13,700
		-	<b>13,700</b>
2.16	Other expenses		
	Telephone & Telex Charges	-	5,298
	Trade License	2,200	2,150
	Bank Charges	207	-
	Service Charges	-	46,500
	Professional Tax	2,500	2,500
	Travelling & Conveyance	-	1,220
	Audit fees	12,000	12,000
	Repairing & Maintenance	-	7,919
	General Expenses	-	4,962
	Computer Maintenance	-	1,000
	Consultancy Charges	68,500	40,000
	STT Charges	-	23
	Interest paid	-	1,35,465
	Filing Fees	1,800	1,800
	Legal Charges	-	11,500
	Loss in sale of investment	-	2,66,816
Processing Fees	-	5,59,276	
Printing & Stationery	-	2,470	
Postage & Telegrams	-	2,170	
Contingent Provision on Standard Assets	-	3,985	
	<b>87,207</b>	<b>11,07,054</b>	



**RAJSHREE TRACOM PRIVATE LIMITED**  
**NOTES FORMING PART OF THE ACCOUNTS AS ON 31<sup>ST</sup> MARCH, 2022**

Note – '2.17'

Schedule to the Balance Sheet as required in terms of Paragraph 18 of  
 Non-Banking Financial Company – Non Systemically Important  
 Non-Deposit taking Company(Reserve Bank) Direction, 2016

Particulars	(Rs. in Lakhs)	
Liabilities Side:-	<u>Amount Outstanding</u>	<u>Amount Overdue</u>
<b>1. Loans and Advances availed by the Non-Banking Financial Company inclusive of Interest Accrued thereon but not paid :</b>	NIL	NIL
(a) Debentures :     Secured		
Unsecured	NIL	NIL
(Other than falling within the meaning public deposits *)		
(b) Deferred Credits	NIL	NIL
(c) Term Loans		
(d) Inter-corporate Loans and borrowing	NIL	NIL
(e) Commercial Paper	NIL	NIL
(f) Public Deposit		
(g) Other Loans (specify nature)	NIL	NIL
* Please see Note 1 Below.		
<b>2. Break-up of (1)(f) above (Outstanding Public deposits Inclusive of interest accrued thereon but not paid:</b>		
(a) In the form of Unsecured debentures	NIL	NIL
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NIL	NIL
(c) Other public deposits	NIL	NIL
* Please see Note 1 below.		
<b>Assets Side: -</b>	<u>Amount outstanding</u>	
<b>3. Break-up of Loans and Advances including Bills/Receivables [other than those included in (4) below]:</b>		
(a) Secured		NIL
(b) Unsecured		188.36
<b>4. Break up of Leased Assets and stock on hire and other assets counting towards AFC Activities:</b>		
(i) Lease Assets including Lease Rentals under Sundry Debtors:		
(a) Financial Lease		NIL
(b) Operating Lease		NIL
(ii) Stock on hire including hire charges Under sundry debtors:		
(a) Assets on hire		NIL
(b) Repossessed Assets		NIL
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed		NIL
(b) Loans other than (a) above		

Contd.....





**RAJSHREE TRACOM HOLDING PRIVATE LIMITED**  
**NOTES FORMING PART OF THE ACCOUNTS AS ON 31<sup>ST</sup> MARCH, 2022**

5. Break-up of Investments:

Current Investments:

1. **Quoted:**

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

Amount Outstanding

2. **Unquoted:**

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

Long Term Investments:

1. **Quoted:**

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

2. **Unquoted:**

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

TOTAL

NIL

6. Borrower group-wise classification of Assets  
 Financed as in (3) and (4) above

Please see Note 2 below

Category

Amount net of provisions

	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
1. Related Parties **			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	187.89	187.89
2. Other than related parties	NIL	NIL	NIL
<b>Total</b>	<u>NIL</u>	<u>187.89</u>	<u>187.89</u>

Contd.....



**RAJSHREE TRACOM PRIVATE LIMITED**  
**NOTES FORMING PART OF THE ACCOUNTS AS ON 31<sup>ST</sup> MARCH, 22**

**7. Investor group-wise classification of all Investments (current and long term) in Shares and securities (both quoted and unquoted):**

Please see note 3 below.

<u>Category</u>	<u>Market Value/Break up Or Fair Value or NAV</u>	<u>Book Value</u>	<u>(Net of Provision)</u>
<b>1. Related Parties * *</b>			
(a) Subsidiaries	---	---	---
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties (Unquoted)	---	---	---
<b>2. Other than related parties</b>	NIL	NIL	NIL
<b>Total</b>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

\* \* As per Accounting Standard of ICAI (Please see Note 3)

**8. Other Information:**

<u>Particulars</u>	<u>Amount</u>
(i) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(ii) Net Non-performing Assets	
(a) Related Parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

Notes:

- As defined in Point xix of paragraph 3 of chapter – 2 of these Direction
- Provisioning norms shall be applicable as prescribed in these Directions.
- All Accounting Standard and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether are classified as long term or current in column (5) above.



**RAJSHREE TRACOM PRIVATE LIMITED**  
**Notes forming part of the Financial Statement for the**  
**year ended 31<sup>st</sup> March, 2022**

- 2.18 In the opinion of the Board, Current Assets, Loans & Advances are of the value stated if realized in the normal coursed business.
- 2.19 Balance due to Sundry creditors, Loans & Advances third parties are subject to confirmation, reconciliation and adjustment (if any).
- 2.20 The company has complied with prudential Norms as required by Non Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding), issued by Reserve Bank of India in respect of Assets classification, Income recognition, provision for bad & doubtful debts & accounting standards except otherwise stated if any. However the Company has to take membership of all CIC and to registration with CERSAI for CKYC as per applicable RBI Guidelines.
- 2.21 Depreciation has been provided as per rate prescribed in schedule xiv of the Companies Act, 1956 on Written Down Value Method till 31/03/2014 and thereafter the company has applied the estimated useful life of Fixed Assets as specified in Schedule II of Companies Act, 2013.
- 2.22 The Company has implemented Accounting Standard – 22 accounting For Taxes on income issued by ICAI during the year. In accordance with the Accounting Standard an amount of Rs.872/- (P.Y. 859/-) representing the net Deferred Tax Liability as on 31-03-2022 and accordingly Rs. 55,511/- has been written back (P.Y. Rs. 55,477/-) Provided) in the Profit & Loss A/c.
- 2.23 Statutory Reserve U/S. 45-IC of RBI Act has been provided at least @ 20% of Profit after Tax.
- 2.24 Contingent Provision on Standard Assets have been made @.25% as Per RBI Guidelines.
- 2.25 Disclosures of related party transactions (as identified & certified by the management):
- a. As per Accounting Standard – 18 - 'Related party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below:  
- Key Management Personnel
- |      |                      |  |
|------|----------------------|--|
| i)   | Raghu Venkata Harish | Appointed as Additional Director w.e.f. 30.03.2022 |
| ii)  | Vara Prasad Chaganti | Appointed as Additional Director w.e.f. 30.03.2022 |
| iii) | Varun Mundhra        | Resigned from Directorship w.e.f. 31.03.2022       |
| iv)  | Archana Mundhra      | Resigned from Directorship w.e.f. 31.03.2022       |



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**RAJSHREE TRACOM PRIVATE LIMITED**  
**Notes forming part of the Financial Statement for the**  
**year ended 31<sup>st</sup> March, 2022**

b. Transaction with related parties during the year:

Sl No	Name	Relationship	Nature of Transaction	Balance/ outstanding as on 31.3.2022 Receivable (Payable)	Balance/ outstanding as on 31.3.2021 Receivable (Payable)
1.	Varun Mundhra	Director	Director Remuneration Rs.NIL	---	(4,80,000/-)
2.	Archana Mundhra	Director	Director Remuneration Rs.8,00,000/-	---	(4,80,000/-)
3.	Ascent Poly Products LLP	Associate Company	Loan given Rs.NIL Loan Refund Rs.15,89,610/- Int.Received Rs. 1,50,115/-	---	15,89,610/-

c. In the opinion of the management all transactions entered into With related parties as defined under Companies Act, 2013 during the financial year were in an ordinary course of business and on an arms' length pricing basis and there were no materially significant transaction which were in conflict with the Interest of the company.

2.26 The management of the company has applied to RBI for Prior permission as per circular no. DNBR(PD).CC. No.065/ 03.10.001/2015-16 dated July 09, 2015 for change in control and Management of the Company and approval from RBI has been received vide their letter No.KOL.DOS.RSG. NO.51241 /08.02.400/ 2021-2022 dated February 22, 2022 and accordingly Hina Ansari and Vijaya Sivarami Reddy Vendidandi has acquired entire 100% shareholding of the Company i.e. 32.08% and 67.92% respectively and further to the change in Management, Mr. Varun Mundhra & Mrs. Archana Mundhra were replaces as Directors by Mr. Raghu Venkata Harish & Mr. Vara Prasad Chaganti as an Additional Directors of the Company.

2.27 Management has determined that were no balances outstanding as at beginning of the year and no transactions entered with Micro, Small and medium Enterprises as defined under Micro, small and Medium Enterprises Development Act 2006, during the current year, based on the information available with the Company as at March 31, 2022.

2.28 The Company has reclassified/regrouped/rearranged the previous Year figures wherever considered necessary.

Place: - Kolkata

Date:- 25/04/2022

Signature to Schedule '2.1' to '2.28'

For MAROTI & CO.  
Chartered Accountants

(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 055931  
FRN 322165E

UDIN: 22055931AH SUY2T70



# RAJSHREE TRACOM PRIVATE LIMITED

(CIN: U25199WB1996PTC077252)

11, POLLOCK STREET, 5<sup>TH</sup> FLOOR

KOLKATA – 700001

E-mail –subhashsaraogi@yahoo.com

PHONE NO.-(033)22343076

## DIRECTORS REPORT

To the Members,

Rajshree Tracom Private Limited,

Your Directors have pleasure in submitting their Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2021.

### 1. FINANCIAL SUMMARY

Particulars	As at the end of current reporting period	As at the end of previous reporting period
<b>Profit or Loss before Tax</b>	938418.62	1258521.40
Less: Current Tax	320000.00	125000.00
Deferred Tax	(55477.00)	36.00
Income Tax for earlier year	(7990.00)	----
<b>Profit or Loss After Tax</b>	681885.62	1133485.40
Add: Balance as per last Balance Sheet	4264586.47	3381101.07
Less: Transfer to Statutory Reserves	150000.00	250000.00
<b>Balance Transferred to Balance Sheet</b>	4796472.09	4264586.47

### 2. DIVIDEND

Considering the financial requirement for expansion of business activities of the Company and with the view to observe the resources of company the directors are not recommending any dividend for the year under consideration.

### 3. BUSINESS OPERATIONS FUTURE PROSPECTS

Your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year.

### 4. MATERIAL CHANGES BETWEEN THE ENDS OF THE FINANCIAL YEAR AND THE DATE OF BOARD REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report

### 5. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility statement:

- In the preparation of the annual accounts, the applicable accounting standard has been followed along with proper explanation relating to material departures;
- the directors has selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and profit of the company for that period;

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- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The Company being unlisted, sub clause (e) of Section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **6. AUDITOR'S REPORT**

The report of the Auditors is self explanatory and does not call for any further comments from Directors of the Company.

## **7. AUDITORS**

M/S Maroti & Co. Chartered Accountants (FRN 322165E) existing Auditors of the Company has been already re-appointed as Auditors of the Company u/s 139 of the Companies Act, 2013 for a period of 5 years i.e. from F.Y. 2020-21 to F.Y.2024-25 in AGM held on 29th, December 2020.

## **8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company.

## **9. FOREIGN EXCHANGE EARNINGS AND OUTGO**

	31.03.2021	31.03.2020
	Rs.	Rs.
(i) Earnings in Foreign Currency	NIL	NIL
(ii) Expenditure in Foreign currency.	NIL	NIL

## **10. PUBLIC DEPOSITS**

The company has not accepted any deposits from the Public during the year ended 31<sup>st</sup> March, 2021 within the meaning of Chapter V of Companies Act, 2013.

## **11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The provision of Section 186 of the Companies Act, 2013 pertaining to investment and lending activities are not applicable to the Company since the company is a NBFC company. Details of guarantees and/or security in connection with loans to other body corporate or persons wherever applicable are given in Note No.28 (b) of the notes to the financial statements.

## **12. RELATED PARTY TRANSACTIONS**

In pursuance to Section 134(3) (h) read with rule 8(2) of the Companies (Accounts) Rules, 2014 there are no transactions to be reported u/s 188(1) of the Companies Act, 2013. However, the transactions as required under AS-18 are reported in Note No.28 (b) of the Notes to financial statements.

# RAJSHREE TRACOM PRIVATE LIMITED

(CIN: U25199WB1996PTC077252)

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PHONE NO.-(033)22343076

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## **13. EXTRACTS OF ANNUAL RETURN**

as required pursuant to Section 92(3) of the Companies Act ,2013 and Rule 12(1) of the Companies Act (Management and Administration ) Rules,2014 an extract of Annual Return in MGT-9 form part of this report as Annexure-A.

## **14. MEETING OF BOARD OF DIRECTORS**

During the year Eight Board Meetings were convened and held. The intervening gap between the meetings was within the period as prescribed under the Companies Act, 2013.

## **15. PARTICULARS OF EMPLOYEES**

Pursuant to the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 it is decided that the Company does not engage any employee whose particulars are required to be stated.

## **16. RISK MANAGEMENT POLICY**

Major risks are identified by the company on continuous basis and necessary remedial measures are also taken by management accordingly.

## **17. INTERNAL CONTROL AND SYSTEMS**

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Company has performed an evaluation and made an assessment of the adequacy and the effectiveness of the Company's Internal Financial Control system. The Statutory Auditors of the Company have also reviewed the Internal Financial Control system implemented by the Company on financial reporting and in their opinion, the Company has, in all material respects, adequate Internal Financial Control system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as on 31<sup>st</sup> March, 2021 based on the internal control over Financial Reporting Criteria established by the Company.

The policies and procedures adopted by the company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and the timely preparation of reliable financial information.

