

September 5, 2023

To,

**Department of Corporate Relationship  
BSE Ltd.**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai – 400 001.  
Scrip Code: 539177

**The Calcutta Stock Exchange Limited**

7, Lyons Range, Murgighata, Dalhousie,  
Kolkata, West Bengal - 700 001.  
Scrip Code: 011262

Dear Sir / Madam,

**Subject: Disclosure of information pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In compliance with Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the financial year 2022-23 along with Notice of the 41<sup>st</sup> Annual General Meeting to be held on **Wednesday, September 27, 2023 at 4:00 P.M. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("**OAVM**") without the physical presence of the Members.

This is in compliance with the General Circular Nos. 2/2022 dated May 5, 2022, 19/2021 dated December 8, 2021, 2/2021 dated January 13, 2021, 20/2020 dated May 5, 2020, read with General Circular Nos. 17/2020 dated April 13, 2020 and 14/2020 dated April 8, 2020 and any updates thereto (referred as "MCA Circulars") and applicable provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and SEBI Circular no. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and any update thereto ("SEBI Circulars").

In accordance with the aforesaid MCA Circulars and SEBI Circular, the Annual Report together with the Notice of the AGM is being dispatched by electronic mode to those Shareholders whose email addresses are registered with the Company/ Depository Participants.

The same will be available on the website of the Company at [www.authum.com](http://www.authum.com).

For **Authum Investment & Infrastructure Limited**

HITESH PRAVIN VORA

Digitally signed by HITESH PRAVIN  
VORA  
Date: 2023.09.05 15:29:19 +05'30'

**Hitesh Vora**

**Company Secretary and Compliance Officer**

## AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED

Regd. Office: 707, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai - 400021.

Phone No.: 022-67472117 CIN: L51109MH1982PLC319008

Email Id: info@authum.com, Website: www.authum.com

# NOTICE OF 41<sup>ST</sup> ANNUAL GENERAL MEETING OF THE COMPANY

Notice is hereby given that the Forty First Annual General Meeting of the Members of Authum Investment and Infrastructure Limited will be held on Wednesday, September 27, 2023 at 4:00 P.M. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020, 17/2020, 20/2021, 03/2022 and 11/2022 dated May 5, 2020, April 8, 2020, April 13, 2020, December 8, 2021, May 5, 2022 and December 28, 2022 respectively, to transact following business:

### ORDINARY BUSINESS:

#### Item No. 1: Adoption of Audited Financial Statements of the Company for the financial year end March 31, 2023

To receive, consider and adopt the Audited (Standalone and Consolidated) Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and the Report of the Auditors thereon and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the audited (standalone and consolidated) financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

#### Item No. 2: Appointment of Mrs. Alpana Dangi (DIN: 01506529) as a Director liable to retire by rotation

To appoint a Director in place of Mrs. Alpana Dangi (DIN: 01506529), who retires by rotation and being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Alpana Dangi (DIN: 01506529), Director of the Company, who retires by rotation at this meeting and who being eligible has offered herself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

### SPECIAL BUSINESS:

#### Item No. 3: Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to Rs. 4,000 Cr.

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules and regulations made thereunder, the consent of the members of the Company be and is hereby accorded by way of special resolution, to the Board of Directors of the Company ("Board") for borrowing from time to time, as it may think fit, any sum or sums of money in any currency on such terms and conditions as the Board may deem fit, by way of loans, issuance of bonds, notes, debentures or other securities whether convertible into equity/ preference shares or not, from banks, financial or other institution(s), investors, mutual fund(s) or any other persons, up to an aggregate amount of Rs. 4,000 Crores (Rupees Four Thousand Crores Only) notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

**RESOLVED FURTHER THAT** the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deeds, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution."

#### Item No. 4: Approval for creation of charges, mortgages, hypothecation on the immovable and movable assets of the Company under Section 180(1)(a) of the Companies Act, 2013

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 provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or amendments thereof) and Rules made thereunder, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company or its Committee as may be authorized by the Board of Directors, to mortgage, hypothecate, pledge and/or charge in such form and manner and on such terms and at such time(s) as the Board of Directors or such Committee may deem fit, the immovable and movable assets, receivables of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, qualified institutional buyers, foreign institutional investors, banks, foreign portfolio investors, financial institutions, multilateral financial institutions, regional rural banks, cooperative banks, mutual funds, provident, pension, superannuation and gratuity funds, companies, partnership firms, limited liability partnerships, resident individual investors, Hindu undivided families, trustee(s), agent(s) to secure the debentures, senior notes, bonds, loans, hire purchase and/or lease portfolio management transaction(s) for finance and other credit facilities, provided that the aggregate indebtedness secured by the assets of the Company does not exceed Rs. 4,000 Crores (Rupees Four Thousand Crores only) at any time.

