



# ANNUAL REPORT 2020-2021

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**SUBHLAKSHMI FINANCE PRIVATE LIMITED**

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS:

Mr. Sanjeev Kumar Yadav  
Executive Director & Chief Executive Officer

Mr. Bipin Bihari Sharma  
Executive Director & Chief Financial Officer

Mr. Durgeshwar Kumar Mishra  
Executive Director

Mr. Ashish Kumar Gupta  
Independent Director

Dr. Kanwal Anil  
Independent Director

## COMPANY SECRETARY:

Mr. Deep Shubham

## STATUTORY AUDITORS:

M/s Krishna Anurag & Co.,  
Chartered Accountants (FRN:010146C)

## BANKERS:

- State Bank of India (SBI)
- HDFC Bank
- IDFC First Bank
- Bandhan Bank
- Bank of Maharashtra

CIN: U67120PB1996PTC017604

## REGISTERED OFFICE:

H. No.-B 336, Guru Nanak Colony, Gali no. 2, Sangrur,  
Punjab – 148001

## CORPORATE OFFICE:

4<sup>th</sup> Floor, Plot No. 55 P Sector 44, Gurugram, Haryana  
–122003

EMAIL ID: [corporate.compliance@subhlakshmi.in](mailto:corporate.compliance@subhlakshmi.in)

PHONE NO: +0124-4233318

WEBSITE: [www.subhlakshmi.in](http://www.subhlakshmi.in)



## **ABOUT US: -**

**Subhlakshmi Finance Private Limited** is a one-stop fiscal solutions destination that does not let money come in the way of the average customers and their humble dreams. Ever since its inception in 2016, Subhlakshmi is dedicated to financing the “missing middle” thereby catering to micro, small and medium enterprises (MSME) in rural and semi-urban areas in Haryana, Delhi, Punjab, Uttar Pradesh, Himachal Pradesh, Bihar and Rajasthan. The reference to missing middle relates to the under-served and neglected micro and small -sized enterprises; some of which are already benefiting from the customer-centric products and services of Subhlakshmi.

## **Highlights of Subhlakshmi: -**

- ◆ Well-developed brick and mortar infrastructure with trained members, presence in 50 branches in 8 states.
- ◆ Safe, scalable, and cost-effective business model with good risk mitigation measures
- ◆ Follow best practices in execution and loan servicing through strong focus on using digital methods for business processes including sourcing, collection, and loan management.
- ◆ Eliminating the non-digital working methods, a top priority



## WHAT WE DO

Your dreams of thinking big are important to us. At Subhlakshmi, our motto is to bring a smile on the face of every Micro and Small enterprises scale enterprises who aspires to take his business to the next level. Others may neglect such entrepreneurs but Subhlakshmi believes in you and finds it worthwhile to spend our time and money.

*Under-served no more ... Served with trust at Subhlakshmi!*

### OUR MISSION



Financial inclusion across social strata at our core, our mission is to improve the financial health of the undeserved Micro and Small enterprises, by supporting them in income-generation activities through financial intermediation.

### OUR VISION



Committed to make dreams within the reach, we have a vision that goes beyond fulfilling our objectives. We aspire to be a catalyst in providing financial assistance to the marginalized sections in achieving greater economic and social wellbeing. Our endeavour is to build a sustainable financial institution that not only delivers high standards of service and value to our customers but is also rewarding to all our stakeholders.

### CORE VALUES



**Service:** Customized financial solutions tailor-made to suit each client's dreams and individual aspirations.

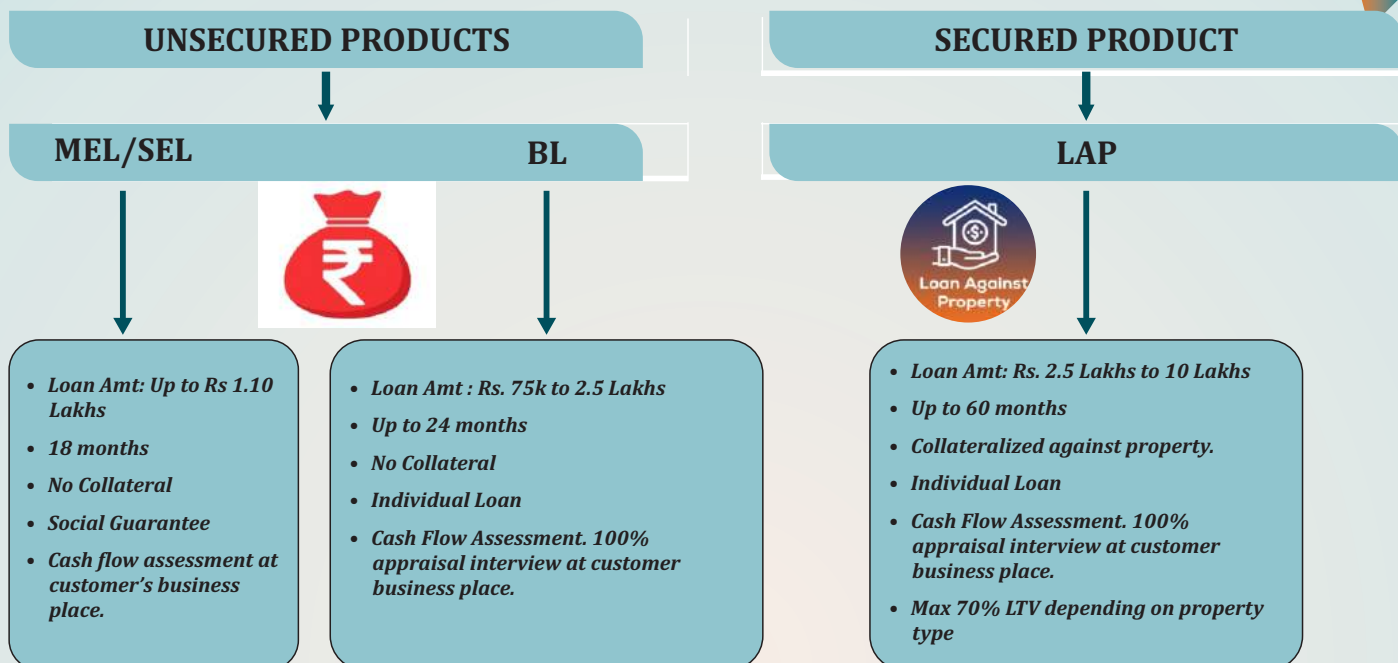
**Innovation:** With changing times, fiscal scenario also changes. That is why we explore new approaches that add value to the customer's business.

**Trust:** We enhance possibilities to fulfil our promise albeit with integrity.

**Social Responsibility:** We achieve our goals conscientiously for the benefit of the wider community.

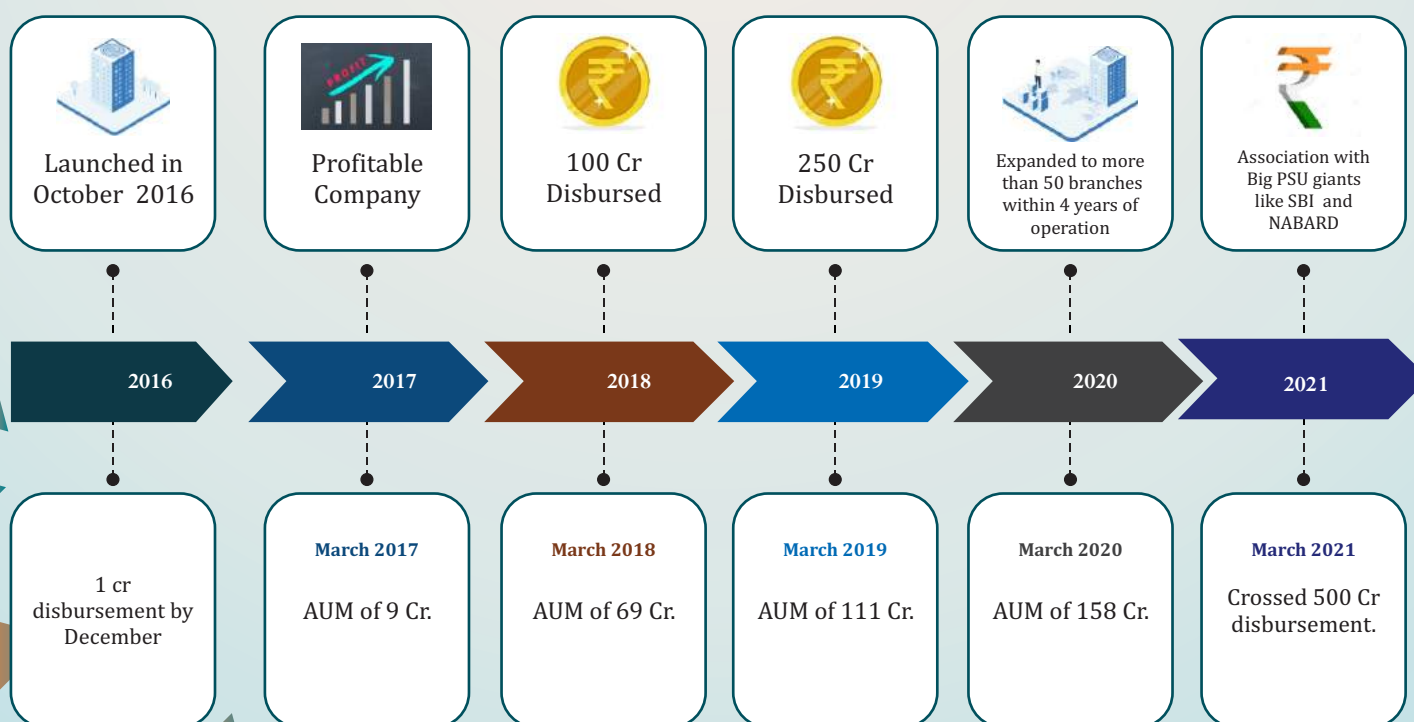


## Financing MSMEs through multiple products



\*MEL: Micro Enterprise Loan, SEL: Small Enterprise Loan, BL: Business Loan, LAP: Loan Against Property

## Key milestones – Evolution of Subhlakshmi





## BOARD OF DIRECTORS



**Sanjeev Kumar Yadav**  
**Executive Director & CEO**

- 21+ years of experience in establishing and running MFI and MSME Finance Institutions. Post Graduate Diploma holder in Rural Development Management.
- One of the founding team members and handled various senior level responsibilities at a leading MFI in north India.



**Bipin Bihari Sharma**  
**Executive Director & CFO**

- Qualified CS and LLB. 17+ years experience in Financial Control, business planning, M&A, transaction structuring, compliance of NBFC, HFCs, listed companies and in matters like IPOs, FDIs, ESOPs, Direct Listing, and Preferential Issues.



**Durgeshwar Kumar Mishra**  
**Executive Director (WTD)**

- Veteran in financial industry specially in Micro Finance Industry. Founder of Cashpor Micro Credit and SVCredit Line.
- More than 23 years of experience in expanding and scaling up financial institutions. Has handled functions such as Microfinance operations, Internal Audit, Monitoring and Reporting.

## Led by seasoned experts: Experienced & credentialed professional leadership...



**Ashish Kumar Gupta**  
**Independent Director**

- More than 20 years working experience in the field of micro finance and livelihood promotion
- Promoted "Jeevika Livelihood Support Organisations" and co-promoted SONATA Finance, a leading MFI in north India
- Earlier also worked in Gram Vikas, SERP and BASIX. Was founding CFO at SV Credit Line.
- Graduate from the Institute of Rural Management, Anand (IRMA)



**Dr. Kanwal Anil**  
**Independent Director**

- Masters in Commerce from University of Lucknow and FDP in Management from IIM-A
- Currently working as an Associate Professor in the school of business public policy & Social Entrepreneurship, Ambedkar University, Delhi.
- 18 years of work experience in teaching, training and research in Accounting, corporate Finance, Micro finance and Financial Inclusion



## Financial Key highlights of F.Y. 2020-21



**AUM**  
INR 144.75 Crore



**Active Borrowers**  
59,957



**Net worth**  
INR 27.01 Crore



**Branches & States**  
50 Branches in 8 States

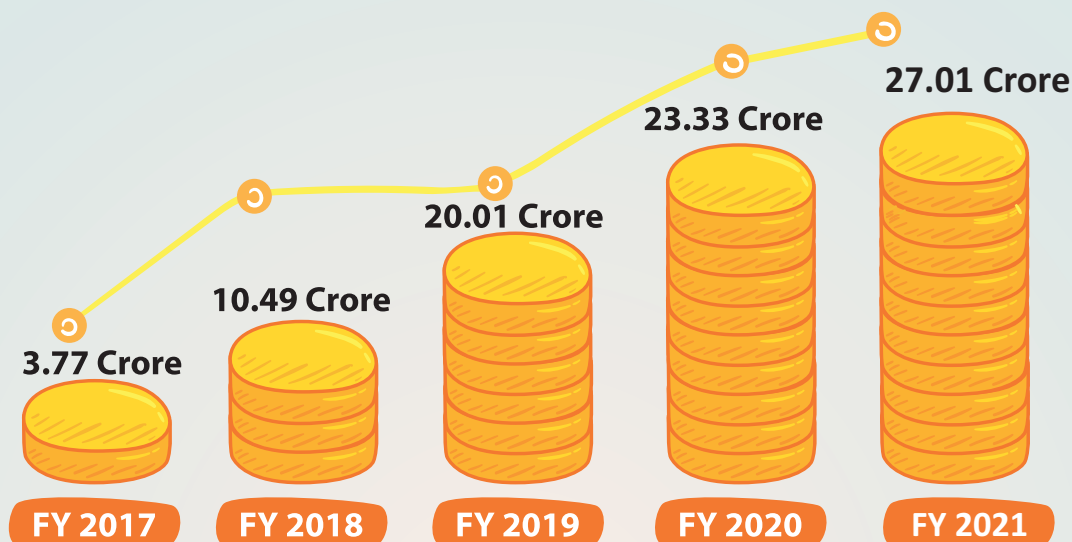


**CRAR**  
24.56%

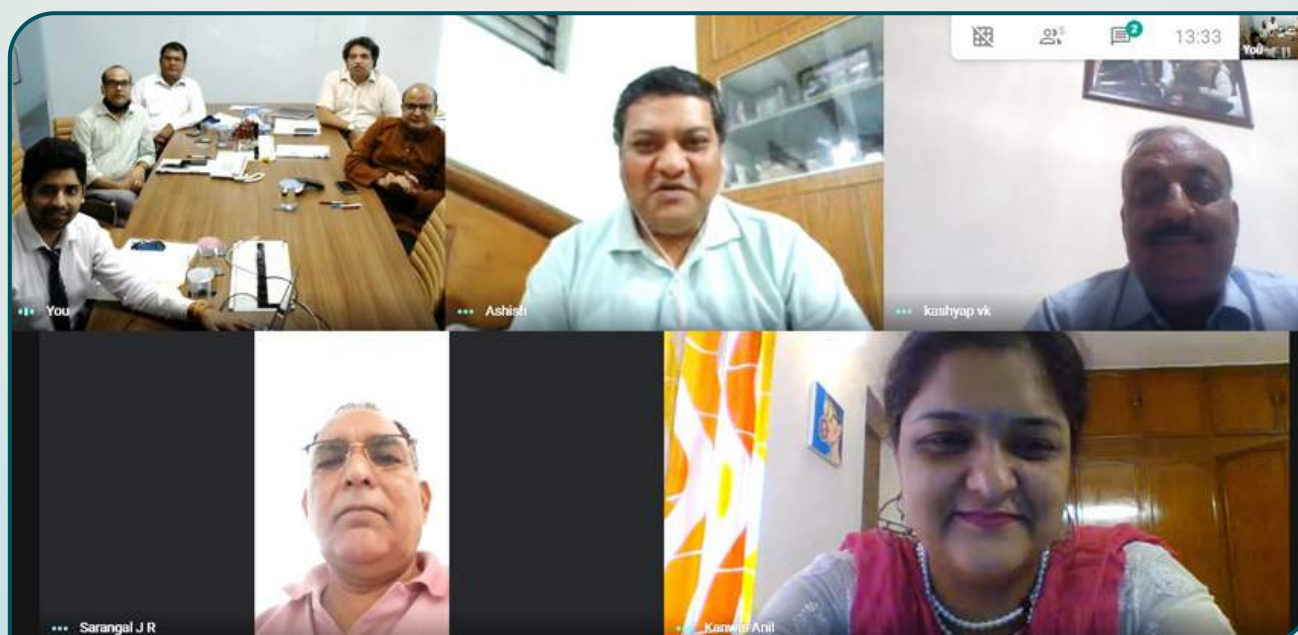


**No. of lenders**  
23

## NET WORTH



**“Strong & Proactive Decision making of Board of Directors amid COVID-19”**



## **COVID-19 Response**

FY21 was an extraordinary year by any measure and it was a year of unprecedented challenges both at personal and professional levels. The year had a considerable amount of uncertainty with the virulent outbreak of COVID-19, followed by stricter lockdowns, bringing economic activities to a standstill.