The Management continuously monitor the efficiency of internal controls with the objectives and reasonable assurance on the adequacy and effectiveness of the organisation's risk management with regard to the internal control framework.

The Management meets regularly to review reports to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

# RAJSHREE TRACOM PRIVATE LIMITED

(CIN: U25199WB1996PTC077252)

11, POLLOCK STREET, 5<sup>TH</sup> FLOOR

KOLKATA – 700001

E-mail –subhashsaraogi@yahoo.com

PHONE NO.-(033)22343076

## 18. SHARES

The company has issued 587430 Equity Shares of Rs.10/- each at a premium of Rs.7/- per shares on right issue basis during the year under review.

## 19. GENERAL

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

- (i) Details relating to deposits covered under Chapter V of the Act.
- (ii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred in this Report.
- (iii) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- (iv) There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (v) The provision of Section 125(2) of the Companies Act, 2013 do not apply as there was no unclaimed or declared but not paid during the last year.
- (vi) Provision of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable during the year.

## 20. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

Place: Kolkata

Date: 02/09/2021

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Arcane mndhff  
DIN: 00212810



DIN: 01394710



EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON  
31<sup>ST</sup> MARCH, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

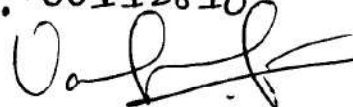
**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	U25199WB1996PTC077252
ii.	Registration Date	14/02/1996
iii.	Name of the Company	RAJSHREE TRACOM PVT LTD
iv.	Category/Sub-Category of the Company	COMPANY LIMITED BY SHARES
v.	Address of the Registered office and contact details	11 POLLOCK STRRET, 5 <sup>TH</sup> FLOOR, KOLKATA-700001, WEST BENGAL subhashsaraogi@yahoo.com
vi.	Whether listed company	NO
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NOT APPLICABLE

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	NBFC ACTIVITY	-	100%

Anil Kumar Mondal  
DIN: - 00112810  
  
DIN: 01394710

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during The year
	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares	
<b>A. Promoter</b>							
<b>1) Indian</b>							
a) Individual/ HUF	1247630	1247630	100%	1247630	1247630	100%	0%
b) Central Govt	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-
Sub-total(A)(1):-	1247630	1247630	100%	1247630	1247630	100%	0%
<b>2) Foreign</b>							
g) NRIs-Individuals	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-

Sub-total(A)(2):-	-	-	-	-	-	-	-
<b>B. Public Shareholding</b>							
<b>1. Institutions</b>							
a) Mutual Funds	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-
<b>2. Non Institutions</b>	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-
(i) Indian							
(ii) Overseas							
b) Individuals	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh							
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh							
c) Others(Specify)	-	-	-	-	-	-	-
Sub-total(B)(2)	-	-	-	-	-	-	-

Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-
Grand Total (A+B+C)	1247630	1247630	100%	1247630	1247630	100%	0%

## ii.Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledge d / encumbered to total	
1.	SMT. ARCHANA MUNDHRA	207500	16.63%	0%	207500	16.63%	0%	0%
2.	VANDANA MUNDHRA	2500	0.20%	0%	2500	0.20%	0%	0%
3.	SRI. DEVANG MUNDHRA	20000	1.60%	0%	20000	1.60%	0%	0%
4.	SMT. SHAKUNTALA MAHESWARI	5000	0.40%	0%	5000	0.40%	0%	0%

5.	MR. VARUN MUNDHRA	47200	3.78%	0%	47200	3.78%	0%	0%
6.	SMT. RADHA DEVI MUNDHRA	88000	7.05%	0%	88000	7.05%	0%	0%
7.	CHIRANJI LAL MUNDHRA(HUF)	40000	3.21%	0%	40000	3.21%	0%	0%
8.	DAYAL CHAND MUNDHRA & Sons (HUF)	328000	26.30%	0%	328000	26.30%	0%	0%
9.	SMT. TARA MUNDHRA	265230	21.26%	0%	265230	21.26%	0%	0%
10.	SRI PRADEEP KUMAR MUNDHRA	244200	19.57%	0%	244200	19.57%	0%	0%
	<b>Total</b>	<b>1247630</b>	<b>100%</b>	<b>0%</b>	<b>1247630</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. no	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the
EACH OF DIRECTORS AND KMP				

At the beginning of the year Archana Mundhra } Varun Mundhra }	<b>254700</b>	<b>20.41%</b>	<b>254700</b>	company <b>20.41%</b>
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
At the End of the year Archana Mundhra } Varun Mundhra }	<b>254700</b>	<b>20.41%</b>	<b>254700</b>	<b>20.41%</b>

**(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRS and ADRS):**

Sr. no	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
For EACH of the Top 10 Shareholders				
At the beginning of the year				
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase				

/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
At the End of the year (or on the date of separation, during the year)				

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. no	For Each Of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	---	5936383.39	---	5936383.39
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (I + ii + iii)	---	5936383.39	---	5936383.39
Change in Indebtedness during the financial year				
- Addition	---	---	---	---
- Reduction	---	5889105.80	---	5889105.80
Net Change	---	5889105.80	---	5889105.80
Indebtedness at the end of the financial year				
i) Principal Amount	---	47277.59	---	47277.59
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (I + ii + iii)	---	47277.59	---	47277.59

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors, and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
---------	-----------------------------	-------------------------	--------------



1.	<p>Gross salary</p> <p>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</p> <p>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961</p> <p>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961</p>		
2.	Stock Option		
3.	Sweat Equity		
4.	<p>Commission</p> <ul style="list-style-type: none"> <li>- as % of profit</li> <li>- others, specify</li> </ul>		
5.	Others, please specify		
6.	Total(A)		
	Ceiling as per the Act		

**B. Remuneration to the directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	<u>Independent Directors</u>		
	-Fee for attending board committee meetings		
	-Commission		
	-Others, please specify	Varun Mundhra	480000
		Archana Mundhra	480000
	Total(1)		960000
	<u>Other Non-Executive Directors</u>		
	-Fee for attending board committee meetings		
	-Commission		
	-Others, please specify		
	Total(2)		
	Total(B)=(1+2)		960000
	Total Managerial Remuneration		960000
	Overall Ceiling as per the Act		

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961  (b)Value of perquisites u/s 17(2)Income-tax				

	Act,1961				
	(c)Profits in lieu of salary under section 17(3)Income-tax Act,1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as %of profit -others, specify...				
5.	Others, please specify				
6.	Total				

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other Officers In Default</b>					
Penalty					
Punishment					
Compounding					

Abdullah Mulla  
DIN:00112810



DIN:01394710

# MAROTI & CO.

**CHARTERED ACCOUNTANTS**

3A, Surendra Mohan Ghosh Sarani (Formerly Mangoe Lane)  
1st Floor (South-West Side), Kolkata - 700 001  
Tel. No. (033) 2210 7378 • Fax : (033) 2242 8158  
E-mail : dkmaroti@gmail.com / marotiandcoca@gmail.com

## INDEPENDENT AUDITOR'S REPORT

To  
**The Members of RAJSHREE TRACOM PRIVATE LIMITED**  
Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **RAJSHREE TRACOM PRIVATE LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss and a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements") for the year then ended.

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 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 31st March, 2021, and its profit, and its cash flows 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 Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure 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 during the course of our audit or otherwise appears to be materially misstated.



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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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibility for the audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Contd..



• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• 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.

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.

#### **Report on Other Legal and Regulatory Requirements**

As required matters specified in paragraphs 3 and 4 of the Order Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, are at present not applicable to the Company.

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance sheet, the Statement of profit and loss, the Statement of changes in equity and the Statement of cash flows dealt with by this Report are in agreement with the books of account;

Contd..



- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls We report that as the company is a small company, this clause is not applicable at present to the company.
- (g) 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 explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kolkata

Dated: 02/09/2021



For MAROTI & CO.  
Chartered Accountants

(Dilip Kumar Maroti)  
Proprietor

ICAI M. No. 55931  
FRN 322165E

UDIN: 21055931 AAAA EF6218

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 with the heading "Report on other legal and regulatory requirement" of Our Report of even date to the members of **RAJSHREE TRACOM PRIVATE LIMITED** on the accounts of the Company for the year ended 31<sup>st</sup> March, 2021.

- I. a) The Company has maintained proper records to show full particulars including quantitative details and situation of the fixed assets.
  - b) The Fixed assets have been physically verified by the management at reasonable interval and the reconciliation of the quantities with the book records has been done on continuous basis. Further the differences, if any, arising out of such reconciliation so far have been adjusted and no serious discrepancies between book records and physical inventory have been noticed.
  - c) According to the information and explanations given to us and on the basis of examination of the records of the company the title deeds of immovable properties are held in the name of the company.
- II. The Company has no Inventory so this clause is at present not applicable to the company.
- III. The Company has granted loans secured or unsecured on current account basis to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of such loans.
  - a) The terms and conditions of such loans are not prejudicial to the interest of company.
  - b) The Parties to whom loans have been granted on Current Account basis are regular in repayment of interest. However there is no specific stipulation with regard to repayment of Loans.
  - c) As there is no specific stipulation for repayment of Loans we are unable to comment whether the total amount of loans overdue for more than 90 (Ninety) days at the year end and steps taken by the company for recovery of the principal and interest thereon.
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 of the Companies Act, 2013, with respect to Loans to Directors, etc. However, provisions of section 186, with respect to Loans, Investment and Guarantee made by company, is not applicable, as the company is a NBFC.
- V. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year ,therefore the provisions of Section 73 to 76 of the Act and the rules framed there under are at present not applicable to the company.

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VI. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, for the Company's business, so this clause is 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 books and account, the Company has generally been regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues during the year with the appropriate authorities except Professional Tax. According to the information and explanations given to us no undisputed dues as above except Professional Tax Payable Rs.27500/- were outstanding as at 31<sup>st</sup> March, 2021 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and the records of the Company examined by us, the dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax as at 31<sup>st</sup> March, 2021 which have not been deposited on account of dispute and the forum where the disputes are pending are as under:

Name of the Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where pending
NIL	NIL	NIL	NIL	NIL

VIII. According to the information and explanations given to us by the management, the Company has not taken loans from financial institutions or banks or debenture holding so question relating to on default in repayment of such loans does not arise.

IX. Based on information and explanations given to us and records of the Company examined by us, the company has not taken any term loans during the year. So this clause is at present not applicable to the company.

X. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

XI. As the company is a Private Limited Company, Section 197, read with Schedule V of the Companies Act, 2013, relating to Managerial Remuneration, is not applicable to the company.

XII. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, accordingly, paragraph 3(xii) of the Order is at present not applicable.

XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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XIV. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. So, Section 42 is at present not attracted to the company.

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, accordingly, paragraph 3(xv) of the Order is at present not applicable.

XVI. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly the Company is registered as a NBFC, Vide COR No.B.05.03970.

Place : Kolkata

Date : 02/09/2021



For MAROTI & CO.  
Chartered Accountants

(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 55931  
FRN 322165E

UDIN! 21055931AAAAEF6218

# RAJSHREE TRACOM PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2021

	Particulars	Note No.	As at 31st March 2021 Amount	As at 31st March 2020 Amount
	1	2	3	4
I	<b>EQUITY AND LIABILITIES</b>			
1	Shareholders Funds			
	(a) Share Capital	2	12476300.00	12476300.00
	(b) Reserves and Surplus	3	12996665.09	12314779.47
2.	Non - Current Liabilities			
	Deferred Tax Liability		---	838.00
3.	Current Liabilities			
	(a) Other Current Liabilities	4	976650.00	612000.00
	(b) Short Term Borrowings	5	47277.59	5936383.39
	(c) Short Term Provisions	6	371071.00	338238.71
	(d) Trade Payable	7	---	400707.60
	<b>TOTAL</b>		<b>26867963.68</b>	<b>32079247.17</b>
II	<b>ASSETS</b>			
	Non - Current Assets			
1	(a) Fixed Assets			
	Tangible Assets	8	3429.00	3429.00
	(b) Non Current Investment	9	6000000.00	6100000.00
	(c) Deferred Tax Assets (Net)		54639.00	---
2	Current Assets			
	(a) Trade Receivable	10	---	6615554.43
	(a) Cash and Cash Equivalents	11	142437.68	332367.74
	(b) Short - Term Loans and Advances	12	20667458.00	19014196.00
	(c) Other Current Assets	13	---	13700.00
	<b>TOTAL</b>		<b>26867963.68</b>	<b>32079247.17</b>

Significant Accounting Policies, Other Notes  
& Disclosures to Financial Statements.

1 to 28

The accompanying notes are an integral  
part of the Financial Statements.

As per our Report of even date annexed.

Place: Kolkata

Date: 02/09/2021

Anil Kumar Maroti  
DIN: 00122810

*(Signature)*  
DIN: 01394710  
UDIN - 21055931 AAAAEF 6218

For **MAROTI & CO.**  
Chartered Accountants

(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 55931  
FRN 322165E



# RAJSHREE TRACOM PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March, 2021

	Particulars	Note No	2020-21 Amount	2019-20 Amount
Sl.No.	<b>INCOME</b>			
I.	Revenue from Operations	14	2657027.63	3546409.79
II.	Other Income	15	362145.23	525190.06
III.	<b>Total Revenue(I+II)</b>		<b>3019172.86</b>	<b>4071599.85</b>
IV.	<b>EXPENSES</b>			
	Employee benefit Exp	16	960000.00	960000.00
	Depreciation and Amortization Expenses	17	13700.00	13700.00
	Other Expenses	18	1107054.24	1839378.45
	<b>Total Expenses</b>		<b>2080754.24</b>	<b>2813078.45</b>
V.	<b>Profit/(Loss) before exceptional and extraordinary Items and Tax (III-IV)</b>		<b>938418.62</b>	<b>1258521.40</b>
VI.	Exceptional Item		---	---
VII.	<b>Profit/(Loss) before extraordinary Items and Tax(V-VI)</b>		<b>938418.62</b>	<b>1258521.40</b>
VIII.	Extra Ordinary Item		---	---
IX.	<b>Profit/(Loss) before Tax(VII-VIII)</b>		<b>938418.62</b>	<b>1258521.40</b>
X.	<b>Tax Expenses</b>			
	(1) Current Tax		320000.00	125000.00
	(2) Deferred Tax Expenses (Income)		(55477.00)	36.00
	(3) Income Tax adjustment for Earlier Year		(7990.00)	---
XI.	<b>Profit/(Loss) for the period from continuing operations (IX-X)</b>		<b>681885.62</b>	<b>1133485.40</b>
XII.	Profit/(Loss) from discontinuing operations		---	---
XIII.	Tax expense of discontinuing operations		---	---
XIV.	Profit/(Loss) from discontinuing operations (XII-XIII)		---	---
XV.	<b>Period/(Loss) for the period (XI+XIV)</b>		<b>681885.62</b>	<b>1133485.40</b>
XVI.	Earnings per equity share:	19		
	(1) Basic		0.55	0.91
	(2) Diluted		0.55	0.91

Significant Accounting Policies, Other Notes & Disclosures to Financial Statements.