**RESOLVED FURTHER THAT** the Board of Directors or such Committee or person(s) as authorized by the Board of Directors be and are hereby authorized to finalize the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such immovable and/or movable properties, receivables of the Company on such terms and conditions as may be decided by the Board of Directors or such Committee in consultation with the lenders/ trustees and for reserving the aforesaid right and for performing all such acts, things and deeds as may be necessary for giving full effect to this resolution.”

**Item No. 5: Approval for raising of additional capital by way of one or more public or private offerings including through a Qualified Institutions Placement (‘QIP’) to eligible investors through an issuance of equity shares or other eligible securities for an amount not exceeding Rs. 750 Crore**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in supersession of the resolution passed earlier and pursuant to provisions of Sections 23, 42, 62, 71 and other applicable provisions of the Companies Act, 2013, as amended (hereinafter referred to as “the Act”) and rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the applicable provisions of the Securities and Exchange Board of India Act, 1992, as amended and rules and regulations made thereunder, the Foreign Exchange Management Act, 1999 (FEMA), as amended, and rules and regulations made thereunder and in accordance with the rules, regulations, guidelines, notifications, circulars and

clarifications issued thereon from time to time by the Government of India (GOI), the Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI) and/or any other competent authorities, and subject to approval from all other appropriate statutory and regulatory authorities, as may be applicable or relevant and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consent and sanctions, and subject to the provisions of the Company’s Memorandum and Articles of Association, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall include any Committee(s) of the Board of Directors for Operations’ (hereinafter referred to as the ‘Committee’) thereof constituted or to be constituted by the Board from time to time, to exercise its power conferred by this resolution) to create, offer, issue and allot such number of Equity Shares, fully convertible Debentures / partly convertible Debentures, Non-convertible Debentures, secured/unsecured redeemable Debentures, Warrants with right exercisable by the warrant holder to exchange or convert such warrants with Equity Shares of the Company at a later date simultaneously with issue of Non-convertible debentures and/or any other permitted fully or partly convertible securities and/or Preference Shares and/or any other financial instruments convertible into Equity Shares, securities linked to Equity Shares and/or securities or any combination of securities (“Securities”), at a later date, in one or more series/tranches, in the course of domestic and/or international offering(s) in one or more foreign markets, aggregating up to Rs. 750 Crore (Seven Hundred and Fifty Crores Only), by way of a public and/ or private offerings and/ or qualified institutions placement (QIP) or any combination thereof, through issue of prospectus and/or placement document or other permissible / requisite offer document to any eligible person, including qualified institutional buyers in accordance with Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), and the Act, or otherwise, foreign / resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign portfolio investors, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, and / or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the Investors) as may be decided by the Board in its discretion and permitted under applicable laws and regulations, at such premium as may be fixed on such securities by offering the securities at such time or times, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc., as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/ or other advisor(s), as the Board in its absolute discretion may deem fit and appropriate.

**RESOLVED FURTHER THAT** in the event that Equity Shares are issued to qualified institutional buyers under Chapter VI of the SEBI ICDR Regulations:

- (i) the allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution by the members of the Company;
- (ii) the Equity Shares to be offered, issued and allotted shall be subject to the provisions of the memorandum of association and articles of association of the Company and shall rank pari passu in all respects with the existing Equity Shares;
- (iii) no partly paid-up Equity Shares or other Securities shall be issued / allotted;
- (iv) the issuance of the Securities by way of the QIP shall be made at such price that is not less than the price determined in accordance with the pricing formula provided under Regulation 176(1) of the SEBI ICDR Regulations ("QIP Floor Price"), and the price determined for the QIP shall be subject to appropriate adjustments as per the provisions of the SEBI ICDR Regulations, as may be applicable.
- (v) The minimum number of allottees shall be in accordance with the SEBI ICDR Regulations; and
- (vi) the Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to this special resolution.