The Indian economy has shown great resilience towards the COVID-19 challenges and after reporting two-quarters of negative GDP, we saw a strong economic recovery in the 2<sup>nd</sup> half of FY 21. However, the economic recovery got interrupted by the 2nd wave of COVID-19.

The economic impact of 2nd wave of COVID-19 has been severe but short term compared to last year. As the pandemic gets under control and the vaccination drive is lifting consumer and business confidence, economic recovery is expected to gain momentum as the year progresses. Measures announced by the Government of India and accommodative policies by RBI, will continue to boost the overall economic growth.

### **Quick and decisive actions**

The COVID-19 outbreak created a great deal of uncertainty and hardship for the people, businesses and communities we serve around the world. Throughout the year, we have taken proactive steps to support our stakeholders as we navigate this challenging period together

### **Supporting our people**

When the COVID-19 pandemic was declared in March 2020, our priority was the health and safety of our employees and their families. We acted quickly and decisively as a Group to ensure we could continue to work safely under changing local conditions and protocols.

### **Maintaining business continuity**

We ensured business continuity by taking proactive measures before the formal announcement of the lockdown on March 24, 2020. We started actioning initiatives to deal with the restrictions and simultaneously ensured that our IT infrastructure and systems were in place, tested and checked.

### **Resumption of operations**

We resumed operations in a phased manner, and in accordance with the directives issued by the central and state governments, and district authorities. The health and safety measures undertaken by us to resume operations safely included issuing of safety guidelines for our staff, conducting regular fumigation of office premises, conducting thermal screening of customers visiting our branch offices and providing masks and hand sanitisers at our offices.

### **Collections**

Our field executives typically visit customers to collect due instalments. However, on account of the 'stay at home' orders issued in various jurisdictions, we have been calling up our customers and sending them intimations over the phone. We informed our customers of the different digital modes through which they can make their payments.

### **Bolstering liquidity buffer and optimising cost**

We undertook multiple steps to ensure that we have adequate liquidity to meet our financial and other commitments. We continue to evaluate various funding opportunities so as to continue maintaining adequate liquidity and lower our cost of funds.

## **Tribute to Shri. Virender Kumar Kashyap**



**(19.12.1946 - 12.05.2021)**

With profound grief, we regret to inform that our founding Chairman of the Board and Non-Executive Director Shri. Virender Kumar Kashyap, has left us for the heavenly abode on 12<sup>th</sup> May 2021.

He was an ex-banker with more than 35 years of experience in the field of banking sector. He started his carrier with Oriental Bank of Commerce, a leading public sector Bank and worked in different positions from time to time and has proven himself as highly result oriented business development leader with a record of implementing comprehensive strategies in support of business goals. He was diversely experienced in banking as well as non-banking businesses. After retirement from Oriental Bank of Commerce he worked with leading MFI on the Key positions. During his stints with the Bank and the financial institutions he was extremely successful in building and managing large portfolios, building the teams, instrumental in designing and executing the financial products.

Shri. Virender Kumar Kashyap played an important role in raising the Company to its present level of strength and robust fundamentals from a humble beginning in the year 2016. Over the years, the Company has benefited immensely from his vision and vigilance.

Shri Virender Kumar Kashyap's passing away will be irreplaceable loss to the family, organisation and also for everyone who knew him in any capacity. We, the management and the employees of the Company, convey deep sorrow and condolences to his family. We will always remember him as a positive, enthusiastic and kind person, filled with zeal and pragmatism.



## DIRECTORS' REPORT

To,

The Members of **Subhlakshmi Finance Private Limited** ("Subhlakshmi" or "the Company")

Your Board of Directors ("**Board**") have pleasure in presenting the 26<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements ("**Financial Statements**") for the Financial Year ended on March 31, 2021 ("**FY 2020-21**" or "**period under review**").

### FINANCIAL HIGHLIGHTS

The Company's financial performance for the period under review is summarized below:

Amount in ₹ (in Lakhs)

Particulars	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Operating Income	3590.04	3314.85
Other Income	115.92	152.43
<b>Total Income</b>	<b>3705.96</b>	<b>3467.28</b>
<b>Less: Operational Expenses</b>		
Employee Benefit Expenses	992.10	1001.52
Finance Charges	1484.91	1447.81
Depreciation	28.81	23.74
Other Expenses	1002.72	504.87
Provision for receivable under activity	79.84	48.81
<b>Total Operational Expenses</b>	<b>3588.38</b>	<b>3026.75</b>
<b>Profit/(Loss) Before Tax</b>	<b>117.58</b>	<b>440.53</b>
Less: Current Tax	34.40	123.10
Less: Deferred Tax	(24.92)	(14.65)
<b>Profit/(Loss) after Tax</b>	<b>108.10</b>	<b>332.08</b>

### DESCRIPTION ABOUT THE COMPANY'S AFFAIRS & WORKING

Subhlakshmi is registered with Reserve Bank of India ("RBI") as a Non-Banking Finance Company (Non-Deposit Taking) under Section 45IA of the RBI Act, 1934. The Company is engaged in the business of financing the "missing middle" and to cater to Small and Micro Enterprises in North India including rural and semi-urban areas in Haryana, Delhi, Punjab, Uttar Pradesh, Himachal Pradesh, Rajasthan and Bihar. These states have a large number of small and medium-sized enterprises which are underserved and therefore will benefit from the products and services introduced by Subhlakshmi.

The Company is in compliance with the conditions of the Master Direction - Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

### REVIEW OF OPERATIONS OF THE COMPANY

The year under review has been one of the most challenging years both for your Company and its customers. The COVID-19 pandemic outbreak which began in the middle of March 2020 continued to impact the economy throughout the financial year 2020-21. The year was full of uncertainties with slowdown in activities on the ground. The world was introduced to the new normal of lockdowns, containment zones, work from home with restricted movements of people and goods. The nationwide transport

system came to a grinding halt as Air, Train and Road travel got severely impacted. This was a never seen before situation which brought the economic activities in the country to a virtual standstill.

Your Company is primarily focused on providing business loans to small and micro enterprises which is expected to drive growth for the Company going forward. In view the COVID-19 stress on business, the Company had suffered largely during the year and had no business in the 1st Quarter of FY 2020-21. This further led to overall lower disbursements by your Company. Simultaneously, the earnings of the customers covered in the above mentioned segments were severely impacted due to slowdown of the economy. Hence, the collections were also subdued during most parts of the year. Further, RBI did provide timely moratorium through circulars titled "COVID-19 Regulatory Package" which gave support to our customers by allowing them to defer EMIs' as per the RBI guidelines. A significant majority of our customers availed the benefit under this moratorium scheme. Your Company continued to partner with the customers during these difficult times and offered moratorium to all eligible customers.

The second half of the year witnessed some amount of normalcy returning to the market with unlocking of the country. This led to better collection efficiencies starting December 2020. Accordingly, the Company resumed its business while focusing on its outstanding collections and procuring business from new customers at the same time.

In view of the above, during the period under review, the Company's outstanding Loan Assets under Management has declined from ₹ 157.86 Crore to ₹ 144.75 Crore, a reduction of 8.30%. The Net worth of the Company increased from ₹ 23.33 Crore to ₹ 27.08 Crore as at March 31, 2021, a growth of 15.78%. Net Interest Income increased by 8.33% from ₹ 25.58 Crore during the financial year as compared to ₹ 28.16 Crore during the previous financial year. The Company has earned profit after tax of ₹ 1.08 Crore during the financial year as compared to ₹ 3.32 Crore during previous financial year.

## **SHARE CAPITAL**

### **• No change in Authorised Share Capital**

During the period under review, there were no change in the Authorised share capital of the Company. As on March 31, 2021 the authorised share capital of the Company was ₹ 20,00,00,000/- (Rupees Twenty Crore) comprising of ₹ 2,00,00,000 (Two Crore) equity shares of ₹ 10/- (Rupees Ten only) each.

### **• Increase in the Paid-up Share Capital**

During the period under review, the Company has raised total funds of ₹ 2,60,00,000/- (Rupees Two Crore Sixty Lakh Only) through i) Issue of 9 Lakh equity shares, ii) Issue of 45 Lakh share warrants convertible into equity shares and, iii) Conversion of 4,85,000 share warrants into equity shares.

In view of the above, the paid-up share capital of the Company was increased from ₹ 14,69,80,940/- (Rupees Fourteen Crore Sixty-Nine Lakh Eighty Thousand Nine Hundred and Forty only) comprising of 1,46,98,094 (One Crore Forty-Six Lakh Ninety-Eight Thousand Ninety-Four) equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 16,08,30,940 (Rupees Sixteen Crore Eight Lakh Thirty Thousand Nine Hundred and Forty only) comprising of 1,60,83,094 (One Crore Sixty Lakh Eighty Three Thousand Ninety-Four) equity shares of ₹ 10/- (Rupees Ten only) each.

## **BORROWINGS**

During the period under review, the Company raised amount in tune of ₹ 93.21 Crore/- through Term loans, Direct Assignment and Partnership Arrangement from Financial Institutions and Banks. No interest payment or principal repayment of the Term Loans was due and unpaid as on March 31, 2021. The assets of the Company which are available by way of security are sufficient to discharge the claims of the lenders as and when become due.

## **DIVIDEND**

The company has not declared any dividend during the period under review.

## **PUBLIC DEPOSITS**

The Company being a Non-Deposit Accepting Non-Banking Finance Company has not accepted any deposits from the public during the period under review and shall not accept any deposits from the public without obtaining prior approval of the RBI.

## **RBI GUIDELINES**

As a Non-Systematically Important Non-Deposit taking Non-Banking Finance Company, the Company adhered to the guidelines for Non-Performing Assets (NPAs) under the Non-Banking Finance Company-Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time. The Company has complied and continues to comply with all the applicable regulations and guidelines issued by RBI such as Capital Adequacy, Net Owned Funds, provisioning for Non-Performing Assets and for Standard Assets, Concentration of Credit and Investment, filings, etc.

## **STATUTORY RESERVE AS PER RBI**

The Company is required to create a statutory reserve under Section of 45IC of RBI Act, 1934 and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. During the FY 2020-21, the Company has transferred a sum of ₹ 21.62 Lakhs to statutory reserve.

## **BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL**

### **A. Change in Designation**

During the period under review, there was change in designation of Mr. Durgeshwar Kumar Mishra (DIN: 05155290) from Non-executive Director to a Executive Director (Whole-time Director) of the company w. e. f. 26<sup>th</sup> August 2020 pursuant to the approval of the Board of Directors in their meeting held on 26<sup>th</sup> August 2020 and subsequent approval of Shareholders at the Annual General Meeting held on 30<sup>th</sup> December 2020.

### **B. Cessation/Resignation**

During the period under review, Mr. Jai Ram Sarangal (DIN: 05356858) ceased to be an Independent Director of the Company w. e. f. 14<sup>th</sup> October, 2020 due to completion of his tenure.

## **NUMBER OF MEETING/ ATTENDANCE OF THE BOARD OF DIRECTORS**

### **i. During the Financial year 2020-21, Four Board meetings were held on the following dates:**

1) 8<sup>th</sup> June 2020, 2) 26<sup>th</sup> August 2020, 3) 24<sup>th</sup> December 2020, 4) 24<sup>th</sup> March 2021

### **ii. Attendance of Directors (during the year):**

Name	Category of Directors	Number of Meetings for which directors were eligible to attend	Number of meetings attended
Mr. Virender Kumar Kashyap	Chairman & Non- Executive Director	4	4
Mr. Ashish Kumar Gupta	Independent Director	4	4
Mr. Jai Ram Sarangal	Independent Director	2	2
Dr. Kanwal Anil	Independent Director	4	4
Mr. Sanjeev Kumar Yadav	Executive Director	4	4
Mr. Bipin Bihari Sharma	Executive Director	4	4
Mr. Durgeshwar Kumar Mishra	Executive Director (WTD)	4	4

## AUDIT COMMITTEE

### • TERMS OF REFERENCE

The Audit Committee of the Board of Directors reviews accounts and reports to the Board of Directors, with respect to various auditing and accounting matters including the recommendation of our independent auditors, the scope of annual audits, fees to be paid to the independent auditors, the performance of our independent auditors & our accounting and disclosure practices, approval/modification of transactions with the related parties, scrutiny of inter corporate loans and investments, valuation of undertakings or assets, evaluation of internal finance control and risk management systems, performance of Audit Department of the Company.

### • COMPOSITION

The Audit committee is comprised of Board of directors with Independent directors forming a majority. At present the committee comprised of four members as follows:

S.No.	Name	Designation
1	Mr. Ashish Kumar Gupta	Chairman
2	Mr. Jai Ram Sarangal	Member
3	Dr. Kanwal Anil	Member
4	Mr. Sanjeev Kumar Yadav	Member
5	Mr. Bipin Bihari Sharma	Member

#### i. Members met three times during financial year 2020-21 on the following dates:

1) 8<sup>th</sup> June 2020, 2) 25<sup>th</sup> August 2020, 3) 23<sup>rd</sup> December 2020

#### ii. Attendance of Members (during the year):

Name	Category	Number of Meetings for which members were eligible to attend	Number of meetings attended
Mr. Ashish Kumar Gupta	Independent Director	4	4
Mr. Jai Ram Sarangal*	Independent Director	2	2
Dr. Kanwal Anil	Independent Director	4	4
Mr. Sanjeev Kumar Yadav	Executive Director	4	4
Mr. Bipin Bihari Sharma	Executive Director	4	4

\* Ceased to be the member of the Committee pursuant to cessation of Directorship w. e. f. 14<sup>th</sup> October 2020.