The accompanying notes are an integral part of the Financial Statements.

Place : Kolkata

Date: 02/09/2021



1 to 28

As per our Report of even date annexed.

For MAROTI & CO.  
Chartered Accountants  
(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 55931  
FRN 322165E

DIN: - 00112810  
DIN: 01394710  
UDIN: 21055931AAAAEF6218

# RAJSHREE TRACOM PRIVATE LIMITED

## Cash Flow Statement for the year ended 31st March,2021

PARTICULARS	As at 31st March,2021	As at 31st March,2020
<b>A. Cash Flow from operating Activities:</b>		
Net Profit/(Loss) Before Tax	938418.62	1258521.40
<b>Adjustments for:</b>		
Dividend Received	(185957.64)	(551513.03)
Interest Received	(2471069.99)	(2877560.00)
Profit/Loss on Sale of Investment	266815.75	(117336.76)
<b>Operating Profit Before Working Capital Changes</b>	<b>(1451793.26)</b>	<b>(2287888.39)</b>
<b>Adjustments for:</b>		
(Increase)/Decrease in Trade Receivable	6615554.43	(6615554.43)
(Increase)/Decrease in Other Current Asset	13700.00	13700.00
(Increase)/Decrease in Short Term Loans & Advances	(1965272.00)	(9989432.89)
Increase /(Decrease) in Short Term Provision	32832.29	184500.71
Increase /(Decrease) in Other Current Liabilities	364650.00	412500.00
Increase/(Decrease) in Trade Payable	(400707.60)	400707.60
Increase/(Decrease) in Short Term Borrowings	(5889105.80)	5936383.39
<b>Net Cash Flow from Operating Activities - A</b>	<b>(2680141.94)</b>	<b>(11945084.01)</b>
<b>B. Cash flow from Investing Activities:</b>		
(Purchase)/Sale of Non-Current Investment (Net)	(166815.75)	8567336.76
Dividend Received	185957.64	551513.03
Interest Received	2471069.99	2877560.00
<b>Net Cash Flow from Investing Activities - B</b>	<b>2490211.88</b>	<b>11996409.79</b>
<b>C. Cash flow from Financing Activities:</b>		
Proceeds from issue of Share Capital	---	---
Increase in Share Premium	---	---
Finance Cost	---	---
<b>Net Cash Flow from Financing Activities - C</b>	<b>---</b>	<b>---</b>
 <b>Net Increase/(Decrease) in Cash &amp; Cash Equipments=A+B+C</b>	 <b>(189930.06)</b>	 <b>51325.78</b>
Cash & Cash Equivalents as at the beginning of the Period	332367.74	281041.96
Cash & Cash Equivalents as at the End of the period	<b>142437.68</b>	<b>332367.74</b>

- Notes: 1. Cash Flow Statements has been prepared under Indirect Method as set out in the Accounting Standard (AS)- 3 "Cash Flow Statements".
2. Cash & Cash Equivalents represent Cash & Bank Balances.
3. Previous Year Figures have been recast /restated wherever necessary.

As per our Report even date annexed

Place: Kolkata  
Date: 02/09/2021

**For MAROTI & CO.**  
**Chartered Accountants**

Anand Moushik  
DIN: 00112810  
(Dilip Kumar Maroti)  
Proprietor  
ICAI M. No. 55931  
FRN 322165E



UDIN: 21055931 AAAA EF6218  
*[Signature]*  
DIN: 01394710

# RAJSHREE TRACOM PRIVATE LIMITED

Notes forming part of the Financial Statement for the year ended 31st March,2021

## 1. Specific Accounting Policies :

1. The Financial Statement are prepared under the 'Historical Cost Convention' in accordance with applicable accounting standards.
2. Pursuant to the enactment of Companies Act, 2013 the company has applied the Estimated useful life as specified in schedule II of the companies Act,2013.

## 2. Share Capital

	2020-21	2019-20
	Amount	Amount
<b>Authorised</b>		
1300000 (P.Y. 1300000) Equity Shares of Rs. 10 each	13000000.00	13000000.00
<b>Issued, subscribed &amp; paid up</b>		
1247630 (P.Y.1247630) Equity shares of Rs.10 each fully paid	12476300.00	12476300.00
	12476300.00	12476300.00

### (a) Reconciliation of the Equity Shares

	Number of Share		Number of Share	
Shares outstanding at the beginning of the year	1247630	12476300	1247630	12476300
Shares issued during the year	---	---		
Shares outstanding at the end of the year	1247630	12476300	1247630	12476300

- (b) The Company has only one class of Shares having par value of equity share of Rs.10 per share. Each holder of equity shares is entitled to one vote per share

### (c) The Details of Shareholders holding more than 5% Shares :

	2020-21		2019 -20	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Smt. Archana Mundhra	207500	16.63	207500	16.63
Smt Radha Devi Mundhra	88000	7.05	88000	7.05
M/S Shree Dayal Chand Mundhra & sons (HUF)	328000	26.28	328000	26.28
Smt. Tara Mundhra	265230	21.26	265230	21.26
Pradeep Kumar Mundhra	244200	19.57	244200	19.57

## 3. Reserve & Surplus

<b>a. Share Premium</b>	6962010.00	6962010.00
	6962010.00	6962010.00
<b>b. Statutory Reserves (RBI)</b>		
Opening Balance	1088183.00	838183.00
Add: During the year	150000.00	250000.00
Closing Balance	1238183.00	1088183.00
<b>c. Surplus</b>		
Balance as per financial statement	4264586.47	3381101.07
Add: Profit for the Year	681885.62	1133485.40
Closing Balance	4946472.09	4514586.47
Less: Transfer to Statutory Reserve R.B.I.	150000.00	250000.00
	4796472.09	4264586.47
(a+b+c)	12996665.09	12314779.47



Contd....

# **RAJSHREE TRACOM PRIVATE LIMITED**

**Notes forming part of the Financial Statement for the year ended 31st March, 2021**

	<u>2020-21</u> <u>Amount</u>	<u>2019-20</u> <u>Amount</u>
<b>4. Other Current Liabilities</b>		
Payable For Expenses	976650.00	612000.00
	<u>976650.00</u>	<u>612000.00</u>
<b>5. Short Term Borrowings</b>		
<b>Unsecured</b>		
Minions Venture Pvt. Ltd.	47277.59	5936383.39
	<u>47277.59</u>	<u>5936383.39</u>
<b>6. Short Term Provisions</b>		
Contingent Provision on Standard Assets	51071.00	47085.00
Duties & Taxes	---	166153.71
Provision for Taxation	320000.00	125000.00
	<u>371071.00</u>	<u>338238.71</u>
<b>7. Trade Payable</b>		
Sundry Creditors	---	400707.60
	---	<u>400707.60</u>



Contd....

# RAJSHREE TRACOM PRIVATE LIMITED

Notes forming part of the Financial Statement for the year ended 31st March, 2021

**Note -8. Fixed Assets**  
(At Cost Less Depreciation)

	Gross Block		Accumulated Depreciation			Net Block	
	Balance as at 1st April 2020	Balance as at 31st March 2021	Balance as at 1st April 2020	Depreciation for the year	Balance as at 31st March 2021	Balance as at 31st March 2020	
	Amount (Rs)	Amount (Rs)	Amount (Rs)	Amount (Rs)	Amount (Rs)	Amount (Rs)	Amount (Rs)
Tangible Assets							
Computer	114978.00	114978.00	111549.00	----	111549.00	3429.00	3429.00
Total	114978.00	114978.00	111549.00	----	111549.00	3429.00	3429.00
Previous Year	114978.00	114978.00	111549.00	----	111549.00	3429.00	----



Contd.....



# RAJSHREE TRACOM PRIVATE LIMITED

Notes forming part of the Financial Statement for the year ended 31st March,2021

	2020-21		2019-20	
9. Non - Current Investments	Amount		Amount	
Non - Trade (At Cost, Long Term)				
(Refer Note No.- 26 )				
Name of Company	No. of Share/Units		No. of Share/Units	
<b>Investment in Mutual Funds (Quoted)</b>				
Aditya Birla Sun Life Low Duration	7353.751	3500000.00	7353.751	3500000.00
HDFC Prudence Fund		---	89834.601	2600000.00
HDFC Balanced Advantage Fund	11262.169	2500000.00	---	---
(Market value of quoted investment as on 31/03/2021 Rs. 6469847.60 as on 31/03/2020 Rs.5260630.65)		<u>6000000.00</u>		<u>6100000.00</u>
<b>10. Trade Receivable</b>				
Sundry Debtors		---		6615554.43
		---		<u>6615554.43</u>
<b>11. Cash and Cash Equivalents</b>				
Balances with Banks		141738.10		321629.16
Cash in Hand (As Certified)		699.58		10738.58
		<u>142437.68</u>		<u>332367.74</u>
<b>12. Short Term Loans and Advances</b>				
(Unsecured, Considered Good)				
<b>A. Loans</b>				
Aquaguard Plastics & Polymers (P) Ltd		---		215260.00
Gouri Shankar Mundhra		2912.00		152889.00
Climax Synthetics Pvt. Ltd.		18836000.00		17077903.00
Ascent Ploy Products, LLP		1589610.00		1387660.00
		<u>20428522.00</u>		<u>18833712.00</u>
<b>B. Advances</b>				
Advance Income Tax		---		100000.00
Tax Deducted at Sources		238936.00		80484.00
		<u>238936.00</u>		<u>180484.00</u>
	(A+B)	<u>20667458.00</u>		<u>19014196.00</u>
<b>13. Other Current Assets</b>				
Preliminary Expenses		---		13700.00
		---		<u>13700.00</u>

Contd...



# RAJSHREE TRACOM PRIVATE LIMITED

Notes forming part of the Financial Statement for the year ended 31st March, 2021

	2020-21	2019-20
	Amount	Amount
<b>14. Revenue from Operations</b>		
Profit on Sale of Investment	----	117336.76
Dividend Income(Including TDS Rs.14463/-)	185957.64	551513.03
Interest Received	2471069.99	2877560.00
(including TDS Rs. 224473/- Previous Year Rs.80484/-)		
	2657027.63	3546409.79
<b>15. Other Income</b>		
Misc Receipts	362145.23	525190.06
	362145.23	525190.06
<b>16. Employee Benefits Expense</b>		
Director Remuneration	960000.00	960000.00
	960000.00	960000.00
<b>17. Depreciation and Amortization Expenses</b>		
Preliminary Expenses(w/o)	13700.00	13700.00
	13700.00	13700.00
<b>18. Other Expenses</b>		
Telephone & Telex Charges	5298.00	5298.00
Trade License	2150.00	----
Bank Charges	----	37259.80
Service Charges	46500.00	30000.00
Professional Tax	2500.00	2500.00
Travelling & Conveyance	1220.00	15844.00
Audit fees	12000.00	12000.00
Repairing & Maintenance	7919.00	7020.00
General Expenses	4961.90	12758.00
Computer Maintenance	1000.00	1000.00
Consultancy Charges	40000.00	----
S.Tax, TOT & B.Note (Sales)	----	38.55
SIT Charges	23.00	50.00
Interest paid	135465.00	1661537.10
Filing Fees	1800.00	3000.00
Legal Charges	11500.00	11800.00
Loss in sale of Investment	266815.75	----
Other Expenses	----	10000.00
Processing Fees	559275.59	----
Printing & Stationery	2470.00	2894.00
Postage & Telegrams	2170.00	2032.00
Contingent Provision on Standard Assets	3986.00	24347.00
	1107054.24	1839378.45
<b>19. Earning per Share (EPS)</b>		
Profit (Loss) after Tax	Rs. 681885.62	1133485.40
Weighted average number of equity shares		
Outstanding during the year	Nos. 1247630	1247630
Nominal value of equity per share	Rs. 10	10
Basic/diluted earning per share (EPS)	Rs. 0.55	0.91

Contd...





**RAJSHREE TRACOM HOLDING PRIVATE LIMITED**  
**NOTES FORMING PART OF THE ACCOUNTS AS ON 31<sup>ST</sup> MARCH, 2021**

	<u>Amount Outstanding</u>
<b>2. Unquoted:</b>	
(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

**Long Term Investments:**

<b>1. Quoted:</b>		
(i) Shares (a) Equity		NIL
(b) Preference		NIL
(ii) Debentures and Bonds		NIL
(iii) Units of Mutual Funds		NIL
(iv) Government Securities		NIL
(v) Others (Please specify)		NIL
<b>2. Unquoted:</b>		
(i) Shares (a) Equity		NIL
(b) Preference		NIL
(ii) Debentures and Bonds		NIL
(iii) Units of Mutual Funds		60.00
(iv) Government Securities		NIL
(v) Others (Please specify)		NIL
<b>Total</b>		<b>60.00</b>

**6. Borrower group-wise classification of Assets  
 Financed as in (3) and (4) above**

Please see Note 2 below

Category	Amount net of provisions		Total
	Secured	Unsecured	
<b>1. Related Parties **</b>			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	187.92	187.92
<b>2. Other than related parties</b>	NIL	15.86	15.86
<b>Total</b>	NIL	203.78	203.78



Contd.....