**RESOLVED FURTHER THAT** in the event that convertible securities and/or warrants which are convertible into Equity Shares of the Company are issued along with non-convertible debentures to qualified institutional buyers under Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and/or warrants simultaneously with non-convertible debentures and such securities shall be issued at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations.

**RESOLVED FURTHER THAT** the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- a. In the event the Company is making rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders; and
- b. In the event of merger, amalgamation, takeover or any other reorganisation or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted;

**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolution the Equity Shares that may be issued by the Company (including issuance of the Equity Shares pursuant to conversion of any Securities, as the case may be in

accordance with the terms of the offering) shall rank pari passu with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, subject to applicable laws and subject to approvals, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approvals or permissions by such governmental body, authority or regulatory institution, the Board be and is hereby authorised to finalise the structure of the proposed Securities and all the terms and conditions in respect thereof and further, the Board, in its absolute discretion, be and is hereby authorised to dispose of such Securities that are not subscribed in such manner as it may deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to appoint lead manager(s), underwriter(s), depositories, custodian(s), registrar(s), banker(s), lawyer(s), advisor(s) and all such agencies as are or may be required to be appointed, involved or concerned in the issue and allotment of securities and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to negotiate, modify, sign, execute, register, deliver including sign any certifications, declarations required in connection with the private placement offer letter, information memorandum, draft prospectus, prospectus, draft offer document, abridged prospectus, offer letter, offer document, offer circular or placement document for issue of the Securities, term sheet, issue agreement, registrar agreement, escrow agreement, underwriting agreement, placement agreement, consortium agreement, trustee agreement, trust deed, subscription agreement, purchase agreement, agency agreement, agreements with the depositories, security documents, and other necessary agreements, memorandum of understanding, deeds, general undertaking/indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with the regulatory authorities, if any) as applicable (the "Transaction Documents") (whether before or after execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents (the Ancillary Documents) as may be necessary or required for the aforesaid purpose including to sign and/or dispatch all forms, filings, documents and notices to be signed, submitted and/ or dispatched by it under or in connection with the documents to which it is a party as well as to accept and execute any amendments to the Transaction Documents and the Ancillary Documents and further to do all such other acts, deeds mentioned herein as they may deem necessary in connection with the issue of the Securities in one or more tranches from time to time and matters connected therewith and the utilisation of the issue proceeds in such manner as may be determined by the Board, subject however, to applicable laws, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may



deem fit or as the Board may suo moto decide in its absolute discretion in the best interests of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board is authorized on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of its powers conferred by this resolution on it, to any Committee of Directors or Mr. Amit Dangi, Director of the Company or any other Officer of the Company, in order to give effect to the above resolutions.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects.”

#### Item No. 6: Approval of Related Party Transactions

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”) and Regulation 23 of the SEBI Listing Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company’s Policy on “Materiality of Related Party Transactions and also on dealing with Related Party Transactions” subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/ or sanctions which may be agreed to by the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to the Audit Committee and the Board of Directors to authorize the management of the Company to enter into agreement(s) and/or transaction(s) and ratify the transactions entered earlier for the FY 2022-23, as may be appropriate and under the existing related party arrangement, with the following Related Parties as defined under Section 2(76) of the Act and Regulation 23 of SEBI Listing Regulations 2015, on such terms and conditions as may be mutually agreed upon between the Company and any of the Related Party, for the amount in aggregate not exceeding as mentioned against the name of each of the following Related Party during the period mentioned against the name of each Related Party:

Sr. No	Name of Related Party	Relationship	Nature of Transaction(s)	Amount (Rs. In Crores)		
				2023-42nd AGM	From April 1, 2022 till the date Notice of 41st AGM	From the date of Notice of 41st AGM till 42nd AGM to be held in calendar year 2024
1	Mentor Capital Limited	Promoter Group	Loan taken / to be taken	Rs. 2000.00	Rs. 962.9	Upto Rs. 1037.10
2	Mentor Capital Limited	Promoter Group	Loan repaid / to be repaid	Rs. 2000.00	Rs. 974.55	Upto Rs. 1025.45
3	Mentor Capital Limited	Promoter Group	Interest to be paid on loan	Rs. 100.00		Upto Rs. 100.00
4	Mentor Capital Limited	Promoter Group	Rent paid / to be paid	Rs. 0.40	Rs. 0.18	Upto Rs. 0.22
5	Berix Bearing Private Limited (formerly known as SRCT Globex Private Limited)	Entities Under Common Control	Loan given / to be given / investment in debentures	Rs. 35.00	Rs. 6	Upto Rs. 29
6	Reliance Commercial Finance Limited	Wholly owned Subsidiary Company	Loan given / to be given	Rs. 1000.00	Rs. 165	Upto Rs. 835.00
7	Reliance Commercial Finance Limited	Wholly owned Subsidiary Company	Loan received / to be received back	Rs. 1000.00	Rs. 165	Upto Rs. 835.00
8	Reliance Commercial Finance Limited	Wholly owned Subsidiary Company	Interest to be paid on loan	Rs. 150.00		Upto Rs. 150.00