## BORROWING COMMITTEE

### • TERMS OF REFERENCE

The Borrowing Committee of the Board of Directors of the Company is constituted as per the provisions of Section 179(3) of the Act to review, consider and approve the various financial requirements of the company to be met out from various Banks and/or Financial Institutions and/or any other lending institutions. The Borrowing Committee also reviews the financial covenants, terms & conditions and other critical aspects of proposed facilities, including review of facility documents, Term sheets, Sanction letters, etc. and provides authorisations for execution of the same.

### • COMPOSITION

The constitution of the Borrowing Committee is in terms of compliance of provisions of Section 179(3) of the Companies Act, 2013. At present the committee comprised of four members as follows:



S.No.	Name	Designation
1	Mr. Sanjeev Kumar Yadav	Member
2	Mr. Bipin Bihari Sharma	Member
3	Mr. Durgeshwar Kumar Mishra	Member
4	Dr. Kanwal Anil	Member

**iii. Members met sixteen times during financial year 2020-21 on the following dates:**

1) 7<sup>th</sup> July 2020, 2) 25<sup>th</sup> July 2020, 3) 12<sup>th</sup> August 2020, 4) 31<sup>st</sup> August 2020, 5) 17<sup>th</sup> September 2020, 6) 25<sup>th</sup> September 2020, 7) 29<sup>th</sup> September 2020, 8) 2<sup>nd</sup> November 2020, 9) 26<sup>th</sup> November 2020, 10) 5<sup>th</sup> December 2020, 11) 15<sup>th</sup> December 2020, 12) 29<sup>th</sup> January 2021, 13) 25<sup>th</sup> February 2021, 14) 4<sup>th</sup> March 2021, 15) 11<sup>th</sup> March 2021, 16) 30<sup>th</sup> March 2021

**AUDITORS, AUDIT QUALIFICATIONS AND BOARD'S EXPLANATIONS**

**STATUTORY AUDITORS**

M/s Krishna Anurag & Co., Chartered Accountants (FRN: 010146C), have been appointed as Statutory Auditor of the Company for a consecutive term of five years from the conclusion of 22<sup>nd</sup> Annual General Meeting held on 28<sup>th</sup> September 2017 till the conclusion of 27<sup>th</sup> Annual General Meeting of the Company. They have confirmed their eligibility for the Financial Year 2021-22 under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

Further, the Auditors have given an unqualified opinion on the financials of the company for the financial year ended 31<sup>st</sup> March 2021, therefore, response of the Board of directors is not required.

**EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE**

There are no disqualifications, reservations, adverse remarks or disclaimers in the auditor's report

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not given any loans and guarantees to any Body corporate and has not made any investment under Section 186 of the Companies Act, 2013.

**TRANSACTION WITH RELATED PARTIES**

Pursuant to Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there were no contracts or arrangements, or transactions entered into during the year ended March 31, 2021, which were not at arm's length basis. Further, there were no related party transactions to be reported under Section 188(1) of the Act in Form AOC-2.

**DECLARATIONS BY INDEPENDENT DIRECTORS**

The Company has received necessary declarations from each Independent Director that they meet the criteria of Independence as provided in sub section (6) of section 149 of the Companies Act, 2013.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THEREPORT.**

There is no material change and commitment affecting the financial position of the Company between the end of the Financial Year of the Company to which financial statements relate i.e. 31<sup>st</sup> March, 2021 and the date of report.

## **EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format (MGT-9) is appended as “**Annexure A**” to the Board’s Report and also has been placed on the website of the Company and can be accessed at <http://www.subhlakshmi.in>

## **POLICIES**

During the year, the Board approved and adopted the following Policies vide its meetings held on the date mentioned hereunder:

S. No.	Name of Policies	Date of Board Meeting
1	Moratorium Policy	22 <sup>nd</sup> April, 2020
2	Write-off Policy	24 <sup>th</sup> December, 2020
3	Asset Liability Management (ALM) Policy	24 <sup>th</sup> March, 2021
4	Policy on Restructuring of Assets	24 <sup>th</sup> March, 2021

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions contained in Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 are not applicable to the Company.

## **DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has always believed in providing a safe and harassment free workplace for every individual working in company’s premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment.

There is an Internal Complaints Committee (“ICC”) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. During the year under review, no such case was reported.

## **RISK MANAGEMENT**

Risk Management is an integral part of the Company’s business strategy. The risk management process is governed by the enterprise-wide Risk Management Framework. The Risk Management oversight is implemented through a Senior Management. They review compliance with risk policies, monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization.

## **VIGIL MECHANISM**

The Company has framed whistle-blower policy to deal with any fraud irregularity or mismanagement in the Company. The policy enables any employee or director to directly communicate to the Chairman of the Audit Committee to report any fraud irregularity or mismanagement in the Company. The policy ensures strict confidentiality while dealing with concerns and also that no discrimination or victimization is meted out to any whistle blower.

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013, the Company had established a vigil mechanism for directors and employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company’s Code of Conduct.

## **INTERNAL CONTROL SYSTEM**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures.

The Company's internal control system is commensurate with the size, nature and operations of the Company.

## **REGULATORY APPROVAL & DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS INFUTURE**

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

## **FOREIGN EXCHANGE EARNINGS AND OUTGO**

There has been no foreign exchange earnings and outflow during the year under report.

## **ENERGY CONSERVATION & TECHNOLOGY ABSORPTION**

The operations of the Company, being Financial Services related, require normal consumption of electricity. The Company is taking every necessary step to reduce the consumption of energy. In view of the nature of activities carried on by the Company, there is no capital investment on energy conservation equipment and technology absorption are not applicable.

## **SECRETARIAL STANDARDS**

Your Directors confirm that the Company had followed the compliances of all applicable Secretarial Standards i.e. Secretarial Standard 'SS-1' for Meetings of the Board of Directors and 'SS-2' for General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of Companies Act, 2013 with effect from 01st July, 2015 and revised Secretarial Standards with effect from 01st October, 2017.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal and statutory and the external consultants and the reviews performed by Management and the relevant Committees, including the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2020-21.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2021, the applicable accounting standards have been followed and that there are no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- c) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **ACKNOWLEDGEMENT**

We are grateful to the Government of India, the Reserve Bank of India and other regulatory authorities for their valuable guidance and support and wish to express our sincere appreciation for their continued co-operation and assistance. We look forward to their continued support in future.

We wish to thank our bankers, investors, rating agencies, customers and all other business associates for their support and trust reposed in us.

Your directors express their deep sense of appreciation for all the employees whose commitment, co-operation, active participation, dedication and professionalism has made the organization's growth possible.

Finally, the Directors thank you for your continued trust and support.

On behalf of the Board of Directors of  
**Subhlakshmi Finance Private Limited**

Sd/-

**Sanjeev Kumar Yadav**  
**Executive Director**

DIN: 03110672

Sd/-

**Bipin Bihari Sharma**  
**Executive Director**

DIN:06745272

Date: 20/09/2021

Place: Gurugram, Haryana



## Annexure-A

### FORM NO. MGT-9

#### EXTRACT OF ANNUAL RETURN

**As on the financial year ended on 31st 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)	<b>CIN</b>	:	U67120PB1996PTC017604
ii)	<b>Date of Incorporation</b>	:	19-01-1996
iii)	<b>Name of the Company</b>	:	<b>SUBHLAKSHMI FINANCE PRIVATE LIMITED</b>
iv)	<b>Category / Sub-Category of the Company</b>	:	Company limited by shares/ Indian Non- Government Company
v)	<b>Address of the Registered office / Corporate Office and contact details</b>	:	<b>Registered Office:</b> H. No. B336, Guru Nanak Colony, Gali No-2 Sangrur Punjab – 148001 <b>Corporate Office:</b> 4th Floor, Plot No. 55 P Sector 44, Gurugram, Haryana -122003 <b>Phone:</b> +0124- 4233318; <b>E-mail:</b> corporate.compliance@subhlakshmi.in; <b>Website:</b> <a href="http://www.subhlakshmi.in">www.subhlakshmi.in</a>
vi)	<b>Whether listed company</b>	:	No
vii)	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	:	N.A.

#### 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:

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Financing Activity	64920	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.No.	Name and address of the Company	CIN/GLN	Holding /Subsidiary/ Associate	% of shares held	Applicable section
	N. A.	N.A.	N.A.	N.A.	N.A.

#### 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
	Demat	Physical	Total	%age of Total Shares	Demat	Physical	Total	%age of Total Shares (on the basis of paid-up value)	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/ HUF	-	6,736,811	6,736,811	45.83%	-	10,221,122	10,221,122	63.55%	17.72%
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-

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
	Demat	Physical	Total	%age of Total Shares	Demat	Physical	Total	%age of Total Shares (on the basis of paid-up value)	
(d) Bodies Corp.*	-	32,30,000	32,30,000	21.98%	-	36,85,000	36,85,000	22.91%	0.93%
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any other:* (Individual/HUF)	-	45,42,236	45,42,236	30.90%	-	20,76,972	20,76,972	12.92%	-17.94%
<b>Sub.-total (A)(1): -</b>	-	<b>1,45,09,047</b>	<b>1,45,09,047</b>	<b>98.71%</b>	-	<b>1,59,83,094</b>	<b>1,59,83,094</b>	<b>99.38%</b>	<b>0.67%</b>
<b>(2) Foreign</b>									
(a) NRI-Individual	-	-	-	-	-	-	-	-	-
(b) Other-Individual	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub.-total (A)(2): -</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of promoter (A)=(A)(1) +(A)(2)</b>	-	<b>1,45,09,047</b>	<b>1,45,09,047</b>	<b>98.71%</b>	-	<b>1,59,83,094</b>	<b>1,59,83,094</b>	<b>99.38%</b>	<b>0.67%</b>
<b>B. Public/Other than Promoter Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	-	-	-	-	-	-	-	-
(c) Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) VentureCapital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-
(h) ForeignVenture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others(Specify)	-	-	-	-	-	-	-	-	-
<b>Sub.-total (B)(1): -</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
(a) BodiesCorporate	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual Shareholders holding nominal share capital up to Rs.1 lac.	-	10,000	10,000	0.07%	-	-	-	-	-0.07%
(ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lac.	-	1,79,047	1,79,047	1.22%	-	1,00,000	1,00,000	0.62%	-0.60%
(c) Others (Non promoter non- public shareholding)	-	-	-	-	-	-	-	-	-
<b>Sub.-total (B)(2): -</b>	-	<b>1,89,047</b>	<b>1,89,047</b>	<b>1.29%</b>	-	<b>1,00,000</b>	<b>1,00,000</b>	<b>0.62%</b>	<b>-0.67%</b>
<b>Total shareholding (B)=(B)(1) +(B)(2)</b>	-	<b>1,89,047</b>	<b>1,89,047</b>	<b>1.29%</b>	-	<b>1,00,000</b>	<b>1,00,000</b>	<b>0.62%</b>	<b>-0.67%</b>

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
	Demat	Physical	Total	%age of Total Shares	Demat	Physical	Total	%age of Total Shares (on the basis of paid-up value)	
(C) Shares held by custodian for GDR & ADR	-	-	-	-	-	-	-	-	-
<b>Grand Total (A)+(B)+(C)</b>	-	<b>1,46,98,094</b>	<b>1,46,98,094</b>	<b>100%</b>	-	<b>1,60,83,094</b>	<b>1,60,83,094</b>	<b>100%</b>	-

**Note:** \*Shares are held by promoter groups.

**ii) Shareholding of Promoters:**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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 (On the basis of paid-up value)	% of Shares Pledged / encumbered to total shares	
1.	Bipin Bihari Sharma	2,757,261	18.76%	-	2,982,261	18.54%	0.00	-0.22%
2.	Sanjeev Kumar Yadav	2,627,500	17.88%	-	2,788,511	17.34%	0.00	-0.54%
3.	Durgeshwar Kumar Mishra	617,900	4.20%	-	1,994,100	12.40%	0.00	8.20%
4.	Rakesh Kumar Dubey	734,150	4.99%	-	2,456,250	15.27%	0.00	10.28%
	<b>Total</b>	<b>6,736,811</b>	<b>45.83%</b>	<b>-</b>	<b>10,221,122</b>	<b>63.55%</b>	<b>0.00</b>	<b>17.72%</b>

**iii) Change in Promoters' Shareholding:**

Sr. No.	Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
		Date	No. of shares	% of total shares of the company (on the basis of paid-up value)	No. of shares	% of total shares of the company (on the basis of paid-up value)
1.	Bipin Bihari Sharma					
	<b>At the beginning of the year</b>	<b>01-04-2020</b>	<b>2,757,261</b>	<b>18.76%</b>	<b>2,757,261</b>	<b>18.76%</b>
	<b>Add: INCREASE</b>					
	i. Allotment of shares through Right Issue	11-01-2021	2,25,000	-	2,982,261	19.12%
	<b>At the end of the Year</b>	<b>31-03-2021</b>	<b>2,982,261</b>	<b>18.54%</b>	<b>2,982,261</b>	<b>18.54%</b>
2.	Sanjeev Kumar Yadav					
	<b>At the beginning of the year</b>	<b>01-04-2020</b>	<b>2,627,500</b>	<b>17.88%</b>	<b>2,627,500</b>	<b>17.88%</b>
	<b>Add: INCREASE</b>					
	i. Transfer of shares	08-06-2020	29,761	-	26,57,261	18.08%
	ii. Allotment of shares through Right Issue	11-01-2021	1,31,250	-	27,88,511	17.88%
	<b>At the end of the Year</b>	<b>31-03-2021</b>	<b>2,788,511</b>	<b>17.34%</b>	<b>2,788,511</b>	<b>17.34%</b>

Sr. No.	Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
		Date	No. of shares	% of total shares of the company (on the basis of paid-up value)	No. of shares	% of total shares of the company (on the basis of paid-up value)
3.	Durgeshwar Kumar Mishra					
	<b>At the beginning of the year</b>	<b>01-04-2020</b>	<b>617,900</b>	<b>4.20%</b>	<b>617,900</b>	<b>4.20%</b>
	<b>Add: INCREASE</b>					
	i. Transfer of Registered Ownership by Malti Devi	24-12-2020	2,41,200	-	8,59,100	5.84%
	ii. Transfer of shares	24-12-2020	10,75,000	-	19,34,100	13.16%
	iii. Allotment of shares through Right Issue	11-01-2021	60,000	-	19,94,100	12.78%
	<b>At the end of the Year</b>	<b>31-03-2021</b>	<b>1,994,100</b>	<b>12.40%</b>	<b>1,994,100</b>	<b>12.40%</b>
4.	Rakesh Kumar Dubey					
	<b>At the beginning of the year</b>	<b>01-04-2020</b>	<b>734,150</b>	<b>4.99%</b>	<b>734,150</b>	<b>4.99%</b>
	<b>Add: INCREASE</b>					
	i. Transfer of Registered Ownership by Prabhakar Dubey	24-12-2020	11,79,800		19,13,950	13.02%
	ii. Transfer of Registered Ownership by Moolchand Pandey	24-12-2020	4,29,800	-	23,43,750	15.95%
	iii. Allotment of shares through Right Issue	11-01-2021	1,12,500		24,56,250	15.27%
	<b>At the end of the Year</b>	<b>31-03-2021</b>	<b>2,456,250</b>	<b>15.27%</b>	<b>2,456,250</b>	<b>15.27%</b>