**RAJSHREE TRACOM PRIVATE LIMITED**  
**NOTES FORMING PART OF THE ACCOUNTS AS ON 31<sup>ST</sup> MARCH, 21**

7. Investor group-wise classification of all Investments (current and long term) in Shares and securities (both quoted and unquoted):

Please see note 3 below.

<u>Category</u>	<u>Market Value/Break up Or Fair Value or NAV</u>	<u>Book Value (Net of Provision)</u>
1. Related Parties **		
(a) Subsidiaries	---	---
(b) Companies in the same group	NIL	NIL
(c) Other related parties (Unquoted)	---	---
2. Other than related parties	64.70	60.00
Total	64.70	60.00

\*\* As per Accounting Standard of ICAI (Please see Note 3)

8. Other Information:

<u>Particulars</u>	<u>Amount</u>
(i) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(ii) Net Non-performing Assets	
(a) Related Parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

Notes:

- As defined in Point xix of paragraph 3 of chapter - 2 of these Directions
- Provisioning norms shall be applicable as prescribed in these Directions.
- All Accounting Standard and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether are classified as long term or current in column (5) above.



## **RAJSHREE TRACOM PRIVATE LIMITED**

**Notes forming part of the Financial Statement for the  
year ended 31<sup>st</sup> March, 2021**

21. In the opinion of the Board, Current Assets, Loans & Advances are of the value stated if realised in the normal coursed business.
22. Balance due to Sundry creditors, Loans & Advances third parties are subject to confirmation, reconciliation and adjustment (if any).
  - i) The company has complied with prudential Norms as required by Non Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding), issued by Reserve Bank of India in respect of Assets classification, Income recognition, provision for bad & doubtful debts & accounting standards except otherwise stated if any. However the Company has to take membership of all CIC and to registration with CERSAI for CKYC as per applicable RBI Guidelines.
23. Depreciation has been provided as per rate prescribed in schedule xiv of the Companies Act, 1956 on Written Down Value Method till 31/03/2014 and thereafter the company has applied the estimated useful life of Fixed Assets as specified in Schedule II of Companies Act, 2013.
24. The Company has implemented Accounting Standard - 22 accounting For Taxes on income issued by ICAI during the year. In accordance With the Accounting Standard an amount of Rs.859/- (P.Y. 838/-) representing the net Deferred Tax Liability as on 31-03-2021 and accordingly Rs.21/- has been provided (P.Y. Rs.36/- Provided) in the Profit & Loss A/c.
25. Statutory Reserve U/S. 45-IC of RBI Act has been provided at least @ 20% of Profit after Tax. However in Current Financial Year 2020-21 provision has been made of Rs.150000/- in place of Rs.136378/- to meet the obligation of short fall of earlier year (if any) as per RBI guidelines.
26. The Company has complied the prudential Norms as required in terms of Non-Banking Financial Company - Non Systemically important Non-Deposit taking (Reserve Bank) Direction, 2016 issued by Reserve Bank of India in respect of Assets Classification, Income Recognition Provision for Bad & Doubtful Debt and accounting standard except otherwise stated if any.
27. Contingent Provision on Standard Assets have been made @.25% as Per RBI Guidelines.
28. Disclosures of related party transactions (as identified & Certified by the management):
  - a. As per Accounting Standard - 18 - 'Related party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below:
    - Key Management Personnel
    - i) Varun Mundhra (Director)
    - ii) Archana Mundhra (Director)



Contd...

# RAJSHREE TRACOM PRIVATE LIMITED

Notes forming part of the Financial Statement for the year ended 31<sup>st</sup> March, 2021

## b. Transaction with related parties during the year

Sl No	Name	Relationship	Nature of Transaction	Balance/ outstanding as on 31.3.2020 Receivable (Payable)	Balance/ outstanding as on 31.3.2020 Receivable (Payable)
1.	Varun Mundhra	Director	Director Remuneration Rs.480000/-	(480000/-)	120000/-
2.	Archana Mundhra	Director	Director Remuneration Rs.480000/-	(480000/-)	480000/-
4.	Ascent Poly Products LLP	Associate Company	Loan given Rs.300000/- Loan Refund Rs.282310/- Int.Received Rs.204733/-	1589610/-	1387660/-

c. In the opinion of the management all transactions entered into With related parties as defined under Companies Act, 2013 during the financial year were in an ordinary course of business and on an arms' length pricing basis and there were no materially significant transaction which were in conflict with the Interest of the company.

29. No Provision has been made of Rs.NIL/- (P.Y Rs.839370/-) for demuntion In value of Long Term investment in quoted shares as in the Opinion of the management the same are temporary in nature.
30. Management has determined that were no balances outstanding as at beginning of the year and no transactions entered with Micro, Small and medium Enterprises as defined under Micro, small and Medium Enterprises Development Act 2006, during the current year, based on the information available with the Company as at March 31, 2021.
31. The Company has reclassified/regrouped/rearranged the previous Year figures wherever considered necessary.

Place: - Kolkata

Date:- 02/09/2021

Signature to Schedule '1' to '31'



For MAROTI & CO.  
Chartered Accountants  
Archana mundhra  
DIN: 00112819  
(Dilip Kumar Maroti)  
Proprietor  
ICAI No. 559  
FRN 3221  
DIN: 01394710  
UDIN: 21055931AAAAEF6218

RL/KEFIRL/320218/NCD/0523/61800/151411712  
May 31, 2023



**Ms. Padmaja Gangireddy**  
Chief Executive Officer  
**Keertana Finserv Private Limited**  
Plot no. 31 & 32, Ramky Selenium Towers, Tower A, 2nd floor,  
Financial district, Nanakramguda,  
Ranga Reddy - 500032  
9985962895

Dear Ms. Padmaja Gangireddy,

**Re: CRISIL Rating on the Rs.100 Crore Non Convertible Debentures of Keertana Finserv Private Limited**

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL BBB/Stable (pronounced as CRISIL triple B rating with Stable outlook) rating to the captioned Debt instrument. Securities with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such securities carry moderate credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit [www.crisilratings.com](http://www.crisilratings.com) and search with the name of the rated entity to access the latest rating/s.

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Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Prashant Pratap Mane  
Associate Director - CRISIL Ratings



Nivedita Shibu  
Associate Director - CRISIL Ratings



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**CRISIL Ratings Limited**

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Corporate Identity Number: U67100MH2019PLC326247



**Details of the Rs.100 Crore Non Convertible Debentures of  
Keertana Finserv Private Limited**

	<i>1st tranche</i>		<i>2nd tranche</i>		<i>3rd tranche</i>	
<i>Instrument Series:</i>						
<i>Amount Placed:</i>						
<i>Maturity Period:</i>						
<i>Put or Call Options (if any):</i>						
<i>Coupon Rate:</i>						
<i>Interest Payment Dates:</i>						
<i>Principal Repayment Details:</i>	Date	Amount	Date	Amount	Date	Amount
<i>Investors:</i>						
<i>Trustees:</i>						

***In case there is an offer document for the captioned Debt issue, please send us a copy of it.***

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**CRISIL Ratings Limited**

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Corporate Identity Number: U67100MH2019PLC326247



## Rating Rationale

May 31, 2023 | Mumbai

### Keertana Finserv Private Limited

'CRISIL BBB/Stable' assigned to Non Convertible Debentures

#### Rating Action

<b>Total Bank Loan Facilities Rated</b>	<b>Rs.500 Crore</b>
<b>Long Term Rating</b>	<b>CRISIL BBB/Stable (Reaffirmed)</b>

<b>Rs.100 Crore Non Convertible Debentures</b>	<b>CRISIL BBB/Stable (Assigned)</b>
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*Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

*1 crore = 10 million*

*Refer to Annexure for Details of Instruments & Bank Facilities*

#### Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL BBB/Stable**' rating to Rs 100 crore Non Convertible Debenture of Keertana Finserv Private Limited (Keertana). The rating on the bank loan facilities has been reaffirmed at '**CRISIL BBB/Stable**'. The rating factors in the company's adequate capitalisation profile and the extensive experience of the promoter in the financial services industry. These strengths are partially offset by nascent operations with concentration in portfolio and moderate earnings profile.

The company has adequate capitalisation with networth of Rs 174 crore as of March 31, 2023 and the comfortable gearing of 2.9 times. During fiscal 2023, promoters and their family has infused Rs 150 crore. On steady-state basis, the company plans to maintain gearing at around 4 times. In last one year, company has successfully mobilised borrowings from Banks and other NBFCs and it stood at Rs 522.6 crore as on April 30, 2023.

The business operations are nascent with company reporting an AUM growth of 203% in fiscal 2023 at Rs 609 crore as of March 2023 as compared to Rs 201 crore as of March 2022. The portfolio comprises a wide range of asset classes including gold loans (61%), group loans (24%) and business loans and LAP (15%). Currently the secured portion accounts for 66% of the overall portfolio. Further, they are concentrated with 95% of the portfolio in Andhra Pradesh. Company is planning expand its microfinance portfolio along with gold loan portfolio in fiscal 2024. CRISIL Ratings understands that the company is in the process of applying for NBFC-MFI licence to RBI for a new entity as its subsidiary in order to expand their microfinance portfolio. The company intends to focus on growth in Andhra Pradesh and Telangana over the next two years along with gradual growth in the neighbouring states – Tamil Nadu, Karnataka and Odisha. As on April 30, 2023, company has 199 operational branches while around 50 more branches are in final stages of being operationalised.

The company has aggressive plans to grow the loan book to Rs 1500 crore by March 2024. This will necessitate raising additional equity capital to maintain steady-state gearing levels. CRISIL Ratings believes that the promoters have the resources and financial flexibility to fund the same comfortably as evidenced by the unsecured loans infused during initial months of operations. Further, there is flexibility from the 14.66% stake in Spandana Sphoorty Financial Ltd (SSFL) held by Ms. Padmaja Reddy and family which was worth around Rs 700 crore (as per market price on May 29, 2023).

#### Analytical Approach

CRISIL Ratings has evaluated the standalone business and financial risk profile of Keertana Finserv Private Limited.

#### Key Rating Drivers & Detailed Description

##### Strengths:

##### Adequate capitalisation

Keertana's capital position is adequate in relations to the scale of operations. As of March 31, 2023, the company has networth of Rs 174.3 crore and comfortable gearing at 2.9 times. Post-acquisition of the company in March 2022, the promoters, and their family has infused Rs 150 crore. While the current gearing is low, it is expected to increase going forward as the company is targeting an AUM of Rs 1500 crore by March 2024. This will necessitate raising additional equity capital to maintain steady-state gearing levels. CRISIL Ratings believes that the promoters have the resources and financial flexibility to fund the same comfortably as evidenced by the unsecured loans infused during initial months of operations. Further, there is flexibility from the 14.66% stake in Spandana Sphoorty Financial Ltd (SSFL) held by Ms. Padmaja Reddy and family which was worth around Rs 700 crore (as per market price on May 29, 2023) which can be infused in Keertana. Consequently, CRISIL Ratings believes that Keertana will remain adequately capitalised with gearing remaining below 4 times on steady state basis.

##### Extensive experience of the promoters and the management team

Keertana is promoted by Ms. Padmaja Reddy who has over 24 years of experience in social development and financial services industry. The promoter founded SSFL in 1998 which has grown to be the second largest NBFC-MFI (non-banking financial company/microfinance institution) in the country based on microfinance loan portfolio and the third-largest in terms of consolidated AUM (including non-microfinance loan portfolio). Besides the promoter's robust understanding of financial product requirements for the customers in the microfinance space, the company also benefits from the management team which comprises professionals with experience of over a decade in the gold loan field. The leadership team has rich knowledge of the geographies- Andhra Pradesh and Telangana where the company is current present and planning to expand its portfolio.

### **Weakness**

#### **Nascent operations with concentrated portfolio**

As of March 31, 2023, the AUM stood at Rs 609 crore as compared to Rs 201 crore as on March 31, 2022. The asset under management comprises a wide range of asset classes including gold loans (61%), group loans (24%) and business loans and LAP (15%). Currently the secured portion accounts for 66% of the overall portfolio. Over the medium term, the company is planning to expand in microfinance space along with gold loan and MSME. CRISIL Ratings understands that the company has applied for NBFC-MFI licence to RBI for a new entity as its subsidiary in order to expand their microfinance portfolio. The business operations are nascent having commenced in October 2021 under Spandana Mutual Benefit Trust (SMBT). Further, they are concentrated with 95% of the portfolio in Andhra Pradesh. The company intends to continue its focus on expansion in Andhra Pradesh and Telangana region over the next two years while growing gradually in neighbouring states – Tamil Nadu and Karnataka. Gold loan business typically faces higher operational risks linked to staff fraud, loan-to-value (LTV) impact due to gold price fluctuations and timely auctions. Keertana has limited vintage of operations and hence the company's ability to tackle these potential risks will only be evidenced with scale up of operations over a period of time.

#### **Moderate but improving earning profile**

In terms of profitability, Keertana has shown month on month improvement in the profitability with full year Profit after tax of Rs 21.4 crore in fiscal 2023 and return on managed assets of 6.2%. CRISIL Ratings notes that this was supported by lower borrowings during the initial months with the loan book being largely networth funded. Nevertheless, the gold loan business inherently benefits from higher interest spreads and lower credit costs. The asset side risk is comparatively low given the segment is secured by gold which is liquid and is in the lender's possession and can be auctioned quickly. As the company's operations have limited vintage, track record of timely auctions and limiting credit costs remains to be seen. Additionally, with the revised regulatory framework (de-regulation of net interest margin) in microfinance, company is expected to report higher margins in microfinance portfolio which will improve the profitability further.

As the company is in the growth phase, operating expenses remained high and stood at 7.5% (as a % of managed assets) in fiscal 2023. The operating expenses are expected to remain high as the company focuses on increasing their branch network during the initial 1-2 years. Going forward, Keertana ability to scale up its portfolio while improving profitability and maintaining asset quality will remain key monitorable.