Sr. No	Name of Related Party	Relationship	Nature of Transaction(s)	Amount (Rs. In Crores)		
				2023-42nd AGM	From April 1, 2022 till the date Notice of 41st AGM	From the date of Notice of 41st AGM till 42nd AGM to be held in calendar year 2024
9	Reliance Commercial Finance Limited	Wholly owned Subsidiary Company	Investment in Shares and Debentures	Rs. 1000.00	Rs. 234.36	
10	Reliance Commercial Finance Limited	Wholly owned Subsidiary Company	Rent received / to be received	Rs. 2.68	Rs. 0.18	Upto Rs. 2.5
11	Geetanjali Infosystems Pvt. Ltd.	Entities Under Common Control	Loan given / to be given / Investment in debentures	Rs. 25.00		Upto Rs. 25.00
12	Rumi Grown Diamonds Pvt. Ltd.	Entities belongs to brother of Director	Loan given / to be given	Rs. 15.00	Rs. 0.50	Upto Rs. 14.50
13	Rumi Grown Diamonds Pvt. Ltd.	Entities belongs to brother of Director	Loan to be received back alongwith Interest	Rs. 16.00		Upto Rs. 16.00

**RESOLVED FURTHER THAT** consent of the Members of the Company be and is hereby accorded for ratification of the aforesaid related party transactions already entered into by Company, if any exceeding the threshold limits as specified in Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and which are material in nature in terms of Regulation 23 (1) of SEBI Listing Regulations, 2015.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.

Mumbai, August 4, 2023

**By Order of the Board of Directors**

**Registered Office:**

707, Raheja Centre, Free Press Journal Road,  
Nariman Point, Mumbai – 400021.

**CIN:** L51109MH1982PLC319008

**Phone No.:** 022-67472117

**Web Site:** www.authum.com,

**Email ID:** info@authum.com

**Hitesh Vora**

*Company Secretary & Compliance Officer*

Mem. No.: A40193

## NOTES:

### CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 20/2021 dated December 8, 2021, Circular No. 3/2022 dated May 5, 2022 and Circular No. 11/2022 dated December 28, 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, December 8, 2021, May 5, 2022 and December 28, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.authum.com](http://www.authum.com). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 20/2021 dated December 8, 2021, MCA Circular No. 3/2022 dated May 5, 2022 and MCA Circular No. 11/2022 dated December 28, 2022.
8. Statement pursuant to section 102(1) of the Companies Act, 2013 forms part of this notice.
9. Brief details of Director who is seeking appointment / re-appointment, are given in the annexure hereto as per requirements of the Companies Act, 2013 and regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').
10. Applicable statutory records and all the documents referred to in the accompanying Notice of the 41st AGM and the Explanatory Statement shall be available for inspection by the members at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of the Meeting. Such documents will also be available electronically for inspection by the members from the date of circulation of this notice upto the date of AGM and during the AGM. Members seeking to inspect such documents can send an email to [info@authum.com](mailto:info@authum.com).
11. SEBI vide its circular dated January 25, 2022, has mandated that the listed companies shall henceforth issue the securities in dematerialised form only, while processing service requests such as issue of duplicate share certificates, transmission, transposition, etc. Accordingly, members who still hold shares in physical form are advised to dematerialise their holdings.
12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
13. In line with the General Circular No. 3/2022 dated May 5, 2022, the Company is sending Notice in electronic form

only. To facilitate shareholders to receive this notice electronically and cast their vote electronically the members who have not registered their email addresses with the company can get the same registered with the company by sending their email addresses with their full name, Folio no. and holdings at info@authum.com.

Post successful registration of the email, the shareholder would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this AGM. In case of any queries, shareholder may write to info@authum.com.