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name of the Shareholder	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 (on the basis of paid-up value)
1.	Creyatech Private Limited				
	<b>At the beginning of the year</b>	<b>32,30,000</b>	<b>21.98%</b>		
	<b>i. INCREASE:</b>				
	• 25-02-2021 – Allotment of Equity Shares	<b>4,85,000</b>	-	37,15,000	23.10%
	<b>ii. DECREASE:</b>				
	• 24-03-2021 – Transfer of shares	(15,000)	-	37,00,000	23.01%
	• 24-03-2021 – Transfer of shares	(15,000)	-	36,85,000	22.91%
	<b>At the End of the year</b>	<b>36,85,000</b>	<b>22.91%</b>	<b>36,85,000</b>	<b>22.91%</b>
2.	Rita dubey				
	<b>At the beginning of the year</b>	<b>6,83,750</b>	<b>4.65%</b>		
	<b>i. INCREASE:</b>				
	• 11-01-2021 – Allotment of Equity Shares	1,12,500	-	7,96,250	5.10%
	<b>At the end of the year</b>	<b>7,96,250</b>	<b>4.95%</b>	<b>7,96,250</b>	<b>4.95%</b>

Sr. No.	Name of the Shareholder	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 (on the basis of paid-up value)
3.	Malti devi				
	<b>At the beginning of the year</b>	<b>17,41,200</b>	<b>11.85%</b>		
	<b>i. DECREASE:</b>				
	• 24-12-2020 - Transfer of Registered Ownership to Durgeshwar Kumar Mishra	(2,41,200)	-	15,00,000	<b>10.21%</b>
	• 24-12-2020 – Transfer of shares	(10,75,000)	-	4,25,000	<b>2.89%</b>
	<b>ii. INCREASE:</b>				
4.	Chandeshwar Kumar Mishra				
	<b>At the beginning of the year</b>	<b>4,18,400</b>	<b>2.85%</b>		
	<b>i. Date wise Increase/ Decrease during the year</b>	-	-	No Change	No Change
	<b>At the End of the year</b>	<b>4,18,400</b>	<b>2.85%</b>	<b>4,18,400</b>	<b>2.60%</b>
5.	Sanjeev Kumar Yadav HUF				
	<b>At the beginning of the year</b>	<b>29,762</b>	<b>0.20%</b>		
	<b>i. INCREASE:</b>				
	• 11-01-2021–Allotment of Equity Shares	93,750	-	1,23,512	0.79%
	<b>At the End of the year</b>	<b>1,23,512</b>	<b>0.77%</b>	<b>1,23,512</b>	<b>0.77%</b>
6.	Durgeshwar Kumar Mishra HUF				
	<b>At the beginning of the year</b>	<b>29,762</b>	<b>0.20%</b>		
	<b>i. INCREASE:</b>				
	• 08-06-2020-Transfer of shares	29,762	-	59,524	0.40%
	• 11-01-2021- Allotment of Equity Shares	40,000	-	99,524	0.64%
	<b>At the End of the year</b>	<b>99,524</b>	<b>0.62%</b>	<b>99,524</b>	<b>0.62%</b>
7.	Sunila Kashyap				
	<b>At the beginning of the year</b>	-	-	-	-
	<b>i. INCREASE:</b>				
	• 24-12-2020 – Transfer of shares	60,000	-	60,000	0.41%
	• 24-03-2021 – Transfer of shares	15,000	-	75,000	0.47%
	<b>At the end of the year</b>	<b>75,000</b>	<b>0.47%</b>	<b>75,000</b>	<b>0.47%</b>
8.	Rakesh Kumar Dubey HUF				
	<b>At the beginning of the year</b>	<b>29,762</b>	<b>0.20%</b>		
	<b>i. INCREASE:</b>				
	• 08-06-2020-Transfer of shares	29,762	-	59,524	0.40%
	<b>At the End of the year</b>	<b>59,524</b>	<b>0.37%</b>	<b>59,524</b>	<b>0.37%</b>
9.	Vijay Kumar Ojha				
	<b>At the beginning of the year</b>	-	-	-	-
	<b>i. INCREASE:</b>				
	• 08-06-2020 - Transfer of shares	29,762	-	29,762	0.20%
	<b>At the End of the year</b>	<b>29,762</b>	<b>0.19%</b>	<b>29,762</b>	<b>0.19%</b>
10.	Ragni Gupta				
	<b>At the beginning of the year</b>	-	-		
	<b>i. INCREASE:</b>				
	• 24-12-2020 - Transfer of shares	10,000	-	10,000	0.07%
	• 24-03-2021 – Transfer of shares	15,000	-	25,000	0.16%
	<b>At the End of the year</b>	<b>25,000</b>	<b>0.16%</b>	<b>25,000</b>	<b>0.16%</b>

**V. Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
		Date	No. of shares	% of total shares of the company (on the basis of paid-up value)	No. of shares	% of total shares of the company (on the basis of paid-up value)
1.	BIPIN BIHARI SHARMA					
	At the beginning of the year	01-04-2020	2,757,261	18.76%	2,757,261	18.76%
	Add: INCREASE					
	i. Allotment of shares through Right Issue	11-01-2021	2,25,000	-	2,982,261	19.12%
	At the end of the Year	31-03-2021	2,982,261	18.54%	2,982,261	18.54%
2.	SANJEEV KUMAR YADAV					
	At the beginning of the year	01-04-2020	2,627,500	17.88%	2,627,500	17.88%
	Add: INCREASE					
	i. Transfer of shares	08-06-2020	29,761	-	26,57,261	18.08%
	ii. Allotment of shares through Right Issue	11-01-2021	1,31,250	-	27,88,511	17.88%
	At the end of the Year	31-03-2021	2,788,511	17.88%	2,788,511	17.88%
3.	VIRENDER KUMAR KASHYAP					
	At the beginning of the year	01-04-2020	60,000	0.41%	60,000	0.41%
	Less: DECREASE					
	i. Transfer of shares	24-12-2020	60,000	-	-	-
	At the end of the Year	31-03-2021	-	-	-	-
4.	ASHISH KUMAR GUPTA					
	At the beginning of the year	01-04-2020	10,000	0.07%	10,000	0.07%
	Less: DECREASE					
	i. Transfer of shares	24-12-2020	10,000	-	-	-
	At the end of the Year	31-03-2021	-	-	-	-
5.	DURGESHWAR KUMAR MISHRA					
	At the beginning of the year	01-04-2020	617,900	4.20%	617,900	4.20%
	Add: INCREASE					
	i. Transfer of Registered Ownership by Malti Devi	24-12-2020	2,41,200	-	859,100	5.84%
	ii. Transfer of shares	24-12-2020	10,75,000	-	19,34,100	13.16%
	iii. Allotment of shares through Right Issue	11-01-2021	60,000	-	19,94,100	12.78%
	At the end of the Year	31-03-2021	1,994,100	12.40%	1,994,100	12.40%



## VI. INDEBTEDNESS

(Amount in )

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	930,525,748	50,000,000	-	980,525,748
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	7,881,851	720,274	-	8,602,125
<b>Total (i+ii+iii)</b>	<b>938,407,599</b>	<b>50,720,274</b>	<b>-</b>	<b>989,127,873</b>
Change in Indebtedness during the financial year	-	-	-	-
- Addition	833,891,218	-	-	833,891,218
- Reduction	701,786,704	-	-	701,786,704
Net Change	132,104,514	-	-	132,104,514
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	1,062,630,262	50,000,000	-	1,112,630,262
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6,565,077	719,794	-	7,284,871
<b>Total (i+ii+iii)</b>	<b>1,069,195,339</b>	<b>50,719,794</b>	<b>-</b>	<b>1,119,915,133</b>

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in )

Sr.No.	Particulars of Remuneration	Name of WTD			Total Amount
1.	Gross Salary:	Sanjeev Kumar Yadav	Bipin Bihari Sharma	Durgeshwar Kumar Mishra	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,018,206	3,018,206	1,820,000	7,856,412
	(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	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>3,018,206</b>	<b>3,018,206</b>	<b>1,820,000</b>	<b>7,856,412</b>

**B. Remuneration to other Directors:**

(Amount in )

Other Non-Executive Directors			
1.	Particulars of Remuneration	Virender Kumar Kashyap	Total Amount
	Fee for attending board /committee meetings	40,000	40,000
	Commission	-	-
	Others, please specify (DSA Director)	-	-
	<b>Total (2)</b>	<b>40,000/-</b>	<b>40,000/-</b>
Independent Directors			
2.	Particulars of Remuneration	Ashish Kumar Gupta	Total Amount
	Fee for attending board /committee meetings	40,000	40,000
	Commission	-	-
	Others, please specify (Professional fee)	-	-
	<b>Total (1)</b>	<b>40,000/-</b>	<b>40,000/-</b>
3.	Particulars of Remuneration	Jai Ram Sarangal	Total Amount
	Fee for attending board /committee meetings	40,000	40,000
	Commission	-	-
	Others, please specify (DSA Director)	-	-
	<b>Total (3)</b>	<b>40,000/-</b>	<b>40,000/-</b>
4.	Particulars of Remuneration	Kanwal Anil	Total Amount
	Fee for attending board /committee meetings	40,000	40,000
	Commission	-	-
	Others, please specify (Salary)	-	-
	<b>Total (4)</b>	<b>40,000/-</b>	<b>40,000/-</b>
	<b>Total (B)= (1+2+3+4)</b>	<b>160,000</b>	<b>160,000</b>
	<b>Total Remuneration (A+B)</b>	<b>8,016,412</b>	<b>8,016,412</b>

\*Being a Private Limited Company the provisions of Section 197 related to ceiling of remuneration is not applicable

**C. Remuneration to Key Managerial Personnel other than MD/ MANAGER/ WTD**

Sr.No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CFO	CS	
		Sanjeev Kumar Yadav	Bipin Bihari Sharma	Deep Shubham	
1.	Gross Salary:				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,18,206	30,18,206	5,58,143	65,94,555
	(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	-	-	-	-
	<b>Total</b>	<b>30,18,206</b>	<b>30,18,206</b>	<b>5,58,143</b>	<b>65,94,555</b>

**VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding feesImposed	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	-	-	-	-	-

On behalf of the Board of Directors of  
**Subhlakshmi Finance Private Limited**

Sd/-

**Sanjeev Kumar Yadav**  
Executive Director  
DIN: 03110672

Sd/-

**Bipin Bihari Sharma**  
Executive Director  
DIN:06745272

Date: 20/09/2021

Place: Gurugram, Haryana

## INDEPENDENT AUDITOR'S REPORT

To

**THE MEMBERS OF SUBHLAKSHMI FINANCE PRIVATE LIMITED**

CIN:U67120PB1996PTC017604

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **SUBHLAKSHMI FINANCE PRIVATE LIMITED** (the "Company"), which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and statement of cash flows ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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;

- a) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2021;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- and
- c) in the case of Cash Flows Statement, of the cash flow 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 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 Management Discussion and

Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities 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.
- 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**

- 1). As required by the 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 Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2). As required by Non- Banking Finance Companies Auditors Report (Reserve Bank) Direction 2008 issued by Reserve Bank of India, In terms of Section 45-IA of the Reserve Bank of India 1934, we enclose in **Annexure –B**, the report in term of paragraphs 3 and 4 of said directions.
- 3). 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 are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - 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 is 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**".
  - 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) Company does not have any pending litigations which would impact its financial position.
    - (ii) 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.

**UDIN-21078988AAAALY6256**  
**For Krishna Anurag & company**  
**Chartered Accountants**  
**Firm Registration No. 010146C**

**SD/-**  
**Krishna Kumar Tiwari**  
**Partner**  
**Membership No: 078988**

**Place: Varanasi**

**Date :21<sup>st</sup>June, 2021**



## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of SUBHLAKSHMI FINANCE PRIVATE LIMITED.).

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification
- (c) The company does not hold the title of any immovable property of freehold or leasehold and building, hence reporting under this clause is not applicable.
- (ii) The Company’s business does not involve inventories. Accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public during the year.
- (vi) To the best of our knowledge and explanation given to us, the provisions of maintenance of cost records under sub section (1) of Section 148 of the Act are not applicable to Company. Accordingly, Clause (vi) of Order is not applicable.
- (vii) (a) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, service tax, cess and other statutory dues were outstanding, at the year-end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, service tax and cess which have not been deposited on account of any dispute.

In respect of sub clauses (vii) (a) to (vii) (c) above, the Company did not have any dues towards wealth tax, sales tax, custom duty; value added tax and excise duty, during the year.

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanation given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.
- (x) According to the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

- (xi) According to the information and explanations given to us by the Company, the provisions of Section 197 read with Schedule V of the Act are not applicable to the Company since the Company is a private company. Thus paragraph 3(xi) of the Order is not applicable on the Company.
- (xii) The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013

Where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

- (xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 62 of the Companies Act, 2013 in respect of equity shares issued during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

**UDIN-21078988AAAAALY6256**  
**For Krishna Anurag & company**  
**Chartered Accountants**  
**Firm Registration No. 010146C**

**SD/-**  
**Krishna Kumar Tiwari**  
**Partner**  
**Membership No: 078988**

**Place: Varanasi**

**Date :21<sup>st</sup>June, 2021**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2 under “Report on Other Legal and Regulatory Requirements” section of our report of even date to the members of Subhlakshmi Finance Private Limited)

**(Pursuant to Non- Banking Finance Companies Auditor’s Report (Reserve Bank) Direction, 2016)**

To,  
The Board of Directors  
Subhlakshmi Finance Private Limited

**Ref: Auditor’s Report under Non- Banking Finance Companies Auditor’s Report (Reserve Bank) Direction, 2016, on the Accounts for the Financial Year ended 31<sup>st</sup> March, 2021**

We have audited the accounts of Subhlakshmi Finance Private Limited as at 31st March, 2021 and the Profit & Loss account for that date annexed thereto and report that:

Further to our report of even date issued under Section 143 of the company Act, 2013, as required by Master Direction on Non-Banking Finance Companies Auditor’s Report (Reserve Bank) Direction, 2016 vide Master Direction DNBS. PPD.03/66.15.001/2016-17 dated 29 September 2016 (the ‘Direction’), issued by Reserve Bank of India in terms of Section 45-IA of Reserve Bank of India Act 1934 (2 of 1934) and on the basis of such checks as we considered appropriate, we hereby state that.