#### **Liquidity: Adequate**

Keertana's asset-liability maturity profile was comfortable as on April 30, 2023, with positive mismatches across buckets up to 1 year. As on May 01, 2023, the company had liquidity of Rs 44.6 crore (including cash and cash equivalent and cash credit and working capital loan). Against this, total debt obligation (including operating expense) was around Rs 38.2 crore until May 2023 and Rs 78.1 crore until June 2023. This represents liquidity cover (assuming 90% collections) of 1.1 times for next two months. Liquidity is further supported by commitment of support by promoters at the time of exigency.

#### **Outlook: Stable**

CRISIL Ratings believes Keertana will remain adequately capitalized over the medium term with timely support from promoters.

#### **Rating Sensitivity factors**

##### **Upward factors**

- Increase in scale of operations while maintaining steady-state gearing at below 4 times
- Increase in earnings leading to improvement in return on managed assets over 2.5% on a sustainable basis
- Track record of raising external borrowings

##### **Downward factors**

- Moderation in capitalisation metrics with a significant increase in gearing beyond 5 times while scaling up the portfolio.
- Any adverse movement in operating or credit costs and its consequent impact on earnings profile

#### **About the Company**

Keertana Finserv Private Limited (formerly known as Rajshree Tracom Private Limited) ("Keertana") was incorporated as a private limited company in 1996 in Calcutta. The company remained a closely held company for twenty years till it was acquired and renamed by Ms. Padmaja Reddy with her friends and family in March 2022. The company acquired gold loans business from Spandana Mutual Benefit Trust (SMBT) and MSME business from Spandana Rural and Urban development Organisation (SRUDO).

The company largely focuses on gold loans and MSME loans targeting the low income and middle-income households in rural areas. As of April 30, 2023, company has 242 branches spread across 35 districts. 199 Branches are active and the remaining 43 Branches have branch furnishing work in progress. The company has an outstanding AUM of Rs 660 crore with gold loans accounting for 61% of the portfolio.

#### **Key Financial Indicators**

	Unit	Mar-2023	Mar-2022	Mar-2021	Mar-2020
Total managed assets	Rs crore	694	2.8	2.7	3.2

<b>Total income</b>	<b>Rs crore</b>	<b>95.2</b>	<b>0.3</b>	<b>0.3</b>	<b>0.4</b>
<b>PAT</b>	<b>Rs crore</b>	<b>21.4</b>	<b>0.2</b>	<b>0.06</b>	<b>0.11</b>
<b>Return on managed assets</b>	<b>%</b>	<b>6.2</b>	<b>6.9</b>	<b>2.0</b>	<b>3.9</b>
<b>GNPA (90+ dpd)</b>	<b>%</b>	<b>0.01</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Adjusted gearing (including off-book)</b>	<b>Times</b>	<b>2.9</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Any other information:** Not applicable

**Note on complexity levels of the rated instrument:**

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

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**Annexure - Details of Instrument(s)**

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity level	Rating assigned with outlook
NA	Non convertible Debenture^	NA	NA	NA	100	Simple	CRISIL BBB/Stable
NA	Long Term Bank Facility	NA	NA	NA	140.02	NA	CRISIL BBB/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	359.98	NA	CRISIL BBB/Stable

*^Yet to be issued*

**Annexure - Rating History for last 3 Years**

Instrument	Current			2023 (History)		2022		2021		2020		Start of 2020
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	500.0	CRISIL BBB/Stable	12-04-23	CRISIL BBB/Stable	08-09-22	CRISIL BBB/Stable	--	--	--	--	--
				23-01-23	CRISIL BBB/Stable	--	--	--	--	--		
Non Convertible Debentures	LT	100.0	CRISIL BBB/Stable	--	--	--	--	--	--	--	--	--

*All amounts are in Rs.Cr.*

**Annexure - Details of Bank Lenders & Facilities**

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Long Term Bank Facility	10	Kotak Mahindra Bank Limited	CRISIL BBB/Stable
Long Term Bank Facility	17.02	ESAF Small Finance Bank Limited	CRISIL BBB/Stable
Long Term Bank Facility	22.72	IndusInd Bank Limited	CRISIL BBB/Stable
Long Term Bank Facility	8.41	Suryoday Small Finance Bank Limited	CRISIL BBB/Stable
Long Term Bank Facility	61.87	IDFC FIRST Bank Limited	CRISIL BBB/Stable
Long Term Bank Facility	20	Kotak Mahindra Bank Limited	CRISIL BBB/Stable
Proposed Long Term Bank Loan Facility	359.98	Not Applicable	CRISIL BBB/Stable

*This Annexure has been updated on 31-May-2023 in line with the lender-wise facility details as on 08-Sep-2022 received from the rated entity*

**Criteria Details**

<b>Links to related criteria</b>
<a href="#">Rating Criteria for Finance Companies</a>
<a href="#">CRISILs Bank Loan Ratings - process, scale and default recognition</a>

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CL/DEB/23-24/177

Date : 18-May-2023

To,  
Siddharth Mehta,  
Keertana Finserv Private Limited,  
Ramky Selenium Towers 2nd Floor,  
Plot No 31 Part & 32 Financial District,  
Hyderabad,  
Telangana,  
India 500032.

Dear Sir/ Madam,

**Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 24.00 Crores**

We refer to your letter dated 18.05.2023 , requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI ( Debenture Trustee ) Regulations, 1993, SEBI ( Issue and Listing of Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.

Thanking you.

Yours faithfully,



Name : Milind Shah

Designation : Manager



**Annexure A**

**Fee Structure for transaction CL/DEB/23-24/177**

<b>PARTICULARS</b>	<b>AMOUNT / PERCENTAGE</b>
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 100000.00000
Annual Trusteeship Fees(Amount/Percentage)	₹ 100000.00000

Annual Trusteeship Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable.

The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

We accept the above terms.

For Catalyst Trusteeship Limited

For Keertana Finserv Private Limited



Name : Milind Shah

Designation : Manager



Name : Siddhath Mehta

Designation : CS





**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF KEERTANA FINSERV PRIVATE LIMITED (FORMERLY KNOWN AS RAJSHREE TRACOM PRIVATE LIMITED) HELD ON 17<sup>th</sup> DAY OF MAY, 2023 AT 08:00 PM THROUGH PHYSICAL AND AUDIO-VISUAL ELECTRONIC COMMUNICATION MEANS ("AVEC")**

**ITEM # 4: APPROVAL FOR ISSUANCE OF RATED, LISTED, SENIOR, SECURED, REDEEMABLE, TAXABLE NON-CONVERTIBLE DEBENTURES (NCD'S) FOR RS. 24 CRORES**

The Board was appraised regarding the Term Sheet received from Oxy Ventures Private Limited for issuing rated, listed, senior, secured, redeemable, taxable Non-Convertible Debentures (NCD's) for Rs. 24 Crores.

The Board discussed the same and passed the following resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 42, 179 (3) (c) and 71 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under including provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Debt Securities) Regulations, 2021 and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, the consent of board of directors be and is hereby accorded to create, offer and issue 2,400 (Two Thousand Four Hundred Only) fully paid, senior, secured, rated, listed, taxable, redeemable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 24,00,00,000/- (Indian Rupees Twenty Four Crores only) ("**Debentures**") on private placement basis to the persons identified by the Board from time to time on such terms and conditions as may be decided by the Board of Directors.

**RESOLVED FURTHER THAT** Ms. Padmaja Gangireddy, Managing Director, Mr. Siddharth Mehta, Company Secretary, Mr. Mohith Vaddi, Manager Finance, Mr. Manikanta Chakilam, Manager Finance of the Company ("**Authorised Persons**") be and are hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be deemed necessary, desirable, proper or expedient to give effect to the aforesaid Resolution and to finalize, and execute all such documents, deeds, applications, statements, undertakings, writings as may be necessary incidental thereto.

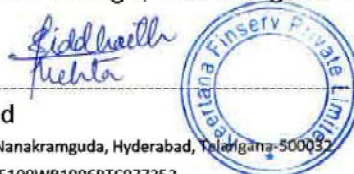
**"RESOLVED FURTHER THAT the Authorised Persons** be and are hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures, including, without limitation the following:

- a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures;
- b) executing the term sheet in relation to the Debentures;
- c) negotiating, approving and deciding the terms of the issue of Debentures and all other related matters;
- d) seeking the listing of any of the Debentures on any Stock Exchange, submitting the listing

Keertana Finserv Private Limited

Administrative Office: Plot No. 31 & 32, Ramky Selenium Towers, Tower A, Financial District, Nanakramguda, Hyderabad, Telangana-500032

Contact Number: 040 4878 7000, E-mail ID: [secretarial@kf.in](mailto:secretarial@kf.in), CIN:U65100WB1996PTC077252



application and taking all actions that may be necessary in connection with obtaining such listing;

- e) approving the debt disclosure document/information memorandum and the private placement offer cum application letter (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- f) finalising the terms and conditions of the appointment of an arranger, a debenture trustee, a registrar and transfer agent, a credit rating agency, legal counsel, a depository and such other intermediaries as may be required including their successors and their agents;
- g) finalising the terms of the the issue, offer and allotment of the Debentures;
- h) entering into arrangements with the depository in connection with issue of Debentures in dematerialised form;
- i) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the debenture trust deed, debenture trustee agreement, deed of hypothecation, power of attorney and any other documents required for the creation of security interest over the Company's movable properties and assets or the issue, offer and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto (collectively, the "**Transaction Documents**") including the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):
- j) creating and perfecting the Security/Collateral as required in accordance with the terms of the Transaction Documents in relation to the issue, offer and allotment of the Debentures;
- k) review, modify, negotiate, finalise the debt disclosure document/information memorandum and private placement offer cum application letter for the issue, offer and allotment of the Debentures (collectively, the "**Disclosure Documents**");
- l) negotiate, execute, file and deliver any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures and deal with regulatory authorities in connection with the issue, offer and allotment of the Debentures including but not limited to the RBI, SEBI (if so required), any Stock Exchange, the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, the relevant sub-registrar of assurances (if so required), or any depository, and such other authorities as may be required;
- m) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;
- n) take all such actions as for setting up of recovery expense fund/debenture redemption

*Siddhant  
Mehta*



reserve;

- o) any other documents required for the purposes of the issue, offer and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and
- p) any other document designated as a Transaction Document by the debenture trustee/ holders of the Debentures;
- q) to delegate necessary powers to the management committee for documentation, modification or any other necessary action for the purpose of issuing, allotting and listing of NCD's
- r) do all acts necessary for the issue, offer and allotment of the Debentures in accordance with the terms set out in the Disclosure Documents and the Transaction Documents; and
- s) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to (a) to (q) above, and to give such directions as it deems fit or as may be necessary or desirable with regard to the issue, offer and allotment of the Debentures."

**RESOLVED FURTHER THAT** any director of the company be and is hereby authorized to sign and file e-form PAS-3, MGT-14, CHG-9 or any other applicable form with the Registrar of Companies/ Ministry of Corporate Affairs and to apply for ISIN for issue of debentures in Dematerialised format and to do all necessary things, deeds as may be necessary in this regard.

**RESOLVED FURTHER THAT** any of the Director or any of the authorised signatory mentioned above are hereby authorised to do such acts, deeds, things, obtain such approvals and sign such documents as may be necessary for listing of NCD's in stock exchanges.

//Certified True Copy//

**For Keertana Finserv Private Limited**

Siddharth Mehta

For KEERTANA FINSERV PRIVATE LIMITED



*Siddharth Mehta*

Company Secretary Secretary

M. No: 67806



**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE 28<sup>TH</sup> ANNUAL GENERAL MEETING OF KEERTANA FINSERV PRIVATE LIMITED (FORMERLY KNOWN AS RAJSHREE TRACOM PRIVATE LIMITED) HELD ON 19<sup>TH</sup> DAY OF MAY, 2023 AT 02:00 PM THROUGH PHYSICAL AND AUDIO-VISUAL ELECTRONIC COMMUNICATION MEANS ("AVEC")**

**SPECIAL BUSINESS:**

**ITEM NO. 5: APPROVAL FOR ISSUANCE OF RATED, LISTED, SENIOR, SECURED, REDEEMABLE, TAXABLE NON-CONVERTIBLE DEBENTURES (NCD'S) FOR Rs. 24 CRORES:**

**RESOLVED THAT** pursuant to the provisions of Section 42, 179 (3) (c) and 71 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under including provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Debt Securities) Regulations, 2021 and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, approval of Members be and is hereby accorded to the Board of Directors to create, offer and issue 2,400 (Two Thousand Four Hundred Only) fully paid, senior, secured, rated, listed, taxable, redeemable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 24,00,00,000/- (Indian Rupees Twenty Four Crores only) ("**Debentures**"), the Debentures shall be issued at discount as agreed by the Board on private placement basis to the persons identified by the Board from time to time on such terms and conditions as may be decided by the Board of Directors.

**RESOLVED FURTHER THAT** Ms. Padmaja Gangireddy, Managing Director, Mr. Siddharth Mehta, Company Secretary, Mr. Mohith Vaddi, Manager Finance, Mr. Manikanta Chakilam, Manager Finance of the Company ("**Authorised Persons**") be and are hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be deemed necessary, desirable, proper or expedient to give effect to the aforesaid Resolution and to finalize, and execute all such documents, deeds, applications, statements, undertakings, writings as may be necessary incidental thereto

**//Certified True Copy//**

**For Keertana Finserv Private Limited**

Siddharth Mehta

Company Secretary  
M. No: 67806





**CERTIFIED TRUE COPY OF EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY HELD ON FRIDAY, THE 19<sup>th</sup> DAY OF MAY, 2023 AT 02:00 PM PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 THROUGH PHYSICAL AND AUDIO-VISUAL ELECTRONIC COMMUNICATION MEANS ("AVEC")**

**Item No.5**

Members are requested to note that considering the business plan and growth of the Company and to enable the Company to raise funds by way of issuance of NCDs from Oxy ventures Private Limited, the Board of Directors of the Company ("Board"), subject to the approval of the Members of the Company, accorded their approval to issue rated, listed, senior, secured, redeemable, taxable non-convertible debentures (NCD's) for Rs. 24 Crores ("**Debentures**").