#### 14. Nomination facility:

As per the provisions of Section 72 of the Companies Act, 2013, read with SEBI circular dated November 3, 2021 and clarification circular dated December 14, 2021 facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

#### 15. Unclaimed Dividend:

Pursuant to the applicable provisions of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Since seven years have not been elapsed from the date of transfer of amount to Unpaid Dividend Account, no dividend is due for transfer to IEPF.

#### THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on Sunday, September 24, 2023 (9:00 A.M.) and ends on Tuesday, September 26, 2023 (5:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 20, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>▪ Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>▪ If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for “Authum Investment and Infrastructure Limited”.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image

verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

**(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [info@authum.com](mailto:info@authum.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [info@authum.com](mailto:info@authum.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [info@authum.com](mailto:info@authum.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel

(East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

#### 16. General Guidelines for shareholders:

- (a) The Company has appointed Mr. Mayank Arora (FCS 10378 & CP 13609) partner of M/s. Mayank Arora and Co., Company Secretaries, to act as the Scrutinizer for conducting the remote e-Voting and the voting process at the AGM in a fair and transparent manner.
- (b) Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of this AGM by email and holds shares as on the cut-off date i.e. September 20, 2023 may obtain the User ID and password by sending a request to CDSL at helpdesk.evoting@cdslindia.com
- (c) The Members whose names appear in the Register of Members / list of Beneficial Owners as on September 20, 2023 ('cut-off date') are entitled to vote on the resolutions set forth in this Notice. Person who is not member as on the said date should treat this Notice for information purpose only.

On submission of the report by the Scrutinizer, the result of voting at the meeting and remote e-Voting shall be declared. The Results along with the Scrutinizer's Report

shall be placed on the Company's website www.athum.com and on the website of CDSL. The results shall be simultaneously communicated to the Stock Exchanges, where the shares of the Company are listed.

#### 17. Book Closure:

**The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 20, 2023 to Wednesday, September 27, 2023 (both days inclusive).**

18. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Share Registrars and Transfer Agents.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants with whom they are maintaining their demat account.
20. Notice of the Annual General Meeting and the Annual Report are available on the website of the Company at www.athum.com.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 3 & 4:

In terms of Section 180(1)(c) of the Companies Act, 2013, borrowings by the Company (apart from the deposits accepted in the ordinary course of business by the Company, temporary loans repayable on demand or within six months from the date of the loan, and temporary loans, if any, obtained from the Company's bankers, other than loans raised for the purpose of financing expenditure of a capital nature) in excess of the paid-up capital of the Company, Securities Premium and free reserves, require the approval of the Members by way of special resolution.

Keeping in view the existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid up capital and free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits to Rs. 4,000 crores for the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company.

The members of the Company are further informed that according to the provisions of Section 180(1)(a) of Companies Act, 2013, the Board of Directors can exercise its powers to create/renew charges, mortgages, pledges, hypothecations and floating charges on immovable or movable assets of the Company to secure its borrowings, only with the consent of the shareholders obtained by way of Special Resolution.

Hence, the Special Resolution at Item No. 3 & 4 of the Notice is being proposed, since the same exceeds the limits provided under Section 180(1)(c) of the Act. The Directors recommend the Special Resolution as set out at Item No. 3 & 4 of the accompanying Notice, for members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in the Company.

### ITEM NO. 5

The consent of the Members is being sought pursuant to the provisions of Sections 23, 42, 62, 71 and other applicable provisions of the Companies Act, 2013, as amended (hereinafter referred to as "the Act") and rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the applicable provisions of the Securities and Exchange Board of India Act, 1992, as amended and rules and regulations made thereunder, the Foreign Exchange Management Act, 1999 (FEMA), as amended, and rules and regulations made thereunder and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India (GOI), the Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI) and/or any other competent authorities, and subject to approval from all other appropriate statutory and regulatory authorities, as may be applicable or relevant.

The Company may require funds in order to meet capital expenditure requirements for ongoing and future projects of the Company, to sustain growth in the business, for business expansion and to improve the financial leveraging strength of the Company, working capital requirements, debt repayments including repayment of any existing or future debt incurred for any purpose including for paying off any liability, investments including amongst others, to meet the current operational expenses, general corporate purposes including but not limited to pursuing new business opportunities, acquisitions, alliances etc. and such other purpose as may be determined by the Board from time to time to meet corporate exigencies.