1. The Company is engaged in the business of Non-Banking Financial Institution and has obtained a certificate of **Registration No B-06.00246** from the Reserve Bank of India as a Non-Banking Finance Company vide certificate issued under Section 45-IA of RBI Act 1934.
2. The company is entitled to continue and hold certificate of registration in terms of its assets /income pattern as on March 31, 2021.
3. The Net Owned Fund of the company as on 31.03.2021 was Rs 27.01 Crores.
4. The Board of Directors has passed a Resolution for non-acceptance of public deposits during the year.
5. The company has not accepted any public deposits during the relevant period.
6. The company has complied with prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction 2016, during the financial year ended on March 31, 2021.
7. The capital adequacy ratio is in compliance with the minimum CRAR prescribed.

**UDIN-21078988AAAALY6256**  
**For Krishna Anurag & company**  
**Chartered Accountants**  
**Firm Registration No. 010146C**

**SD/-**  
**Krishna Kumar Tiwari**  
**Partner**  
**Membership No: 078988**

**Place: Varanasi**  
**Date : 21<sup>st</sup> June, 2021**

## **ANNEXURE “C” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 3 (f) under “Report on Other Legal and Regulatory Requirements” section of our report of even date to the members of Subhlakshmi Finance Private Limited)

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

We have audited the internal financial controls over financial reporting of SUBHLAKSHMI FINANCE PRIVATE LIMITED (the “Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

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

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

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

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.



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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

**UDIN-21078988AAAALY6256**

**For Krishna Anurag & company**

**Chartered Accountants**

**Firm Registration No. 010146C**

**SD/-**

**Krishna Kumar Tiwari**

**Partner**

**Membership No: 078988**

**Place: Varanasi**

**Date :21<sup>st</sup>June, 2021**

## Balance Sheet as at 31st March, 2021

		Note No.	As at 31st March, 2021 Rs.	As at 31st March, 2020 Rs.
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	3	160,830,940	146,980,940
	(b) Reserves and surplus	4	109,249,939	86,290,129
	(c) Money received against share warrant		-	-
			<u>270,080,879</u>	<u>233,271,069</u>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	5	488,798,928	367,317,606
	(b) Long-term provisions	6	6,761,957	2,806,560
			<u>495,560,885</u>	<u>370,124,166</u>
<b>3</b>	<b>Current liabilities</b>			
	(a) Trade payables	7	5,167,568	1,131,100
	(b) Other current liabilities	8	712,243,766	694,797,050
	(c) Short-term provisions	9	16,151,172	19,876,942
			<u>733,562,506</u>	<u>715,805,092</u>
	<b>TOTAL</b>		<u><b>1,499,204,271</b></u>	<u><b>1,319,200,326</b></u>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	10.A	6,525,499	5,518,233
	(ii) Intangible assets	10.B	7,125	9,613
			<u>6,532,624</u>	<u>5,527,847</u>
	(b) Deferred tax assets (net)	11	4,459,742	1,967,371
	(c) Long-term loans and advances	12	239,343,400	177,581,167
	(d) Other non-current assets	13	78,001,095	47,049,595
			<u>321,804,237</u>	<u>226,598,133</u>
			<u>328,336,861</u>	<u>232,125,980</u>
<b>2</b>	<b>Current assets</b>			
	(a) Cash and cash equivalents	14	147,648,939	49,766,696
	(b) Short-term loans and advances	15	854,754,935	909,074,803
	(c) Other current assets	16	168,463,535	128,232,847
			<u>1,170,867,410</u>	<u>1,087,074,346</u>
	<b>TOTAL</b>		<u><b>1,499,204,271</b></u>	<u><b>1,319,200,326</b></u>

See accompanying notes forming part of the financial statements  
In term of our report attached.

**For KRISHNA ANURAG & CO.**

Chartered Accountants  
Firm Registration No. 010146C

**SD/-**  
**KRISHNA KUMAR TIWARI**  
Partner  
Membership No. 078988

**SD/-**  
**BIPIN BIHARI SHARMA**  
Executive Director & CFO  
DIN : 06745272

**SD/-**  
**SANJEEV KUMAR YADAV**  
Executive Director & CEO  
DIN : 03110672

**SD/-**  
**DEEP SHUBHAM**  
Company Secretary  
M. No. A46896

Place : Varanasi  
Date : 21st June, 2021

Place : Gurugram  
Date : 21st June, 2021

## Statement of Profit and Loss for the Year Ended on 31st March, 2021

		Note No.	As at 31st March, 2021 Rs.	As at 31st March, 2020 Rs.
1	Revenue from operations	17	359,004,545	331,485,268
2	Other income	18	11,592,036	15,242,798
3	<b>Total revenue (1+2)</b>		<b>370,596,581</b>	<b>346,728,066</b>
4	<b>Expenses</b>			
	(a) Employee benefits expense	19	99,210,375	100,152,132
	(b) Finance costs	20	148,490,619	144,781,217
	(c) Depreciation and amortisation expense	10C	2,881,229	2,373,779
	(d) Operation & other expenses	21	100,272,319	50,486,866
	(e) Provision for Receivable under financing activity	21.A	7,984,150	4,881,035
5	<b>Total</b>		<b>358,838,692</b>	<b>302,675,028</b>
			11,757,889	44,053,038
6	<b>Profit before Tax (3-5)</b>		<b>11,757,889</b>	<b>44,053,038</b>
7	<b>Tax expense:</b>			
	(a) Current tax expense		3,440,450	12,310,216
	(b) Deferred tax		(2,492,372)	(1,465,049)
8	<b>Profit/(Loss) for the Period (6-7)</b>		<b>10,809,811</b>	<b>33,207,870</b>
9	<b>Earning Per Equity Share :</b>			
	a) Basic		0.72	2.26
	b) Diluted		0.72	2.26

See accompanying notes forming part of the financial statements  
In term of our report attached.

**For KRISHNA ANURAG & CO.**  
Chartered Accountants  
Firm Registration No. 010146C

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

**SD/-**  
**KRISHNA KUMAR TIWARI**  
Partner  
Membership No. 078988

**SD/-**  
**BIPIN BIHARI SHARMA**  
Executive Director & CFO  
DIN : 06745272

**SD/-**  
**SANJEEV KUMAR YADAV**  
Executive Director & CEO  
DIN : 03110672

**SD/-**  
**DEEP SHUBHAM**  
Company Secretary  
M. No. A46896

Place : Varanasi  
Date : 21st June, 2021

Place : Gurugram  
Date : 21st June, 2021

## Cash Flow Statement for the year ended 31st March, 2021

		For the year ended 31st March, 2021		For the year ended 31st March, 2020	
		Rs.	Rs.	Rs.	Rs.
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
	Net profit (loss) before taxation & Extraordinary items		11,757,889		44,053,038
	<u>Adjustments for:</u>				
	Depreciation and amortisation	2,881,229		2,373,779	
	Interest Income	(10,450,658)		(14,013,887)	
	Finance costs	148,490,619	140,921,190	144,781,217	133,141,109
	Operating (loss) before working capital changes		152,679,080		177,194,146
	<u>Changes in working capital</u>				
	Adjusted for decrease/(increase) in operating assets				
	Short term Loans and Advances	54,319,868		(241,353,025)	
	Other Current Assets	(40,230,688)	14,089,180	(35,640,847)	(276,993,872)
	Adjusted for increase / (decrease) in operating liabilities				
	Trade Payables	4,036,468		734,500	
	Other Current Liabilities	17,446,716		245,551,042	
	Short term Provisions	(3,725,770)		7,096,228	
	Other Provisions	3,955,397	21,712,812	1,670,477	255,052,247
	Cash generated /(used in) operations		188,481,071		155,252,521
	Net income tax (paid)		(3,440,450)		(12,310,216)
	<b>Net cash flow generated/ (used in) from operating activities (A)</b>		<b>185,040,621</b>		<b>142,942,305</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
	Capital expenditure on fixed assets, including capital advances (including capital advances)		(3,886,007)		(5,409,820)
	Proceeds (net of disbursement) from Long Term Loans & Advance		(61,762,233)		(114,443,539)
	Security deposits to the funders against borrowings		(30,941,500)		11,702,116
	Security deposits for rented property		(10,000)		(95,000)
	Interest received		10,450,658		14,013,887
	<b>Net cash (used in) investing activities (B)</b>		<b>(86,149,082)</b>		<b>(94,232,356)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
	Finance Costs		(148,490,619)		(144,781,217)
	Proceeds from share warrants		6,750,000		-
	Proceeds from issue of share capital		13,850,000		-
	Premium for equity share		5,400,000		-
	Proceeds from long term borrowings (net of repayment)		121,481,322		27,859,071
	<b>Net cash flow from financing activities (C)</b>		<b>(1,009,297)</b>		<b>(116,922,146)</b>
	<b>Net increase in Cash and cash equivalents (A+B+C)</b>		97,882,242		(68,212,196)
	Cash and cash equivalents at the beginning of the year		49,766,696		117,978,893
	<b>Cash and cash equivalents at the end of the year</b>		<b>147,648,939</b>		<b>49,766,696</b>
	<b>Reconciliation of cash and cash equivalents with the Balance Sheet:</b>				
	Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		147,648,939		49,766,696

See accompanying notes forming part of the financial statements

In term of our report attached.

**For KRISHNA ANURAG & CO.**

Chartered Accountants

Firm Registration No. 010146C

**SD/-**

**KRISHNA KUMAR TIWARI**

Partner

Membership No. 078988

**SD/-**

**BIPIN BIHARI SHARMA**

Executive Director & CFO

DIN : 06745272

**SD/-**

**SANJEEV KUMAR YADAV**

Executive Director & CEO

DIN : 03110672

**SD/-**

**DEEP SHUBHAM**

Company Secretary

M. No. A46896

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

Place : Varanasi

Date : 21st June, 2021

Place : Gurugram

Date : 21st June, 2021



## Notes forming part of the Financial Statements For The Year Ending 31st March, 2021

### 1 Corporate Information

Subhlakshmi Finance Private Limited ("SFPL or the Company") was incorporated to carry on the business of a finance company and provide financial services to micro, small and medium scale enterprises and to individuals. On January 12, 2017, subsequent to change of name the Company received a certificate of registration from the Reserve Bank of India under Section 45IA of the Reserve Bank of India Act, 1934 to carry on the business of a Non-Banking Financial Institution (NBFC) without acceptance of public deposits. Currently, the Company is a Non-systematically important Non-deposit taking Non Banking Financing Company (ND-NBFC) as defined under Section 45IA of the Reserve Bank of India Act, 1934. Accordingly, all provisions of the Reserve Bank of India Act, 1934 and all directions, guidelines or instructions of the Reserve Bank of India that have been issued from time to time and are in force and as applicable to a Non deposit taking Non-Banking Financial Company are applicable to the Company. The accompanying financial statements reflect the results of the activities undertaken by the Company during the year ended March 31, 2021.

### 2 Summary of significant accounting policies

#### 2.1 Basis of accounting and preparation of financial statements

The financial statements have been prepared to comply in accordance with the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India (IGAAP) and as per the Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and guidelines issued by Reserve Bank of India. The financial statements have been prepared on an accrual basis and under the historical cost convention, except interest on non-performing loans that are recognized on realization. The notified Accounting Standards (AS) are followed by the Company in so far as they are not inconsistent with the NBFC Regulation. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

#### 2.3 Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand 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 changes in value.

#### 2.4 Cash flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### 2.5 Depreciation and amortization

Depreciation on all tangible fixed assets is provided on the written down value method over the estimated useful life of assets at the rates specified in Schedule II to the Companies Act, 2013. Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets is acquired/installed. Depreciation on sale/ deduction from fixed assets is provided for upto the date of sale deduction and discardment as the case may be. Intangible assets are amortized over a period of 10 years.

#### 2.6 Revenue recognition

The revenue recognition shall be based on recognized accounting principles and in accordance with the the NBFC-Non-Systematically (RB) Directions, 2016. Repayment of loans is by way of Equated Fortnightly/Monthly Installments (EFIs/EMIs) comprising principal and interest.

#### **i. Interest Income**

Revenue in respect of interest on loans sanctioned is recognized on accrual basis on the outstanding balance of loans. EFIs/EMIs commence once the loan is disbursed.

#### **ii. Income on NPA**

Income including interest/discount/hire charges/ lease rentals or any other charges on NPA shall be recognised only when it is actually realised. Revenue from interest on non-performing assets is recognized only when it is actually realised. Any other such income recognised before the assets become non-performing and realised shall be reversed in accordance with the para 7 of the NBFC-Non-Systematically (RB) Directions, 2016.

#### **iii. Other operational revenue**

Revenue from application fees and processing fee received in respect of a loan is recognized in the year in which the loan is sanctioned. Cheque dishonor charges, prepayment penalty, delayed payment charges etc in respect of loans are recognized on receipt basis. Processing fees are recognised as income, upfront when it becomes due.

### **2.7 Other income**

Interest income from bank deposits is recognized on the time proportion method taking into consideration the amount outstanding and the applicable interest rates. All other income is recognised on an accrual basis.

### **2.8 Fixed assets**

#### **(A) Tangible Assets:**

Fixed assets are carried at cost less accumulated depreciation/ amortization and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

#### **(B) Intangible Assets:**

Intangible assets are stated at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Subsequent expenditure on an intangible asset after its purchase / completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset

### **2.9 Impairment of Assets**

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from its ultimate disposal. A provision for impairment loss is recognised where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset. When there is indication that an impairment loss recognised for an asset in earlier accounting years no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

### **2.10 Employee benefits**

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences

#### **i. Short term employee benefits:**

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities

recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

## **ii. Post employment benefits:**

### **(a) Defined Contribution plan**

The Company's contribution to provident fund, employee state insurance scheme and other applicable funds are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### **(b) Defined benefit plan:**

Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of actuarial valuation as at the balance sheet date. In accordance with the payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

### **(c) Long term employee benefits**

Compensated absences with respect to leave encashment benefits payable to employees of the Company while in service, on retirement, death while in service or on termination of employment with respect to accumulated leaves outstanding at the year end are accounted for on the basis of an actuarial valuation as at the balance sheet date. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

### **(d) Termination benefits**

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

## **2.11 Borrowing Costs**

Interest on borrowings is recognized in statement of profit and loss on an accrual basis. Costs associated with borrowings are grouped under financial charges along with the interest costs.

## **2.12 Taxation**

Income taxes consist of current taxes and changes in deferred tax liabilities and assets.

### **i. Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternative tax payable under the provisions of the Income Tax Act, 1961 is recognised as an asset in the year in which credit become eligible and is set off in the year in which the Company become liable to pay income taxes at the enacted tax rates.

### **ii. Deferred Tax**

Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxation profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and

liabilities are not recognised if the temporary differences arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arise from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

### iii. **Current and Deferred tax for the year**

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## **2.13 Provisions and contingencies**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are not recognized in the financial statements.

## **2.14 GST Input credit**

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

## **2.15 Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

## **2.16 Moratorium Benefit :**

The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced COVID-19 Relief Scheme for grant of ex-gratia payment being difference between compound interest and simple interest for six months period from 1 March 2020 to 31 August 2020 to eligible borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium was availed or not. During the quarter ended 31 December 2020, considering the timelines, the company has implemented the Scheme and credited the accounts of the eligible borrowers, on or before the due dates as per the above notification.