Further, the disclosure required under Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, is as below:

**a) particulars of the offer including date of passing of Board resolution:**

The Company proposes to raise listed, senior, secured, transferrable, non-convertible debentures from time to time, on private placement basis, subject to the overall borrowing limits of Rs. 1200 Crore. The resolution for the proposed issue of NCDs / Bonds is passed by the Board at its meeting held on 17<sup>th</sup> May 2023.

**b) kinds of securities offered and the price at which security is being offered:**

It is proposed to issue Non-convertible Debenture or Bonds on such terms and conditions as per the agreed term sheet but subject to the overall limits of Rs. 1200 Crore, as the Board may deem fit. The issue of NCDs / Bonds shall be made at par/discount/premium.

**c) basis or justification for the price (including premium, if any) at which the offer or invitation is being made:**

The issue of Non-convertible Debenture or Bonds shall be made at par/premium/discount as per the agreed term sheet.

**d) name and address of valuer who performed valuation:**

Since the proposed issue is for NCDs the valuation is not applicable.

**e) amount which the company intends to raise by way of such securities:**

The Company shall make issue of NCDs / Bonds such that the aggregate borrowing of the Company through issue of NCDs / Bonds shall not exceed Rs. 1200 Crore.

**f) material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities:**

The Board / Committee is authorised to determine and approve by way of Resolution, the terms and conditions of the NCDs/Bonds to be issued (secured/unsecured/structured/unstructured) including the class of investors to whom the NCDs are to be issued, the pricing of the issue, offer document and/or other papers and document(s) and the terms thereof and to approve all other matters relating to the issue including but not limited to appointment of intermediaries / consultants, timing, tranches of issue, mode of issuance of the NCDs, creation of debenture redemption reserve, if applicable, tenor, security, objects of issue and including without limitation, the utilization of the issue proceeds.

Further, the Board of Directors or Authorised Persons are authorised to undertake all acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, proper

Keertana Finserv Private Limited

Administrative Office: Plot No. 31 & 32, Ramky Selenium Towers, Tower A, Financial District, Nanakramguda, Hyderabad, Telangana-500033

Contact Number: 040 4878 7000, E-mail ID: [secretarial@kfin.co](mailto:secretarial@kfin.co), CIN:U65100WB1996PTC077252

*Siddhant Mehta*





or desirable, in respect of issuance of NCDs under private placement including but not limited to determine the terms and conditions of the NCDs to be issued, number of NCDs to be issued, issue price, face value, issue size, coupon, tenor, objects of the issue, etc.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution, except to the extent of the NCDs that may be subscribed by any entity in which any of the Directors or Key Managerial Personnel of the Company or their relatives may be concerned or interested in any capacity.

**//Certified True Copy//**  
**For Keertana Finserv Private Limited**  
Siddharth Mehta

Company Secretary  
M. No: 67806





CTL/ 23-24/00969

(Annexure II A)

**DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM  
(Applicable for Secured and Unsecured Issuances)**

To,  
The Manager,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai- 400001.  
Dear Sir / Madam,

**SUB.: ISSUE OF 2400 (TWO THOUSAND FOUR HUNDRED ONLY) SENIOR SECURED, RATED, LISTED, REDEEMABLE, TAXABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE INR 1,00,000/- (RUPEES ONE LAKH ONLY) EACH AGGREGATING TO RS. 24,00,00,000/- (RUPEES TWENTY-FOUR CRORES ONLY) BY KEERTHANA FINSERV PRIVATE LIMITED ON PRIVATE PLACEMENT BASIS.**

We, the debenture trustee(s) to the above-mentioned forthcoming Issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

- a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.
- b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
- c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.
- d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
- e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.



- f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.
  
- g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

**Place: Mumbai**

**Date: June 01, 2023**

**For Catalyst Trusteeship Limited**

For CATALYST TRUSTEESHIP LIMITED



*Kalyani Pandey*  
Authorised Signatory

**Ms. Kalyani Pandey**  
**Compliance Officer**



**ANNEXURE VII: UNDERTAKING PURSUANT TO REGULATION 43 (2) OF THE SEBI NCS REGULATIONS**

**Undertaking on Creation of Security**

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances. The Issuer further undertakes that the charge proposed to be created is a first ranking exclusive charge and therefore no permission or consent to create a second or pari-passu charge on the assets of the Issuer is required to be obtained from any creditor (whether or not existing) of the Issuer.

**For Keertana Finserv Private Limited**

---

Authorised Signatory

Name: Mrs. Padmaja Gangireddy

Title: Managing Director

Date: June 2023.

## DEBENTURE TRUSTEE AGREEMENT

This debenture trustee agreement ("**Agreement**") is made at \_\_\_\_\_ on 01<sup>st</sup> June 2023, by and between:

**KEERTANA FINSERV PRIVATE LIMITED** (Formerly known as Rajshree Tracom Private Limited)

a private limited company incorporated under the Companies Act, 1956 and registered as a non-banking financial company with the Reserve Bank of India, having its registered office at Plot No. 31 & 32, 2nd Floor, Ramky Selenium Towers, Tower - A, Financial District, Nanakaramguda, Hyderabad, Telangana - 500032 (hereinafter referred to as the "**Company**", which expression shall, unless repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns) of the **ONE PART**

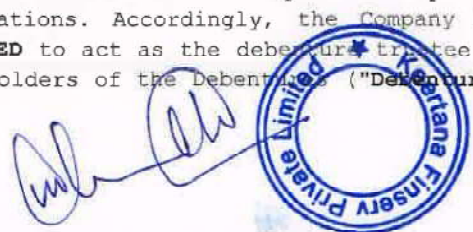
AND

**CATALYST TRUSTEESHIP LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and having its registered office at GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038 and branch office at Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra and office at Plot No.5A, Bharathiyar Street, Karpagambal Nagar, Madhanandapuram, Chennai - 600125, Tamil Nadu (hereinafter referred to as the "**Debenture Trustee**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) **THE OTHER PART**.

(The Company and the Debenture Trustee are hereinafter collectively referred to as the "**Parties**" and individually as a "**Party**")

### BACKGROUND:

- A. The Company is duly empowered by its memorandum of association and its articles of association, and proposes to allot and issue the Debentures pursuant to the authority granted to it pursuant to the special resolution dated 19<sup>th</sup> May 2023 of the shareholders of the Company under Section 42 of the Companies Act, the special resolutions, each dated 19<sup>th</sup> May 2023 of the shareholders of the Company under Sections 180(1)(c) and 180(1)(a) of the Companies Act, and the resolution dated 17<sup>th</sup> May 2023 of the board of directors of the Company. The Company proposes to issue 2,400 senior, secured, unsubordinated, rated, listed, transferable, redeemable, d, non-convertible debentures each having a face value of INR 1,00,000 (Indian Rupees One Lakh Only) aggregating to INR 24,00,00,000 (Rupees Twenty Four Crores Only) ("**Debentures**") on a private placement basis in accordance with the provisions of the Companies Act, 2013, Securities Exchange Board of India (Debenture Trustees) Regulations, 1993 ("**Debenture Trustee Regulations**"), as amended from time to time. The Debentures may be listed on the wholesale debt market segment of the Bombay Stock Exchange in accordance with the Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**NCS Listing Regulations**"), as amended from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- B. Pursuant to the Companies Act 2013, the Company is required to appoint a debenture trustee for the benefit of the debenture holders and the debenture trustee shall act as per the provisions of the Debenture Trustee Regulations. Accordingly, the Company has approached **CATALYST TRUSTEESHIP LIMITED** to act as the debenture trustee on behalf of and for the benefit of the holders of the Debentures ("**Debenture Holders**") and **CATALYST TRUSTEESHIP**



LIMITED has agreed to act as the debenture trustee for the benefit of Debenture Holders, on the terms and conditions agreed upon and hereinafter set out. The Debenture Trustee is registered with the Securities Exchange Board of India ("SEBI") as debenture trustee under the Debenture Trustee Regulations.

- C. The detailed terms and conditions in relation to the rights, duties and obligations of the Debenture Trustee and the terms and conditions of the Debentures, shall be more specifically set out in the debenture trust deed ("Deed") to be entered into by the Company and the Debenture Trustee and the offer letter/information memorandum to be issued by the Company and circulated to potential investors ("Information Memorandum").
- D. The Parties have agreed to enter into this Agreement to record the terms of appointment of the Debenture Trustee.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

**OPERATIVE TERMS:**

**1. DEFINITIONS**

Unless otherwise defined herein, capitalised terms defined and references construed in the Deed shall have the same meaning and construction when used in this Agreement. In this Agreement, the following terms have the following meanings:

"Debenture Holders" has the meaning ascribed to it in Recital B above;

"Deed" has the meaning ascribed to it in Recital C above;

"Debenture Trustee Regulations" has the meaning ascribed to it in Recital A above;

"Debentures" has the meaning ascribed to it in Recital A above;

"Information Memorandum" has the meaning ascribed to it in Recital C above;  
and

"NCS Listing Regulations" has the meaning ascribed to it in Recital A above;

"SEBI" has the meaning ascribed to it in Recital B above.

**2. APPOINTMENT OF TRUSTEE, ROLES AND RESPONSIBILITIES**

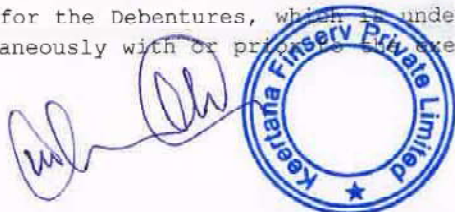
- a. The Company hereby appoints **CATALYST TRUSTEESHIP LIMITED** as the debenture trustee on behalf of and for the benefit of the Debenture Holders for the Debentures to be issued by the Company and the Debenture Trustee hereby agrees to act as debenture trustee for the benefit of the Debenture Holders vide their Consent letter dated 18<sup>th</sup> May 2023. The Company shall pay to the Debenture Trustee so long as they hold the office of the Debenture Trustee, remuneration for their services in accordance with the fee letter bearing ref no: CL/DEB/23-24/177 dated 18<sup>th</sup> May 2023 in addition to all legal, traveling and other costs, charges and expenses (with prior intimation to the Company) which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Deed.



Arrears of instalments of annual service charges, if any, shall carry interest at 16% (sixteen percent) per annum.

- b. The Company agrees and undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, the Companies Act, 2013, the Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**NCS Listing Regulations**"), as amended from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and guidelines of other regulatory authorities as may be applicable from time to time in respect of issuance and allotment of Debentures till redemption and agrees to furnish to the Debenture Trustee such information in terms of the same on regular basis and as may be requested by the Debenture Trustee.
- c. The Company shall create first ranking exclusive charge over the Hypothecated Assets by entered into a Deed of Hypothecation prior to the Deemed Date of Allotment.
- d. Further, the Company shall execute the Debenture Trust deed prior to making an application for the listing of the Debentures and in any event within 3 (Three) Business Days from the date of closure of the Issue, in Form SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014 or as near thereto as possible in favour of the Debenture Trustees within a period of four days from the deemed date of allotment of the issue in terms of clause 18(5) of The Companies (Share Capital and Debentures) Rules, 2014. Such trust deed shall consist of two parts:
  - a. Part A containing statutory/standard information pertaining to the debt issue;
  - b. Part B containing details specific to the particular debt issue.
- e. If the Company fails to execute the Debenture Trust Deed within the period specified, without prejudice to any liability arising on account of violation of the provisions of the Companies Act 2013, the Debt Listing Regulations, the Company shall also pay interest of at least 2% (two percent) per annum or such other rate, as specified by the SEBI to the Debenture Holders, over and above the agreed coupon rate of the Debentures (under the Placement/Information Memorandum), till the execution of the Debenture Trust Deed.
- f. The Company shall on or prior to the date of execution of Debenture Trust Deed, provide to the Debenture Trustee, the bank account details from which the Company proposes to make the payment of Debenture Outstandings. Further, the Company hereby undertakes that it shall preauthorize the Debenture Trustee to obtain information in respect of the payment of such Debenture Outstandings from the relevant bank.
- g. **Documents required to be submitted prior to or simultaneously with execution of this Agreement:**

The terms of this Agreement shall be effective only upon the submission by the Company of the requisite information and documents to the satisfaction of the Debenture Trustee for carrying out the requisite due diligence as required in terms of the Applicable Laws including in connection with verification of the security / contractual comforts and the required asset cover for the Debentures, which is undertaken by the Company to be submitted simultaneously with or prior to the execution of this Agreement. The Company



shall provide information and documents to the extent applicable as set out in **Annexure A** hereto.

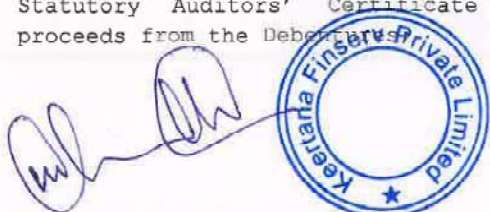
**h. Terms of carrying out due diligence:**

- i. The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets (if applicable) and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Disclosure Document and the Relevant Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical expert /management consultants appointed by the Debenture Trustee. Prior to appointment of any agents /advisors/consultants, the Debenture Trustee shall obtain necessary confirmation from the said agents/ advisors/ consultants that they do not have any conflict-of-interest in conducting the diligence under the transaction;
  - ii. The Company shall provide all assistance to the Debenture Trustee to enable verification of the assets for securing the Debentures as are registered / disclosed;
  - iii. Further, in the event that existing charge holders, the trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any;
  - iv. The Company shall ensure that it provides and help to procure all information, representations, confirmations and disclosures as may be required by the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Relevant Laws; and
  - v. All costs, charges, fees and expenses that are associated with and incurred, towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.
  - vi. In the instance of change / addition of security for the present issuance, Debenture Trustee shall ensure that the guidelines for due diligence which were prescribed for the primary security apply similarly to additional security in compliance with the SEBI Debenture Trustee Circular.
- i. The Company shall pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents executed/to be executed to give effect to the creation of security for securing the Debentures and such any other expenses like advertisement, notices, letters to debenture holders, and



additional professional fees/expenses that would be incurred in case of default of payment. The remuneration of the Debenture Trustee shall be as decided mutually between both the parties.