## **2.17 Provision for Standard assets and Non- performing assets & Covid Impact :**

Pursuant to the emergence of COVID-19 pandemic followed by lockdown imposed by the government, the economic activities across the country had significantly decreased. Accordingly, Reserve Bank of India ("RBI") had also provided some relief in the form of "COVID-19 Regulatory Package" announced on March 27, 2020, April 17, 2020, May 23, 2020 and accordingly, the Board approved the moratorium policy ("the Policy"). As per the policy, the Company had granted moratorium to its eligible borrowers for a period between March 1, 2020 and August 31, 2020 as per the Company's policy in accordance with RBI guidelines.

The COVID-19 wave 2 induced significant rise in infections and tragic loss of human lives, resulting in lockdowns that have caused disturbance in the overall operations across the finance sector at beginning of the new financial year. The impact has spread in the towns and impacted the collections from the customer, once again disturbing the operations of the company as well. The company estimates that impact of COVID 19 wave 2 and resultant lockdowns

shall lead to more provisions to be maintained against for further arrears. Reserve Bank of India on May 5, 2021 issued notification no RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 for further resolution frame work related to MSME borrowers.

In the consequence of above, overall NBFC sector was adversely impacted during the period of lockdown and impact continued for even sometime subsequently. There was an adverse impact of Covid-19 on the loan assets of the company for the year ended March 31, 2021. The company has considered the internal and external sources of information available and indicators of deterioration in the macro economic factors. Further, the management has estimated the impact of ongoing waves of pandemic on the loan portfolio, based on reasonable and supportable information available till date and considering performance after the first wave, the company keep sufficient provisioning as required by the notifications and approved by the board.

In view of above, the management on a prudent basis decided to implement a stricter write off policy of NPA accounts and also provide additional provisions as on 31 March 2021 for Restructured assets, in accordance with RBI notification, as stated above. At the same time considering the situations company has moved to a more stringent write off policy, to implement the same, company has advanced the write off to 211+ days past dues (DPD) against 365+ DPD. Further, write off has been made out of NPA, based on the internal assessments, decrease in the economic activities, and information available, possible impact on recoverability of loan assets, current indicators of future economic conditions, company made the write off from the NPA loan assets, in accordance with approval of the Board.

#### **Provisioning Policy:**

'Provision for non-performing assets is recorded at rates which are equal to or higher than the rates specified by the Reserve Bank of India in Master Direction of Non-Banking Finance Company-Non-Systematically Important Non Deposit taking Company (Reserve Bank) Directions, 2016 and circular DOR. No. BP.BC.63/21.04.048/2019-20. The rates used by the Company are as follows.

<b>Asset Classification:</b>	<b>Period of Arrear (in days)</b>	<b>Rates as per Company % of the Portfolio</b>
<b><u>Owened Portfolio :</u></b>		
Standard	0 - 179	0.50%
Sub- Standard	180 - 210	10%
Restructured Assets	91 - 210	5.50%
Write Off	211 and more	100%
<b><u>Managed Portfolio :</u></b>		
Standard	0 - 179	0.50%
Sub- Standard- 1	180 - 210	10%
Write Off (Sub Std) *	180 - 210	100%
Write Off	211 and more	100%

\* as per the internal assessment, recommendation by the supervising authority, further decrease in the economic activities, and information available, possible impact on recoverability of loan assets, current indicators of future economic conditions, company made the write off from the NPA loan assets, in accordance with approval of the Board.

#### **Write-offs**

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated provisions for such loan assets, the difference recorded as an expense in the period of write off. Any subsequent recoveries are credited in statement of profit and loss.

#### **2.18 Restructure of Loans :**

As per the notification issued by Reserve Bank of India vide RBI/2020-1/17DOR. No. BP.BC/4/21.04.048/2020-21 dated August 6, 2020 (for restructuring of loans of Micro, Small and Medium Enterprises (MSME) sector-Restructuring of loans having exposure less than or equal to prescribed amount) :

<b>Particulars</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
No. of Loan Restructured	7,112	-
Amount (Rs.) (in Crores)	13.62	-

## 2.19 Material Events

Material events occurring after the Balance Sheet date are taken into cognizance.

## 2.20 Operating Cycle

Based on the nature of business of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 2.21 Operating Assets :

De-recognition of securitized assets in the books of accounts of the company and recognition of gain or loss arising on securitization and accounting for credit enhancement provided by the company are based on the revised guidelines on Securitization transaction issued by RBI in respect of NBFC.

Securitized assets are derecognised in the books of the Company on the principle of surrender of control over the assets. Minimum Retention Requirement (MRR) by way of investments in Fixed Deposits with Bank is included in the Cash and Bank/ Other non current assets.

Residual income on securitization of loans is recognised over the life of the underlying loans and on the basis of agreement with the counterparties.

## 2.22 Classification of current / non-current liabilities and assets

### Liability

A liability has been classified as 'current' when it satisfies any of following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within twelve months after reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by issue of equity instrument do not affect its classification.

All other liabilities are classified as non-current.

### Asset

An asset has been classified as 'current' when it satisfies any of following criteria:

- It is expected to be realized in, or is intended for sale or consumption in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within twelve months after reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

## 2.23 Earning Per Share

Basic earnings per share is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the year, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each year presented.



## Notes forming part of the Financial Statements For The Year Ending 31st March, 2021

### 3. SHARE CAPITAL

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>Authorized :</b> 20,000,000 (March 31, 2020 : 20,000,000 shares) Equity shares of Rs.10/- each	200,000,000	200,000,000
<b>Total</b>	200,000,000	200,000,000
<b>Issued, subscribed &amp; paid up :</b> 1,60,83,094 (March 31, 2020 : 1,46,98,094 shares) Equity shares of Rs.10/- each fully paid-up	160,830,940	146,980,940
<b>Total</b>	160,830,940	146,980,940

#### Notes:

- (i) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	Amount (Rs.)	No. of Shares held	Amount (Rs.)
<u>At the beginning of the reporting year</u>				
Fully paid-up equity shares	14,698,094	146,980,940	14,698,094	146,980,940
<u>Issued &amp; Called up during the year</u>				
Fully paid-up equity shares	1,385,000	13,850,000	-	
<u>At the close of the reporting year</u>	16,083,094	160,830,940	14,698,094	146,980,940

- (iii) Terms / Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of 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.

- (iv) Details of equity shares held by each shareholder holding more than 5% shares and percentage of shareholding as at March 31, 2021 has been calculated on the basis of paid-up value of shares:

Class of shares / Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% age of shareholding	No. of Shares held	% age of shareholding
Mr. Bipin Bihari Sharma	2,982,261	18.54%	2,757,261	18.56%
Mr. Sanjeev Kumar Yadav	2,788,511	17.34%	2,627,500	17.88%
Mr. Rakesh Kumar Dubey	2,456,250	15.27%	1,741,200	11.85%
Mr. Durgeshwar Kumar Mishra	1,994,100	12.40%	1,179,800	8.03%
Creyatech Private Limited	3,685,000	22.91%	3,230,000	21.98%

#### 4. RESERVES AND SURPLUS

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>Securities Premium Account</b>		
Opening balance	2,11,72,412	2,11,72,412
Add: Amount of security premium received on issue of 9,00,000 equity share of Rs. 10/- each at a premium of Rs. 6/- per share)	54,00,000	
Add: Amount of securities premium received on issue of 45,00,000 convertible share warrants of Rs. 16/- each, which includes premium of Rs. 6/- each (Rs. 1.50/- per warrant received out of premium amount of Rs. 6/- per share warrants)	67,50,000	-
Closing balance	3,33,22,412	2,11,72,412
<b>Statutory Reserve under section 45-IC of RBI Act</b>		
Opening balance	1,30,23,543	63,81,969
Add: Additions during the year	21,61,962	66,41,574
Closing balance	1,51,85,506	1,30,23,543
<b>(Deficit) in Statement of Profit and Loss</b>		
Opening balance	5,20,94,174	2,55,27,877
Add: Profit/(Loss) for the Period	1,08,09,811	3,32,07,870
Less: Transfer to special reserves under section 45IC of RBI Act	(21,61,962)	(66,41,574)
Closing balance	6,07,42,022	5,20,94,174
<b>Total</b>	<b>10,92,49,939</b>	<b>8,62,90,129</b>

#### 5. LONG-TERM BORROWINGS

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>(A) Secured</b>		
Term Loans from Bank - Secured	321,762,918	164,681,068
Term Loans from Financial Institutions - Secured	117,036,010	152,636,538
	438,798,928	317,317,606
<b>(B) Unsecured</b>		
Term Loans from Bank - Secured	20,000,000	20,000,000
Term Loans from Financial Institutions - Unsecured	30,000,000	30,000,000
	50,000,000	50,000,000
<b>Total (A) + (B)</b>	<b>488,798,928</b>	<b>367,317,606</b>

## 6 LONG TERM PROVISIONS

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>(A) Provision for Employee Benefits :</b>		-
(i) Provision for Compensated Absences.	926,562	812,312
(ii) Provision for Gratuity	1,331,781	546,137
<b>(B) Provisions - Others :</b>		
Contingent Provision for standard, sub-standard Assets	4,503,614	1,448,111
<b>Total</b>	<b>6,761,957</b>	<b>2,806,560</b>

## 7 TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 23)	-	-
(ii) Total outstanding due to creditors other than micro enterprises and small enterprises	-	-
Sundry Creditors	5,167,568	1,131,100
<b>Total</b>	<b>5,167,568</b>	<b>1,131,100</b>

## 8 OTHER CURRENT LIABILITIES

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>(A) Current maturities of Long Term Borrowings</b>		
Term Loan From Banks	158,869,353	116,539,320
Term Loan From Financial Institutions	495,145,755	496,668,822
<b>(B) Interest accrued but not due on borrowings</b>	7,321,425	8,423,085
Payable to MAS & Others	68,453,705	
<b>Other payables:</b>		
P.F. & ESI Payable	1,053,640	1,179,011
TDS Payable	1,671,237	2,087,256
GST payable	8,412,882	22,338
Disbursement Payable	26,425,453	-
Salary Payable	7,803,728	622,168
Audit Fee Payable	300,625	292,500
Expenses Payable	5,239,668	508,844
<b>Total</b>	<b>712,243,766</b>	<b>694,797,050</b>

## 9 SHORT-TERM PROVISIONS

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>Provisions for Employee Benefits:</b>		
(i) Provision for Compensated Absences	473,744	338,846
(ii) Provision for Gratuity.	130,072	36,579
<b>Provisions - Others:</b>		
Contingent Provision for standard, sub-standard Assets.	11,315,756	6,787,974
Provision for Income Tax	4,231,600	12,713,543
<b>Total</b>	<b>16,151,172</b>	<b>19,876,942</b>

**Note10 . Fixed assets**

**Depreciation As per Companies Act.**

Particulars	Gross block				Accumulated depreciation and impairment			Net Block	
	Balance as at 1 April, 2020	Addition during the year	Disposals / Adjustments	Balance as at 31st Mar, 2021	Balance as at 1 April, 2020	Depreciation / amortisation expense for the year	Adjustments/ Disposals	Balance as at 31st Mar, 2021	WDV as on 31st Mar, 2021
<b>A. Tangible Assets</b>									
(a) Furniture and Fixtures	1,696,695	32,450	-	1,729,145	805,572	237,286	-	1,042,858	686,287
(b) Office Equipment	2,913,824	409,627	-	3,323,451	854,938	1,039,873	-	1,894,811	1,428,640
(c) Electrical Installations and Equipment	210,572	-	-	210,572	185,770	11,179	-	196,949	13,623
(d) Computers	3,068,507	967,935	-	4,036,442	2,361,682	637,622	-	2,999,304	1,037,138
(e) Car	1,857,760	2,475,995	-	4,333,755	21,163	952,781	-	973,944	3,359,811
<b>Total Tangible Assets (A)</b>	<b>9,747,358</b>	<b>3,886,007</b>	<b>-</b>	<b>13,633,365</b>	<b>4,229,125</b>	<b>2,878,741</b>	<b>-</b>	<b>7,107,866</b>	<b>6,525,499.15</b>
<b>B. Intangible Assets</b>									
(a) Company logo design	20,775	-	20,775	11,162	2,488	-	13,650	7,125	9,613
(b) Software System	0	0	-	-	0	0	-	-	-
<b>Total Intangible Assets (B)</b>	<b>20,775</b>	<b>-</b>	<b>-</b>	<b>20,775</b>	<b>11,162</b>	<b>2,488</b>	<b>-</b>	<b>13,650</b>	<b>7,125.33</b>
<b>Total Fixed Assets (A+B)</b>	<b>9,768,133</b>	<b>3,886,007</b>	<b>0</b>	<b>13,654,140</b>	<b>4,240,286</b>	<b>2,881,229</b>	<b>0</b>	<b>7,121,515</b>	<b>6,532,624</b>
									<b>5,527,847</b>

**C. Depreciation and amortisation**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rs.	Rs.
Depreciation and amortisation for the year on tangible assets (10.A)	2,878,741	1,166,043
Depreciation and amortisation for the year on intangible assets (10.B)	2,488	4,530
<b>Total (10.A + 10.B)</b>	<b>2,881,229</b>	<b>1,170,573</b>

## 11 Deferred tax

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>Deferred Tax Assets</b>		
Deferred tax	4,459,742	1,967,371
<b>Total</b>	<b>4,459,742</b>	<b>1,967,371</b>

## 12 LONG-TERM LOANS AND ADVANCES

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>Unsecured, considered good</b>		
Loans and Advances - Financing Activity	1,447,535,248	1,578,645,771
Less : Managed Portfolio	353,436,913	491,989,801
Loans and Advances - Financing Activities	1,094,098,335	1,086,655,970
Less : Loans portfolio (Owned) recoverable within 12 months	854,754,935	909,074,803
Loan Portfolio (Owned) recoverable after 12 months	<b>239,343,400</b>	<b>177,581,167</b>
<b>Total</b>	<b>239,343,400</b>	<b>177,581,167</b>

Note : Total assets under management of the company is Rs. 144,75,35,248/-, comprising Rs. 35,34,36,913/- of managed assets and Rs. 1,09,40,98,335/- of owned assets. Further owned assets, comprising long term assets of Rs. 23,93,43,400/- and short term assets of Rs. 85,47,54,935/- has been shown under the head of ' long term loans and advances' and ' short term loan and advances', respectively.

## 13 OTHER NON CURRENT ASSETS

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Security deposits to the funders against borrowings	74,776,274	43,834,774
Security deposits for rented property / others	3,224,821	3,214,821
<b>Total</b>	<b>78,001,095</b>	<b>47,049,595</b>

## 14 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>A. Cash and cash equivalents</b>		
(a) Cash in hand	1,476,620	716,450
(b) Balances with banks		
In current accounts		
HDFC	1,321,058	7,279,040
HDFC-Collection	49,944	297,533
Bank of Maharashtra-CA	337,325	75,157
Bank of Maharashtra SAM	2,390	10,109
IDFC First Bank	114,240,076	149,911
ICICI Bank	2,338,874	1,444,284
Syndicate bank	13,145	73,341
State Bank of India	18,235,186	1,082,182
Bandhan bank	2,264,147	3,633,688
Suryoday	5,000	5,000
In other deposit accounts with original maturity of less than three months	7,365,175	35,000,000
<b>Total</b>	<b>147,648,939</b>	<b>49,766,696</b>

## 15 SHORT-TERM LOANS AND ADVANCES

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>Unsecured, considered good</b>		
Loans and Advances - Financing Activity	854,754,935	909,074,803
<b>Total</b>	<b>854,754,935</b>	<b>909,074,803</b>

## 16 OTHER CURRENT ASSETS

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
(a.) <b>Accruals</b>		
(i) Accrued Interest on Fixed Deposits	7,892,028	5,815,627
(ii) Accrued Interest on Owned Portfolio	38,043,256	2,110,123
(iv) Accrued Income from Direct Assignment	6,559,656	398,998
Recoverable from MAS & other	206,839	
Advance Tax	1,500,000	11,140,800
Security deposits to the funders against borrowings- Short Term	85,699,082	88,841,655
Advance at branches	-	946,872
Advance to Staff	89,031	-
GST Receivable	39,565	135,224
Insurance Receivable	3,727,699	3,318,400
Other Current Assets	5,728,826	1,076,014
TDS receivable	3,321,242	2,507,357
<b>Total</b>	<b>168,463,535</b>	<b>128,232,847</b>

## 17 REVENUE FROM OPERATIONS

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Interest on Loans	281,594,305	255,794,606
Processing Fees	30,669,301	48,002,638
Income from Direct Assignment	8,776,701	398,998
Servicing Charges	37,964,238	27,289,026
<b>Total</b>	<b>359,004,545</b>	<b>331,485,268</b>

## 18 OTHER INCOME

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Interest received on deposits (with bank/lenders)	6,757,517	7,172,993
Interest Accruals on Fixed Deposit	3,693,141	6,840,894
Miscellaneous Income	1,141,379	1,228,911
<b>Total</b>	<b>11,592,036</b>	<b>15,242,798</b>



## 19 EMPLOYEE BENEFITS EXPENSES

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Salaries and wages	77,979,176	78,610,636
Director Remuneration	7,856,412	6,390,002
Director Sitting Fees	160,000	147,500
Incentive to staff	3,823,522	5,893,555
Staff Insurance	991,484	941,877
Staff welfare expenses	609,143	992,561
Employer Contribution (PF, ESI & Other Funds)	7,790,638	7,176,001
<b>Total</b>	<b>99,210,375</b>	<b>100,152,132</b>

## 20 FINANCE COSTS

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Interest on term loans	141,842,626	130,956,329
Other borrowing costs	6,647,993	13,824,888
<b>Total</b>	<b>148,490,619</b>	<b>144,781,217</b>

## 21 OPERATION & OTHER EXPENSES

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Advertisement expenses	217,500	2,709,718
Auditor's Remuneration	325,000	325,000
Bank charges	598,364	106,724
Branch expenses	1,983,546	2,313,556
Branch travelling	896,005	1,385,508
Business Promotion exp	114,894	1,198,143
Rating Fees & Allied Exp	275,000	1,050,000
Electricity expenses	904,809	679,878
Credit Information Expense	1,091,042	1,308,058
GST Exp	2,307,304	2,751,090
Insurance money in transit	135,970	133,610
Interest on Statutory Dues	28,987	261,042
Legal and professional fees	5,528,019	4,950,248
Meeting Exp	169,575	129,443
Office Maintenance Expenses	541,844	2,301,651
Out of pocket expenses	83,704	61,538
Postage & telegram	28,830	95,103
Printing and Stationary	948,839	3,057,337

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Rates and Taxes	68,450	64,006
Rent	12,444,765	11,653,566
Repair & maintenance	1,899,090	1,046,199
ROC Fees	112,239	449,650
Documentation & Verification	112,500	850,146
Application Develop & Hosting Exp.	1,820,307	1,483,862
Collection Charges	961,813	
Training & recruitment	298,782	249,891
Telephone & Internet Exp.	527,069	388,777
Loans & Advances-written off	63,725,724	6,607,063
Tour and Travelling Expenses	2,060,681	2,802,034
Water expenses	61,669	74,025
<b>Total</b>	<b>100,272,319</b>	<b>50,486,866</b>

Notes :

- (i) Payments to the auditors comprises (net of GST input, where applicable) :

As Auditors - Statutory Audit	200,000	200,000
For taxation matter	75,000	75,000
For other matter	50,000	50,000
	<b>325,000</b>	<b>325,000</b>

## 21.A PROVISION FOR RECEIVABLE UNDER FINANCING ACTIVITY

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Standard	7,446,018	4,614,892
Sub- Standard	538,132	266,143
<b>Total</b>	<b>7,984,150</b>	<b>4,881,035</b>

Note: During the year, the Company has follow the same accounting policy in respect of provisions on loans and advances as followed in the previous year i.e. provision for standard assets and sub standard assets has been made for 0.50% and 10% of the outstanding principal amount, where the period of arrears was upto 6 months and 7 to 12 months respectively. In addition to above, during this year, in line with RBI Directions for restructuring of loans, there has been maintained the additional provisioning of 5% for restructured loans. During the year, company has restructured the loans of 7,112 clients of amounting Rs. 13,62,70,237/-, and further during the process of restructure, total due interest on such loans, has been capitalised of Rs. 1,41,81,825/-

## 22 Related party transactions

### Details of related parties :

(a)

Description of relationship	Names of related parties
Key Managerial Personnel (KMP)	1) Sanjeev Kumar Yadav - Executive Director & CEO 2) Bipin Bihari Sharma - Executive Director & CFO 3) Durgeshwar Kumar Mishra - Whole-time Director
Entities over which KMP's have significant influence/ Entities exercising significant influence over the Company	Creyatech Private Limited

**Note:** Related parties have been identified by the Management.

(b) **Details of related party transactions during the year ended March 31, 2021 and outstanding balance as at March 31, 2020:**

	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
A. <u>Managerial remuneration</u> <i>Key Managerial Personnel</i> (Excluding provision for gratuity and compensated absences as the same are actuarially determined for the Company as a whole and thus not separately ascertainable for the Director).	7,856,412	6,390,002
B. <u>Interest Paid (on refund of application money)</u> <i>Key Managerial Personnel</i> <i>Companies in which Key Managerial Personnel exercise significant influence</i>	-	-
C. <u>Professional Charges</u> <i>Key Managerial Personnel</i> <i>Companies in which Key Managerial Personnel exercise significant influence</i>	- -	- -
D. <u>Receiving of Application Money</u> <i>Key Managerial Personnel</i> <i>Companies in which Key Managerial Personnel exercise significant influence</i>		
E. <u>Refund of Application Money</u> <i>Key Managerial Personnel</i> <i>Companies in which Key Managerial Personnel exercise significant influence</i>	- -	- -
F. <u>Shares issued During the year</u> <i>Key Managerial Personnel</i> Sanjeev Kumar Yadav Bipin Bihari Sharma Durgeshwar Kumar Mishra <i>Entities over which KMP's have significant influence/ Entities exercising significant influence over the Company</i> Creyatech Private Limited	2,250,000 2,250,000 2,250,000 4,850,000	11,000,000 11,000,000 9,500,000

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
G. <u>Security Premium Received</u> <i>Key Managerial Personnel</i> Sanjeev Kumar Yadav Bipin Bihari Sharma Durgeshwar Kumar Mishra <i>Entities over which KMP's have significant influence/ Entities exercising significant influence over the Company</i> Creyatech Private Limited	3,037,500 3,037,500 3,037,500 4,500,000	3,625,000 3,625,000 -
H. <u>Share Application Money Received During The Year</u> <i>Entities exercising significant influence over the Company</i>	-	-

### 23 Segment Information :

The Company is engaged in the business of providing loans to small and medium enterprises for working capital requirements. As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosure prescribed by Accounting Standard 17 on Segment Reporting are not required.

### 24 Disclosure as per accounting standard - 15 (Employee Benefit) :

The Company offers the employee benefit schemes of Gratuity to its employees. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of valuation as at the balance sheet date.

The following table sets out the funded status of the defined benefit schemes pertaining to Gratuity and the amounts recognised in the financial statements:

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>Components of Employee Expenses :</b>		
Current Service Cost	1,128,285	750,000
Interest Cost	-	-
Actuarial Loss / (Gain)		
<b>Total expense recognized in the statement of profit &amp; loss</b>	<b>1,128,285</b>	<b>750,000</b>
<b>Actual contribution and benefit payments for the year</b>		
Actual Benefit Payment	-	-
Actual Contributions	-	-
<b>Net asset / (liability) recognized in the Balance Sheet</b>		
Present value of defined benefit obligation	(28,62,159)	(17,33,874)
Fair value of plan assets	-	-
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>(28,62,159)</b>	<b>(17,33,874)</b>
<b>Change in defined benefit obligations (DBO) during the year</b>		
Present value of DBO at beginning of the year	1,733,874	983,874
Current service cost	1,128,285	750,000
Interest cost	-	-
Actuarial losses / (gains)	-	-
Benefits paid	-	-
Present value of DBO at the end of the year	<b>2,862,159</b>	<b>1,733,874</b>

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
<b>Change in fair value of assets during the year</b>	-	-
Plan assets at beginning of the year	-	-
Actual company contributions	-	-
Actuarial losses / (gains)	-	-
Benefits paid	-	-
Plan assets at the end of the year	-	-
Actual return on plan assets	-	-
<b>Actuarial assumptions</b>		
Discount rate	6.76%	6.95%
Expected return on plan assets	-	-
Salary escalation	5.00%	5.00%
Mortality tables	IALM (2012-14)	IALM (2006-08)
Attrition Rate	40.00%	20.00%

## 25 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## 26 Movement in provisions against assets (Loans and advances) during the year is as under:

The Company has made provision for non- performing assets as specified by the Reserve Bank of India in their guidelines on prudential norms, details of which are given below.

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Opening Balance	8,236,084	3,766,914
Add: Additions during the year	7,984,150	4,881,035
Less: Utilised during the year	(4,02,070)	(4,11,865)
Closing Balance	15,818,164	8,236,084

## 27 Previous years figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

## 28 Earnings per share

The following is a computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share.

	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Net (Profit/Loss) for the year	10,809,811	33,207,870
Less: Dividend	-	-
Net (Profit/Loss) for the year attributable to equity shareholders	10,809,811	33,207,870
Weighted average number of equity shares – for Basic EPS	15,003,927	14,698,094
Effect of dilutive potential equity share equivalent	-	-
Weighted average number of equity shares – for diluted EPS	15,003,927	14,698,094
Basic EPS	0.72	2.26
Diluted EPS	0.72	2.26

### For KRISHNA ANURAG & CO.

Chartered Accountants  
Firm Registration No. 010146C

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

**SD/-**  
**KRISHNA KUMAR TIWARI**  
Partner  
Membership No. 078988

**SD/-**  
**BIPIN BIHARI SHARMA**  
Executive Director & CFO  
DIN : 06745272

**SD/-**  
**SANJEEV KUMAR YADAV**  
Executive Director & CEO  
DIN : 03110672

**SD/-**  
**DEEP SHUBHAM**  
Company Secretary  
M. No. A46896

Place : Varanasi  
Date : 21st June, 2021

Place : Gurugram  
Date : 21st June, 2021



## Schedule to the Balance Sheet of a Non-Deposit Accepting Non-Banking Finance Company

Particulars	Amount (in Rs. Lakhs)	
	Amount outstanding	Amount overdue
<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>		
(a) Debentures :		
Secured	-	-
Unsecured	-	-
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	-
(c) Term Loans	11,126.30	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public deposits	-	-
(g) Other Loans (specify nature)	-	-

\* Please see Note 1 below

	Amount outstanding
<b>2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>	
(a) In the form of Unsecured debentures	-
(b) In the form of partly secured debentures i.e debentures where there is shortfall in the value of security	
(c) Other public deposits	

\* Please see Note 1 below

<b>Assets side :</b>	Amount outstanding
<b>3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>	
(a) Secured	
(b) Unsecured	10,940.98

	Amount outstanding
<b>4 Break up of Leased Assets and stock on hire and other assets counting towards Asset Finance Company activities</b>	
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	-
(b) Operating lease	-
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-

	Amount outstanding
5 <b><u>Break-up of Investments :</u></b>	
<b><u>Current Investments :</u></b>	
1. <u>Quoted :</u>	-
(i) Shares :	-
(a) Equity	
(b) Preference	
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	
(iv) Government Securities	-
(v) Others Inter Corporate Deposit	150
2. <u>Unquoted :</u>	-
(i) Shares :	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
<b><u>Long Term investments :</u></b>	
1. <u>Quoted :</u>	
(i) Shares :	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2. <u>Unquoted :</u>	
(i) Shares :	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-

## 6 Borrower group-wise classification of assets financed as in (3) and (4) above

Please see Note 2 below

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	10,940.98	10,940.98	
<b>Total</b>	-	10,940.98	10,940.98

## 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

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		
<b>Total</b>		

\*\* As per Accounting Standard of ICAI (Please see Note 3)

## (8) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	-
(a) Related parties	-
(b) Other than related parties	91.75
(ii) Net Non-Performing Assets	-
(a) Related parties	-
(b) Other than related parties	82.58
(iii) Assets acquired in satisfaction of debt	-

### 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 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 investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (5) above.

**SUBHLAKSHMI FINANCE PRIVATE LIMITED**

**CIN:** U67120PB1996PTC017604,

**Corporate Office:** 04<sup>th</sup> Floor, Plot no. 55 P, Sector 44 Gurugram, Haryana- 122003,

**Registered Office:** H. No, 336, Guru Nanak Colony, Gali No-2, Sangrur, Punjab-148001

**Ph:** +0124-4233318; **E-mail:** corporate.compliance@subhlakshmi.in; **Website:** www.subhlakshmi.in

**NOTICE**

**NOTICE** is hereby given that the 26<sup>th</sup> Annual General Meeting of the Company of the Members of **Subhlakshmi Finance Private Limited** will be held on **27<sup>th</sup> day of September 2021 at 4:00 P.M.** at a shorter notice at the Corporate office of the Company situated at 4<sup>th</sup> Floor, Plot No. 55 P Sector 44, Gurugram, Haryana –122003 along with the facility of attending meeting through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the financial statements of the Company for the Financial year ended 31<sup>st</sup> March 2021 including audited balance sheet as at 31<sup>st</sup> March, 2021, the Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2021 and Cash flow statements for the year ended 31<sup>st</sup> March 2021 along with schedules and notes on that date and the reports of the Board of Directors and auditors thereon.