- j. The Company shall inter-alia furnish/shall have furnished to the Debenture Trustee the following documents: -
- i. Memorandum and Articles of Association of the Company;
  - ii. Prospectus / Information Memorandum / Disclosure Document / Private Placement Memorandum;
  - iii. Agreement with the Registrar to issue the Debentures;
  - iv. Letters from Rating Agencies about ratings;
  - v. A return of allotment filed with the registrar of companies (FORM No-PAS 3) within 30 (thirty) days from the date of filing with the registrar of companies;
  - vi. A complete record of private placement offers made by the Company (Form No-PAS 5) within 30 (thirty) days from the date of filing with the registrar of companies
  - vii. ROC search Report;
  - viii. List of receivables proposed to be hypothecated;
  - ix. Necessary corporate authorisations including the board resolution and/or shareholder resolution for allotment of Debentures;
  - x. Proof of Credit / Dispatch of Debenture Certificates;
  - xi. Copy of last 3 (three) years' Audited Annual Reports;
  - xii. Copy of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any;
  - xiii. Debenture Trust Deed;
  - xiv. This Agreement;
  - xv. ROC Certificate;
  - xvi. Security / Transaction Documents;
  - xvii. Deed of Guarantee;
  - xviii. Net worth certificate of the Guarantor;
  - xix. Confirmation/Proofs of payment of interest and principal made to the Debenture Holders on due dates;
  - xx. Statutory Auditors' Certificate for utilization of funds/issue proceeds from the Debentures.



The image shows a handwritten signature in blue ink over a circular blue stamp. The stamp contains the text "Kerala Fin Services Private Limited" around the perimeter and a small star at the bottom. The signature is written across the stamp.



- xxi. Statutory auditor certificate on maintenance of stipulated Security Cover, including compliance with the covenants of the Debenture Trust Deed/ Information Memorandum as required under the SEBI Listing Obligations and Disclosure Requirements Regulations in respect of the Debentures/ valuation report for the movable assets (as applicable), in each instance, within such timelines as may be prescribed by the SEBI from time to time;
- xxii. Periodical Reports on half yearly, quarterly and annual basis;
- xxiii. Beneficiary Position Reports;
- xxiv. Details of the depository with whom the Debentures are held in dematerialised form;
- xxv. Offer letter issued by the Company pursuant to the provisions of the Act;
- xxvi. Such other documents as may be reasonably required by the Debenture Trustee
- xxvii. CHG 9 or any modification made thereunder.
- xxviii. Details of the recovery expenses fund created by the Company in terms of SEBI Debenture Trustee Circular in the manner as may be specified by the SEBI from time to time;
- xxix. Information to be submitted to the Stock Exchanges as required by the SEBI Debt Listing agreement and SEBI (Listing Obligations and Discloser Requirement) Regulation 2015 as amended from time to time, within the timelines as mentioned in the Regulation;
- xxx. In principle approval for listing of Debentures from Stock Exchange;
- xxxi. Acknowledgement of filing the Information Memorandum with the Stock Exchange(s);
- xxxii. Trading permission from the Stock Exchange; and
- xxxiii. Such other documents as may be reasonably required by the Debenture Trustee.

**k. Information Accuracy and Storage:**

- i. The Company declares that the information and data furnished by the Company to the Debenture Trustee is true and correct;
- ii. The Company confirms that the requisite disclosures made in the Disclosure Documents are true and correct;
- iii. All disclosures made in the Disclosure Documents with respect to creation of security are in confirmation with the clauses of this Agreement; and
- iv. The Company undertakes and acknowledges that the Debenture Trustee and any other authorised agency may use, process the information and data disclosed to the Debenture Trustee in the manner as deemed fit by them in relation to the purpose of the due diligence to be undertaken in relation to the issuance of the Debentures.



- l. The Company agrees and confirms that the purpose of the issue is not for providing loan to or acquisitions of shares of any person who is a part of the same group or who is under the same management.
- m. The Company confirms that all necessary disclosures will be made in the Information Memorandum/Disclosure document including but not limited to statutory and other regulatory disclosures.
- n. The Trustees, "ipso facto" do not have the obligations of a borrower or a Principal Debtor or a Guarantor as to the monies paid/invested by investors for the debentures/Bonds.
- o. The Company hereby declares and confirms that it has given an undertaking in the offer document that the assets on which the charge is created is free from encumbrances and if assets are already charged to secure the debt, the permissions or consent to create pari passu charge on the assets of the Issuer will be obtained from existing creditors.
- p. The Company hereby declares and confirms that the Company or the person in control of the Company, or its promoter has not been restrained or prohibited or debarred by the Securities Exchange Board of India from accessing the securities market or dealing in securities. The Company hereby further declares and confirms that, as on the date of this Agreement, and the date of filing the Offer Document/Information Memorandum, it is an 'eligible issuer' in accordance with Regulation 5 (1) of the SEBI (Issue and Listing of Non-convertible Securities) Regulation, 2021.
- q. The Company hereby agree & undertake to comply with the stamp duty regulations
- r. The Company shall, pay on demand, all actual costs and expenses (including legal fees) incurred by the Debenture Trustee in connection with the preparation, negotiation of or entry into this Agreement and/or any amendment of, supplement to or waiver in respect of this Agreement, against submission of the requisite supporting documents. Apart from the Debenture Trustee fees, the Company shall, from time to time, make payment to/ reimburse the Debenture Trustee in respect of all reasonable expenses and out-of-pocket costs incurred by the Debenture Trustee. The Company shall promptly pay, and in any event before any interest or penalty becomes payable, any stamp, documentary, registration or similar tax payable in connection with the entry into, registration, performance, enforcement or admissibility in evidence of this Agreement and/or any such amendment, supplement or waiver.
- s. All other the rights and obligations of the Debenture Trustee including the terms of appointment of the Debenture Trustee shall be as set out in the Deed entered or to be entered into between the Company and the Debenture Trustee.
- t. The Company shall provide all assistance to the Debenture Trustee, as may be required by it, to carry out the necessary due diligence and monitor the asset cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI Debenture Trustee Circular and such other relevant circulars as may be issued or amended by SEBI with respect to Listed non-convertible debentures issuances."
- u. The Company further confirms that:

- i. All covenants proposed to be included in the Debenture Trust Deed (including any side letter, accelerated payment clause, fees charged by the debenture trustee, etc.) and the Deed of Amendment are disclosed in offer document or private placement memorandum/ information memorandum; and
- ii. Terms and conditions of this Agreement including fees charged by the Debenture Trustee and process of due diligence carried out by Debenture Trustee shall be disclosed under the Disclosure Documents.

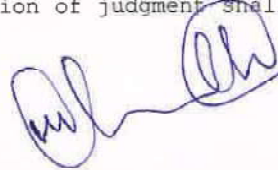

3. **MISCELLANEOUS**

3.1 **Governing Law**

This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed as per laws in India, without reference to its conflict of law principles.

3.2 **Jurisdiction**

- (a) The Company agrees that the courts and tribunals at Location of Dispute Resolution shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts or the tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.
- (b) Nothing contained in this Clause 3, shall limit any right of the Trustee to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.
- (c) The Company hereby consents generally in respect of any Proceedings arising out of or in connection with the Agreement to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- (d) The Company irrevocably agrees that, should any party take any proceedings anywhere (whether for an injunction, specific performance, damages or otherwise in connection with the Agreement), no immunity (to the extent that they may at any time exist, whether on the grounds of sovereignty or otherwise) from those proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of their assets or from execution of judgment shall be claimed by them or with

respect to their assets, any such immunity being irrevocably waived. The Company irrevocably agrees that it and its assets are, and shall be, subject to such proceedings, attachment or execution in respect of its obligations.

### 3.3 Counterparts

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

### 3.4 Effective Date

This Agreement shall be effective on and from the date first hereinabove written and shall be in force till all outstanding amounts in respect of the Debentures have been fully paid to the Debenture Holders.

### 3.5 Notices

Unless otherwise provided herein, all notices or other communications to be given shall be made in writing and by letter, e-mail or facsimile transmission (save as otherwise stated) and shall be deemed to be duly given or made, in the case of personal delivery, when delivered; in the case of e-mail when received; in the case of facsimile transmission, provided that the sender has received a receipt indicating proper transmission, when dispatched, or, in the case of a letter, 2 (Two) Business Days after being deposited in the post (by registered post, with acknowledgment due), postage prepaid, to such party at its address, e-mail address or facsimile number specified herein or at such other address, e-mail address or facsimile number as such party may hereafter specify for such purposes to the other by notice in writing.

a) In the case of notices to be issued by either the Company or the Debenture Trustee, the same shall be sent to the Debenture Holders with a copy to the other party as the case may be.

b) The particulars of each Party for the purposes of serving notices shall be as follows:

#### The Company

##### **KEERTANA FINSERV PRIVATE LIMITED**

Address: Plot No. 31 & 32, 2nd Floor, Ramky Selenium Towers, Tower - A,  
Financial District, Nanakaramguda, Hyderabad, Telangana - 500032

Attention: Ms. Padmaja Gangireddy  
Tel. No: +91- 9000877745  
Fax No: N/A  
Email: Secretarial@keertana.co

#### The Debenture Trustee

##### **CATALYST TRUSTEESHIP LIMITED**

Address: Windsor, 6th Floor, Office No.604, C.S.T Road, Kalina,  
Santacruz (East), Mumbai - 400098

Attention: Mr. Umesh Salvi  
Phone: +91-22-49220555  
Fax: +91-22-49220505  
Email: ComplianceCTL-Mumbai@ctltrustee.com



**3.6. Others**

- a) The Company shall ensure due compliance and adherence to the circulars issued by the SEBI in relation to listed debentures in letter and spirit.
- b) To the extent applicable and required in terms of the Operational Circular and SEBI Debenture Trustee Circular (as amended from time to time), the Trustee shall execute an "inter creditor agreement" on Event of Default by the Company.

*[Intentionally left blank; signature page follows]*



A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "Keatana Finserv Private Limited" around the perimeter and a small star at the bottom center.

**SIGNATURE PAGE**

IN WITNESS WHEREOF the Debenture Trustee and the Company have caused these presents and the duplicate thereof to be executed by their authorised official on the day, month and year first above written as hereinbefore appearing.

SIGNED AND DELIVERED BY  
**KEERTANA FINSERV PRIVATE LIMITED** the within named Company  
by the hand of its authorized official Mr. Mohith Vaddi, Manager Finance

A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "Keertana Finserv Private Limited" around the perimeter and a small star at the bottom center.

SIGNED AND DELIVERED BY  
**CATALYST TRUSTEESHIP LIMITED**  
the within named Debenture Trustee  
by the hand of its authorized official \_\_\_\_\_

Annexure A

1. Information/ documents to be provided by the Issuer Company, prior to entering into the Agreement, to the extent applicable:

Sr. No.	Information/ Documents
i.	Details of information in relation to the assets on which charge is proposed to be created including: (a) Details of receivables forming part of Hypothecated Assets; (b) Copy of evidence of registration Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc.
ii.	For unencumbered assets, on which charge is proposed to be created: an undertaking that the assets on which charge is proposed to be created are free from any encumbrances.
iii.	An undertaking confirming that all the information provided to the Trustee are true and correct and the trustee may in good faith rely upon and shall not be liable for acting or refraining from acting upon such information furnished to it under this Agreement.
iv.	Any other information, documents or records required by Debenture Trustee with regard to creation of security and perfection of security.

**ANNEXURE IX: APPLICATION FORM**



**KEERTANA FISERV PRIVATE LIMITED**

A Private Limited Company incorporated under the Companies Act, 1956

**Date of Incorporation:** 14/02/1996

**Registered Office:** 64A, Hemanta Basu Sarani, 2nd Floor, Suite No. 210, Kolkata Kolkata, West Bengal 700001.

**Corporate Office:** Ramky Selenium Towers, 2nd Floor, Plot No 31 Part & 32, Financial District, Nanakaramguda, Hyderabad - 500032.

**Telephone No.:** +91-40-4878 7000

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

DEBENTURE SERIES APPLICATION FORM SERIAL NO.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

ISSUE OF 2,400 (TWO THOUSAND FOUR HUNDRED ONLY) SECURED/UNSECURED , RATED, LISTED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, AGGREGATING UP TO INR 24 CRORES (INDIAN RUPEES TWENTY CRORES ONLY) ON A PRIVATE PLACEMENT BASIS (THE "ISSUE").

THE DEBENTURES ARE ISSUED AT A DISCOUNT OF INR 1,000 (ONE THOUSAND ONLY) TO THE FACE VALUE BEING INR. 99,000 (INDIAN RUPEES NINETY-NINE THOUSAND) AGGREGATING TO INR 23,76,00,000 (INDIAN RUPEES TWENTY-THREE CRORES SEVENTY-SIX LAKHS ONLY);

**DEBENTURE SERIES APPLIED FOR:**

Number of Debentures: \_\_\_\_ In words: \_\_\_\_\_-only

Amount INR \_\_\_\_\_/-In words Indian Rupees : \_\_\_\_\_ Only

**DETAILS OF PAYMENT:**

Cheque / Demand Draft / RTGS

No. \_\_\_\_\_ Drawn on \_\_\_\_\_

Funds transferred to [●]

Dated \_\_\_\_\_

Total Amount Enclosed

(In Figures) INR \_/- (In words) \_Only

APPLICANT'S NAME IN FULL (CAPITALS)

SPECIMEN SIGNATURE



<b>Applicant Bank Account:</b>  (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

*(Note: Cheque and Drafts are subject to realisation)*

We understand and confirm that the information provided in the Placement Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant's

Signature

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

*(Note : Cheque and Drafts are subject to realisation)*

------(TEAR HERE)-----

**ACKNOWLEDGMENT SLIP**

<i>(To be filled in by Applicant)</i> SERIAL NO.	1	-	-	-	-	-	-	-	-
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Received from \_\_\_\_\_

Address _____ _____
Cheque/Draft/UTR # _____ Drawn on _____ for INR _____ on account of application of _____ Debenture

**INSTRUCTIONS**

1. Application form must be completed in full, IN ENGLISH.
2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.  
The Company undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than
  - a) for adjustment against allotment of securities; or
  - b) for the repayment of monies where the company is unable to allot securities.
3. Receipt of applicants will be acknowledged by the Company in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.
4. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.
5. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

**ANNEXURE X- DECLARATION OF PROMOTER**

We/ hereby declare that the that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the nonconvertible securities are proposed to be listed.

Authorized Signatory

\_\_\_\_\_

## KEERTANA FINSERV PRIVATE LIMITED

(Corporate Identity Number: U65100WB1996PTC077252)

FORM NO PAS-4

[see Rule 14(3)]

### PART-A PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

To,  
**Oxy Ventures Private Limited,**  
**Shop no G-22C (UGF) D-1 (K-84),**  
**Green Park Main, Delhi 110016.**  
**Mail: [compliance@oxyzo.in](mailto:compliance@oxyzo.in)**

#### 1. GENERAL INFORMATION

- i) Name, address, website and other contact details of the company indicating both registered office and corporate office;

##### **KEERTANA FINSERV PRIVATE LIMITED**

Registered Office:

64A, Hemanta Basu Sarani, 2nd Floor, Suite No. 210, Kolkata, West Bengal 700001

E-mail: [secretarial@kfin.co](mailto:secretarial@kfin.co)/ [secretarial@keertana.co](mailto:secretarial@keertana.co)

- ii) Date of incorporation of the company: 14<sup>th</sup> February 1996
- iii) Business carried on by the company and its subsidiaries with the details of branches or units, if any;

The Issuer Company's based in Hyderabad, Telangana, India with the objects:

1. To carry on the business of providing long term finance on such terms and conditions as the company may deem fit, to individuals, Co-operative Societies, Association of Persons, Companies or Corporations, or such other persons or entities for purchase of plots, houses, flats, apartments and/or construction, repair, renovation and/or upgradation of houses, flats or apartments for residential purpose.
2. To carry on the business of providing loans to persons and other entities engaged in the business of construction of houses or flats for residential or non-residential/ commercial purpose upon such terms and conditions as the Company may think fit and proper.
3. To carry on the business of providing loans for the purpose of agriculture, working capital, business development / expansion and any purpose against pledge of gold including household jewelry.
4. To carry on the business of lending and advancing money, giving credits, on any terms and with or without collateral security to any person, firm, company, body corporate, trust, Individual, Association of persons, households, small and medium enterprises, small scale industries, farmers, etc. by providing loans of any type such as personal, business, corporate, income generation, consumption, consumer, Infrastructure development, housing, agriculture and commodity financing, purchase of machinery, etc. on such terms as may be determined from time to time.

As on date of this Offer Letter, the Issuer has no subsidiaries.

iv) Brief particulars of the management of the company;

Board of Directors of the Company currently consists of Five (5) Directors and one Managing Director all management powers are vested with the Board. The details of Board of Directors can be found in point No. (e)

v) Names, addresses, DIN and occupations of the directors;

S No	Name of the Director	DIN No	Designation	Nationality	PAN Number	Address
1	Padmaja Gangireddy	00004842	Managing Director	Indian	AEZPG1437L	A Block, Flat No. 208, Jayabheri Ornage County, Nanakramguda, Serilingampally, Gachibowli, Hyderabad, Telangana - 500032
2	Vijaya Sivarami Reddy Vendidandi	03169778	Director	Indian	ACEPV2541H	A Block, Flat No. 208, Jayabheri Ornage County, Nanakramguda, Serilingampally, Gachibowli, Hyderabad, Telangana - 500032
3	Raghu Venkata Harish	06792543	Director	Indian	ABCPH9092E	Villa No. 16-0204, Sri Ram Chipping Woods, Subha Enclave, HSR Layout, Banglaore South, Karnataka-560102
4	Mahesh Payannavar	00230347	Additional Director	Indian	AADPP9830A	11-B/702, Neelam Nagar, Phase 2, Mumbai 400081
5	Vara Prasad Chaganti	09425725	Director	Indian	AFCPC0766L	Flat No 407, Eden B Block, Lodha Casa Pradiso Opp Sanath Nagar Bus Depot, Balanagar, moosapet Hyderabad, Telangana, India -500018

vi) Management's perception of risk factors;

Management perceives General business risks associated the business the Company is engaged in and also with the business decisions. However, proper risk management policy is in place considering the risks involved.

- vii) Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –
- i) statutory dues; **No default exists as on date**
  - ii) debentures and interest thereon; **No default exists as on date**
  - iii) deposits and interest thereon; **No default exists as on date**
  - iv) Loan from any bank or financial institution and interest thereon; **No default exists as on date**
- viii) Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process;

Name: Mrs. Padmaja Gangireddy

Designation: Managing Director

Address: A Block, Flat No. 208, Jayabheri Ornage County, Nanakramguda, Serilingampally, Gachibowli, Hyderabad, Telangana – 500032

Phone No.: +91-9000877745

Email id: padmaja.reddy (padmaja.reddy@keertana.co)

- ix) Any default in Annual filing of the company under the Companies Act, 2013 or the rules made hereunder: **No.**

## 2. PARTICULARS OF THE OFFER

- (i). Financial position of the company for the last 3 financial years: **Attached as Annexure 1**
- (ii). Date of passing of board resolution: **17<sup>th</sup> May, 2023**
- (iii). Date of passing of resolution in the general meeting, authorizing the offer of securities: **19<sup>th</sup> May 2023**
- (iv). Kinds of securities offered (i.e. whether share or debenture) and class of security: 2,400 (Two Thousand Four Hundred Only) fully paid, senior, secured, rated, listed, taxable, redeemable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 24,00,00,000/- (Indian Rupees Twenty Four Crores only)
- (v). price at which the security is being offered including the premium, if any, along with justification of the price;  
**Rs. 1,00,000/- per debenture.**
- (vi). name and address of the valuer who performed valuation of the security offered:  
**Not Applicable as the company is issuing Non convertible Debentures.**



(vii). Relevant date which reference to which the price has been arrived at:

**Not Applicable**

(viii). The class or classes of persons to whom the allotment is proposed to be made: **Body Corporate**

(ix). Intention of promoters, directors or key managerial personnel to subscribe to the offer:

**There is no intention of promoters, directors or key managerial personnel to subscribe to the offer**

(x). Proposed time within which the allotment shall be completed:

**30 days from the date of this offer**

(xi). The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them;

Sl. No	Name of the proposed allottees	No. of Debentures of Rs.1,00,000/- each	% of post preferential offer capital
1	Oxy Ventures Private Limited	2400	100
	<b>TOTAL</b>		

(xii). The change in control, if any, in the company that would occur consequent to the preferential offer;

**The Directors do not envisage any change in the control of the Management by the proposed allotment of shares except change in the control due to majority of shareholding held by the investors in the equity shareholding.**

(xiii). The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price;

**Nil**

(xiv). The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

**Not applicable since the proposed allotment is for cash consideration.**

(xv). Amount which the company intends to raise by way of securities;

**The total amount of Rs. 24,00,00,000 (Twenty Four Crores only) is being raised from Oxy Ventures Private Limited.**

(xvi). Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment;

**[As per Annexure A]**

- (xvii). Proposed time schedule for which the offer letter is valid; **30 days (Thirty days)**
- (xviii). Purposes and objects of the offer;  
**Each loan constituting the portfolio shall be towards gold loan product offered to Obligors**
- (xix). contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;

**None of the promoters / directors are participating in this offer.**

- (xx). Principle terms of assets charged as security, if applicable;

**The value of the Hypothecated Assets charged as Security in favour of the Debenture Trustee is maintained at least 1.1x (one point one zero times) of Redemption Amount and Outstanding Amount from the Deemed Date of Allotment and shall be maintained at all times thereafter until the redemption of the Debentures and payment of the Secured Obligations (“Security Cover”) till the Final Settlement Date**

- (xxi). The details of significant and material orders passed by the Regulators, courts and Tribunals impacting the going concern status of the company and its future operations;

**There are no such order(s)**

- (xxii). The pre-issue and post-issue shareholding pattern of the company;

Sr. No	Category	Pre- Issue		Post Issue	
		No. of shares Held	% of shareholding	No. of shares Held	% of shareholding
<b>A</b>	<b>Promoters Holding</b>				
1	Indian	--	--	--	--
	Individual	6,43,11,288	100.00%	6,43,11,288	100.00%
2	Bodies Corporate	--	--	--	--
	Sub Total	6,43,11,288	100.00%	6,43,11,288	100.00%
3	Foreign Promoters	--	--	--	--
	Sub Total (A)	6,43,11,288	100.00%	6,43,11,288	100.00%
<b>B</b>	<b>Non-Promoters Holding</b>				
1	Institutional Investors	--	--	--	--
2	Non- Institution Investors	--	--	--	--
3	Private Corporate Bodies	--	--	--	--
4	Directors and Relatives	--	--	--	--
5	Indian Public	--	--	--	--

6	Others (including NRIs).	--	--	-	-
	Sub Total(B)	--	--	-	-
	<b>GRAND TOTAL</b>	6,43,11,288	100.00%	6,43,11,288	100%

### 3. MODE OF PAYMENT FOR SUBSCRIPTION:

#### Through Normal Banking Channels

### 4. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.

- i) Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.

**NIL**

- ii) Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed

**No litigation exists**

- iii) Remuneration of directors (during the current year and last three financial years);

**NIL, the company has not paid any remuneration to directors.**

- iv) Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided

<b><u>FY</u></b>	<b><u>Related Party Transactions</u></b>
2019-20	Director's remuneration – Rs.9,60,000 Ascent Poly Products LLP (Associate Company) Loan given – Rs. 1,87,50,000/- Loan refund – Rs.2,10,00,000/- Int. Received – Rs.3,13,678/-
2020-21	Director's remuneration – Rs.9,60,000 Ascent Poly Products LLP (Associate Company) Loan given – Rs. 3,00,000/- Loan refund – Rs.2,82,310/- Int. Received – Rs.2,04,733/-
2021-22	Director's remuneration – Rs.9,60,000 Ascent Poly Products LLP (Associate Company) Loan given – Nil Loan refund – Rs.15,89,610/- Int. Received – Rs.1,50,115/-
2022-23	Director's remuneration – Rs.45,59,441 Sitting Fee to Non-Executive Directors – Rs. 16,66,667 Borrowing From Related Parties – Rs. 6,80,97,90,000 Repayment to Related Parties – Rs. 6,51,49,90,000 Advance to Related Parties – Rs. 5,45,78,007 Refund Receipt of Advance – Rs. 2,54,00,000

	Interest Expenses on Borrowings from RP– Rs. 9,04,62,037. Commission Income – Rs. 26,18,589 Rental Expenses – Rs. 39,50,694 Business Purchase – Rs. 2,33,90,51,171 Other Expenses – Rs. 8,14,85,143
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- v) Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark

**Not Applicable.**

- vi) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries

**No such inquiry, inspections or investigations initiated or conducted under the Companies Act**

- vii) Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company

**No such material frauds committed against the Company**

## 5. FINANCIAL POSITION OF THE COMPANY

- (a) the capital structure of the company in the following manner in a tabular form-

- (i) (A) the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);

(Amount in Rs.)

Description	Equity share amount in Rs.	Preference shares amount	Number of Securities / Equity shares	Total Amount in Rs.
Authorised Share Capital	100,00,00,000/-	-	10,00,00,000	5,00,00,000/-
Issued Share Capital	64,31,12,880	-	6,43,11,288	64,31,12,880
Subscribed Share Capital	64,31,12,880	-	6,43,11,288	64,31,12,880
Paid up Share Capital	64,31,12,880	-	6,43,11,288	64,31,12,880

- (B) size of the present offer - **Rs. 24,00,00,000/- (Twenty Four Crores only)**

(C) paid up capital :

(I) INR 64,31,12,880/- (There will no change in paid up capital of the company as issuer company proposes to issue Non Convertible Debentures)

(II) after conversion of convertible instruments (if applicable) – **Not applicable**

(D) share premium account (before and after the offer) – Share premium account before and after the offer is as follows:

Share premium account - before the offer (in Rs.)	Share premium account - After the offer (in Rs.)
Nil	Nil

(ii) the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration

**The Existing equity share capital of the company is Rs. 64,31,12,880 divided into 6,43,11,288 equity shares of face value Rs.10/- each**

Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;

**No allotments are made for considerations other than cash.**

(b) Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter;

FY	Profit Before Tax(Rs.)	Profit After Tax(Rs.)
2020	12,58,521	11,33,485
2021	9,38,419	6,81,886
2022	24,35,875	19,10,364
2023	28,93,57,148	21,41,23,266

(c) Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)

**There was no dividend declared in the last 3 financial years.**

(d) A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter; **Attached as Annexure I**

(e) Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter; **Attached as Annexure I**

(f) Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.

**There is no change in the accounting policies during the last 3 years.**



**PART-B**  
**(To be filed by the Applicant)**

(i)	<b>Name</b>	
(ii)	<b>Father's name</b>	
(iii)	<b>Complete address including Flat / House Number, Street, Locality, Pin Code</b>	
(iv)	<b>Phone number, if any</b>	
(v)	<b>Email ID, if any</b>	
(vi)	<b>PAN Number</b>	
(vii)	<b>Bank Account Details</b>	

**Signature**

**6. DECLARATION FROM THE DIRECTOR ON THE FOLLOWING POINTS IS ATTACHED AS ANNEXURE-1**

- a. the company has complied with the provisions of the Act and the rules made there under;
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter;

I am authorized by the Board of Directors of the Company vide resolution number 6 dated 17<sup>th</sup> of May 2023 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For Keertana Finserv Private Limited

Sd/-

Padmaja Gangireddy  
Managing Director  
(DIN: 00004842)

17.05.2023  
Hyderabad

*Attachments:-*

- i) Audited Financial Statements for past 3 years (Annexure I)*
- ii) Copy of Board Resolution (Annexure II)*
- iii) Declaration (Annexure III)*