**SPECIAL BUSINESS**

**2. Re-appointment of Mr. Ashish Kumar Gupta (DIN: 01819088) as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the applicable provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Amendment) Act, 2017 (‘Act’) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ashish Kumar Gupta (DIN: 01819088), who was appointed as the Independent Director of the Company in the Extraordinary General Meeting dated 04<sup>th</sup> October 2017 for a term of 5 years and who is eligible for re-appointment and has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, the consent of the Members of the Company be and is hereby accorded for his reappointment as an Independent Director on the Board of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years with effect from 3<sup>rd</sup> October 2021 to 02<sup>nd</sup> October 2026;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to execute all such documents and papers and to do all such acts, deeds and things as may be considered expedient and necessary along with the filing of necessary e-forms with respect to said appointment with the Registrar of Companies.”

**3. Change in designation and appointment of Mr. Sanjeev Kumar Yadav (DIN: 03110672), Executive Director as Chief Operating Officer (“COO”) 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** pursuant to the applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Sanjeev Kumar Yadav (DIN: 03110672) who was appointed as the Executive Director and Chief Executive Officer of the Company in the Extraordinary General Meeting held on 15<sup>th</sup> May 2017 for a term of 5 years, the consent of the Members of the Company be and is hereby accorded to change his designation from Chief Executive Officer (“CEO”) to Chief Operating Officer (“COO”) with effect from 20<sup>th</sup> September 2021 and ceased to be the CEO of the Company from such date.

**RESOLVED FURTHER THAT** the consent of the members of the Company be and is hereby accorded for the appointment of Mr. Sanjeev Kumar Yadav (DIN: 03110672) as the Executive Director & Chief Operating Officer (“COO”) of the Company

for a term of five years with effect from 20<sup>th</sup> September, 2021 to 19<sup>th</sup> September, 2026, on the terms and conditions of appointment and remuneration as agreed to between Board of Directors and Mr. Sanjeev Kumar Yadav.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to execute all such documents and papers and to do all such acts, deeds and things as may considered expedient and necessary along with the filing of necessary e-forms with respect to said appointment with the Registrar of Companies.”

**4. Appointment of Mr. Durgeshwar Kumar Mishra (DIN: 05155290) as Chief Executive Officer (“CEO”) and change his designation from Whole Time Director to Executive 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** pursuant to the applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Durgeshwar Kumar Mishra (DIN: 05155290) who was appointed as the Whole-time Director in the Annual General Meeting held on 30<sup>th</sup> December 2020, the consent of the Members of the Company be and is hereby accorded for change in his designation from Whole Time Director to Executive Director of the Company with effect from 20<sup>th</sup> September 2021.

**RESOLVED FURTHER THAT** pursuant to the applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Durgeshwar Kumar Mishra (DIN: 05155290) as Executive Director and Chief Executive Officer (“CEO”) of the Company for a term of five years with effect from 20<sup>th</sup> September, 2021 to 19<sup>th</sup> September, 2026, on the terms and conditions of appointment and remuneration as agreed to between Board of Directors and Mr. Durgeshwar Kumar Mishra.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to execute all such documents and papers and to do all such acts, deeds and things as may considered expedient and necessary along with the filing of necessary e-forms with respect to said appointment with the Registrar of Companies.”

**5. Re-appointment of Mr. Bipin Bihari Sharma (DIN: 06745272) as Chief Financial Officer (“CFO”) & Executive 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** pursuant to the applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Bipin Bihari Sharma (DIN: 06745272) who was appointed as Executive Director and Chief Finance Officer (“CFO”) of the Company in the Extraordinary General Meeting held on 15<sup>th</sup> May 2017 for a term of 5 years with effect from 15<sup>th</sup> May, 2017 to 14<sup>th</sup> May, 2022, the consent of the Members of the Company be and is hereby accorded for his reappointment as Executive Director and Chief Finance Officer (“CFO”) of the Company for a period of five years with effect from 20<sup>th</sup> September, 2021 to 19<sup>th</sup> September, 2026, on the terms and conditions of appointment and remuneration as agreed to between Board of Directors and Mr. Bipin Bihari Sharma.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to execute all such documents and papers and to do all such acts, deeds and things as may considered expedient and necessary along with the filing of necessary e-forms with respect to said appointment with the Registrar of Companies.”

**By order of the Board of Directors**

Date: 20/09/2021  
Place: Gurugram, Haryana

Sd/-  
(Deep Shubham)  
Company Secretary  
M. No - A46896

**NOTES:**

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated June 23, 2021 read with circulars dated April 8, 2020, April 13, 2020, June 15 2020, September 28, 2020 and December 31, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM” or “Meeting”) through VC /OAVM. In compliance with the provisions of the Companies Act, 2013 (“Act”) and MCA Circulars, the members may also avail the facility to attend the AGM of the Company through VC /OAVM. The meeting link shall be shared in advance for availing such facility at the registered email Id’s of the members.
2. An explanatory statement pursuant to Section 102 of the Act, relating to special business to be transacted at the AGM, is annexed hereto.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM, facility of attending meeting is also provided through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Company Secretary by email through its registered email address to [corporate.compliance@subhlakshmi.in](mailto:corporate.compliance@subhlakshmi.in).
5. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to the Members on their registered email addresses with the Company.
6. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the AGM and other statutory registers shall be available for inspection by the Members at the Corporate office of the Company during business hours 10:00 A.M. to 04:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
7. 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.
8. Corporate members intending to send their authorized representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.



## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### In respect of item No. 2

The members of the Company, at their Extra- Ordinary General Meeting held on 4<sup>th</sup> October, 2016 had approved the appointment of Mr. Ashish Kumar Gupta as an Independent Director of the Company for a term of 5 years, whose term is due to expire on 3<sup>rd</sup> October, 2021.

As per Section 149(10) of the Companies Act, 2013 ("the Act"), an Independent Director may hold office for two consecutive terms on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company.

Mr. Ashish has a vast experience in the field of Micro Finance and development Sector. Considering his continued valuable guidance to the management and strong Board performance, the Board of Directors in their meeting held on 20<sup>th</sup> September 2021 approved his re-appointment for the second term as an Independent Director on the Board of the company for a period of five years, effective from 3<sup>rd</sup> October, 2021 to 2<sup>nd</sup> October 2026, subject to the shareholders' approval.

In accordance with the provisions of the Act, for the re-appointment of Mr. Ashish Kumar Gupta as Independent Director for the second term, approval from the members is required by way of Special Resolution. The Company has also received a declaration from Mr. Ashish Kumar Gupta declaring that she meets the criteria of independence as provided under Section 146(9) of the Companies Act, 2013.

None of the Directors / Key Managerial Personnel of the Company other than Mr. Ashish Kumar Gupta, are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the **Special Resolution** set out at Item no. 2 of the Notice for approval by the members.

### In respect of item No. 3

With the intent of re-organizing the key roles and realigning the responsibilities amongst the promoters of the Company, the Board of Directors at their meeting held on 20<sup>th</sup> September 2021 subject to approval of shareholders passed necessary resolution for the inter-change in roles and designation and decided that Mr. Sanjeev Kumar Yadav (DIN: 03110672) who was appointed as the CEO & Executive Director of the Company by the shareholders in their Extraordinary General Meeting dated 15 May 2017 for a term of 5 Years shall now act as Executive Director & Chief Operating Officer ("COO") of the Company for a period of 5 Years with effect from 20<sup>th</sup> September, 2021 and accordingly he will cease from the post of Chief Executive Officer ("CEO") with effect from 20<sup>th</sup> September, 2021.

Mr. Sanjeev has experience and expertise in the area of Business Operations of NBFCs' which provides huge support in smoothly conducting the business operations of the Company at each level. Accordingly, it is desirable to avail his services in the Company as the COO that would enable the business operations run more smoothly and efficiently. Accordingly, the Board recommends the resolution Nos. 3, in relation to appointment of Mr. Sanjeev Kumar Yadav (DIN: 03110672) as Executive Director & Chief Operating Officer ("COO") of the Company for a period of 5 years effective from 20<sup>th</sup> September, 2021, on the terms and conditions of appointment and remuneration as approved by the Board of Directors through the Resolution no. 3 for approval by the members of the Company..

None of the Directors / Key Managerial Personnel of the Company other than Mr. Sanjeev Kumar Yadav, is concerned or interested, financially or otherwise, in this resolution.

### In respect of item No. 4

With the intent of re-organizing the key roles and realigning the responsibilities amongst the promoters of the Company, the Board of Directors at their meeting held on 20<sup>th</sup> September 2021, subject to approval of shareholders passed necessary resolution for the inter-change in roles and designation and decided that Mr. Durgeshwar Kumar Mishra (DIN: 05155290) who was appointed as Whole-time Director of the Company in the Annual General Meeting held on 30<sup>th</sup> December 2020 shall now act as Executive Director & Chief Executive Officer ("CEO") of the Company for a period of 5 Years with effect from 20<sup>th</sup> September, 2021.

Mr. Durgeshwar has vast experience in diversified areas of business of NBFCs', the management is of the view that his appointment as CEO would bring new dimensions in the Company towards business approach. Accordingly, it is desirable to take the benefit of his expertise in this field that would drive the Company towards growth. Accordingly, the Board recommends the resolution Nos. 4, in relation to appointment of Mr. Durgeshwar Kumar Mishra as Executive Director & CEO of the Company for a period of 5 years effective from 20<sup>th</sup> September, 2021, on the terms and conditions of appointment and remuneration as approved by the Board of Directors.

None of the Directors / Key Managerial Personnel of the Company other than Mr. Durgeshwar Kumar Mishra, are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the **Ordinary Resolution** set out at Item no. 4 of the Notice for approval by the members.

#### **In respect of Item no. 5**

The shareholders at their Extraordinary General Meeting held on 15<sup>th</sup> May 2017 appointed Mr. Bipin Bihari Sharma as the CFO & Executive Director with effect from such General Meeting date for a term of 5 years pursuant to the applicable provisions of the Companies Act, 2013.

Since, the management of the Company is re-aligning the roles and responsibility amongst themselves which includes the decision of renewal of tenure of Mr. Bipin as the CFO of the company for further term of 5 years. In this regard, the Board of Directors in their meeting held on 20<sup>th</sup> September 2021 approved the re-appointment of Mr. Bipin as the Executive Director & CFO for a further term of 5 years with effect from 20<sup>th</sup> September, 2021 to 19<sup>th</sup> September, 2026, subject to the shareholders' approval.

Mr. Bipin has played key role in the financial as well as operational part of the company since his appointment. The Board considers that his association as the CFO would be of immense benefit to the Company and it is desirable to avail his services as CFO. Accordingly, the Board recommends the resolution Nos. 5, in relation to appointment of Mr. Bipin Bihari Sharma as Executive Director and Chief Finance Officer of the Company, for the approval by the shareholders of the Company.

None of the Directors / Key Managerial Personnel of the Company other than Mr. Bipin Bihari Sharma, are concerned or interested, financially or otherwise, in the resolution.

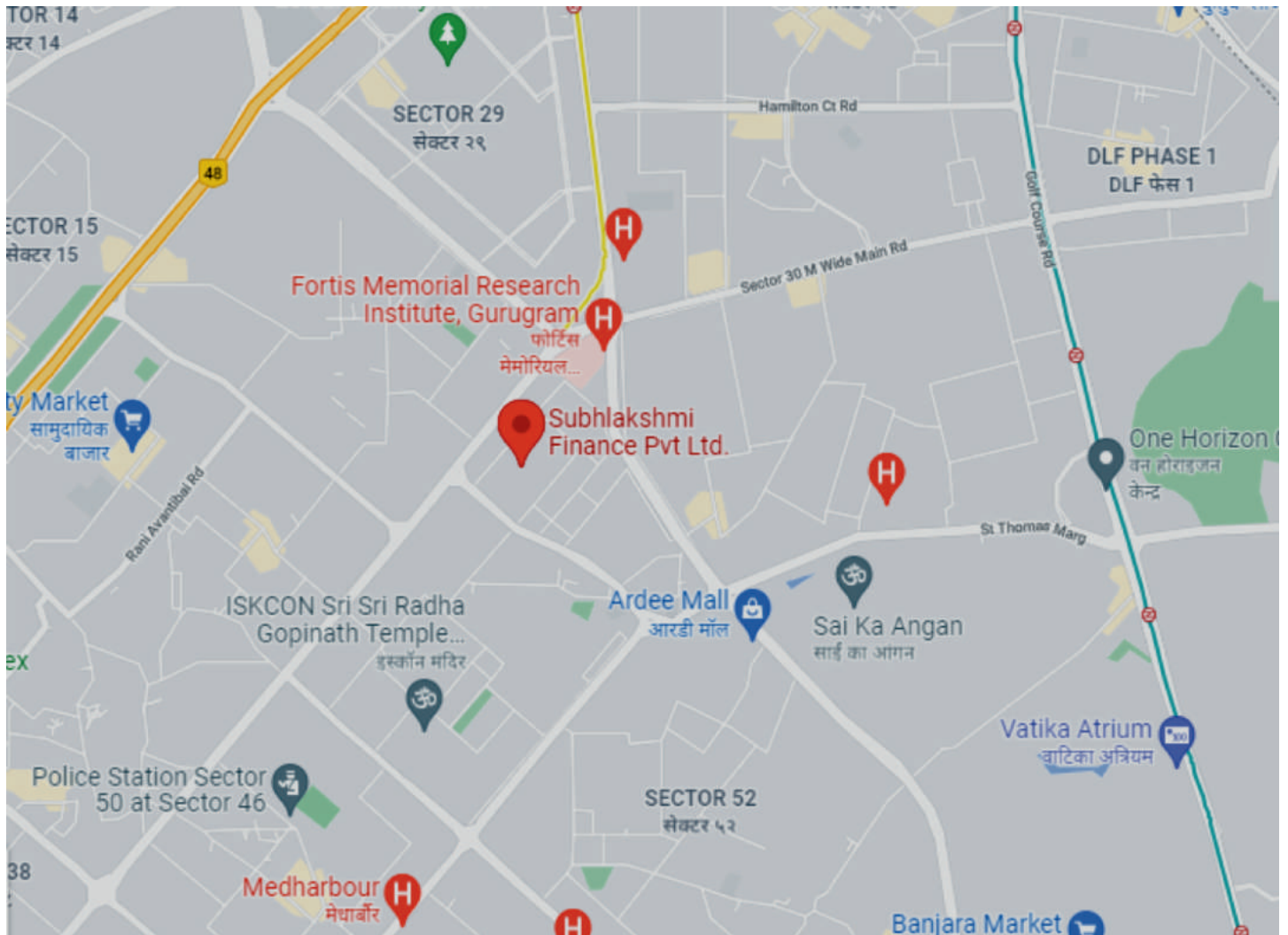
The Board recommends the **Ordinary Resolution** set out at Item no. 5 of the Notice for approval by the members.

**By order of the Board of Directors**

Date: 20/09/2021  
Place: Gurugram, Haryana

Sd/-  
(Deep Shubham)  
Company Secretary  
M. No - A46896

## Route Map of 26<sup>th</sup> Annual General Meeting of Subhlakshmi





## **SUBHLAKSHMI FINANCE PRIVATE LIMITED**

**Corporate Office: PLOT NO. 55, 4TH FLOOR, SECTOR- 44,  
GURUGRAM, 122003 (HARYANA)**