Therefore, the Company seeks an enabling approval of the Members to access the capital market, through a public issue or on a private placement basis to create, offer, issue and allot equity shares or other securities convertible into Equity Shares of the Company or any combination thereof in one or more tranches up to an aggregate amount of Rs. 750 crore.

The price at which the securities will be issued, will be determined by the Board of the Company in accordance with the applicable law and consultation with the appropriate advisors.

The detailed terms and conditions for the offer of above securities will be determined by the Board in consultation with the lead managers, placement agents and such other agency or agencies as may be required to be consulted by the Company, considering the prevailing market conditions and in accordance with the applicable provisions of the law



and other relevant factors and will be in accordance with the terms approved by the Members in the proposed resolution.

In case of a Qualified Institutional Placement (QIP), the price at which the Securities shall be allotted to qualified institutional buyers will not be less than the price determined in accordance with the pricing formula in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the SEBI ICDR Regulations). The relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the issue of Equity Shares and the Equity Shares shall be issued at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations. The resolution enables the Board to offer such discount as permitted under applicable law on the price determined pursuant to the SEBI ICDR Regulations. The Board may, at its absolute discretion, decide the pricing for the equity shares to be issued upon exercise of the warrants in the QIP, subject to the SEBI ICDR Regulations.

The Company may also raise funds through issuance of debt Securities. As per the provisions of the Companies Act, 2013, the Companies are not required to seek shareholders' approval for issuance of debt Securities in case the issue is within the borrowing limit under Section 180(1)(c) of the Companies Act, 2013.

None of the promoters and the key managerial personnel of the Company will subscribe to the offer, if made under Chapter VI of the SEBI ICDR Regulations.

The proceeds of the proposed issue shall be utilised for any of the aforesaid purposes to the extent permitted by applicable provisions of law.

The Equity shares, which would be allotted, shall rank in all respects pari passu with the existing Equity Shares of the Company, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and/or listing particulars.

The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s)/offering(s) will be determined by the Board

or its committee in its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

This resolution will enable the Board of the Company to raise monies, as and when required during the period of one year commencing from date of passing of the resolution as proposed above.

The above proposal is in the interest of the Company, and the Board of the Company thus recommends the resolution at Item No. 5 for approval of the Members of the Company as Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company.

#### ITEM NO. 6

Pursuant to Section 188 and other applicable provision of the Companies Act, 2013 ("Act") read with the applicable rules issued under the Act, Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with amendment thereof ("SEBI Listing Regulations") and the Company's Policy on dealing with Related Party Transactions of the Company ("the Policy"), all material related party transactions of the Company require prior approval of the members of the Company through ordinary resolution.

In accordance with Regulation 23 of the SEBI Listing Regulations, "Material Related Party Transaction" means any transaction with a related party if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of the Company.

The transactions entered during the year with the said related parties are in accordance with the approval taken from Shareholders in the last Annual General Meeting and approval taken from the audit committee at their respective meeting for the quarter in which the transaction took place. Further, few transactions entered earlier are being ratified in accordance with the approval of the Members of the Company.

The details of the transaction entered into and proposed are mentioned below: (Insert details of transactions with RCFL)

<b>Name of the Related Party(ies)</b>	Mentor Capital Limited		Berix Bearing Pvt. Ltd. (formerly known as SRCT Globex Pvt. Ltd.)	Reliance Commercial Finance Limited			Geetanjali Infosystems Pvt. Ltd.	Rumi Grown Diamonds Pvt. Ltd.
<b>Name of Director(s) or KMP who is/ are related</b>	Mr. Sanjay Dangi and Mrs. Alpana Dangi		Mr. Sanjay Dangi and Mr. Amit Dangi	Mr. Sanjay Dangi, Mr. Amit Dangi and Mrs. Alpana Dangi			Mr. Sanjay Dangi, Mr. Amit Dangi and Mrs. Alpana Dangi	Mr. Sanjay Dangi, Mr. Amit Dangi and Mrs. Alpana Dangi
<b>Nature of Relationship</b>	Promoter Company		Group Company	Wholly Owned Subsidiary Company			Entities Under Common Control	Entities belongs to brother of Director
<b>Nature of contracts / arrangements / transactions</b>	Loan taken / to be taken and repaid alongwith Interest	Rent	Loan given / to be given / investment in debentures	Loan given / to be given and receive alongwith Interest	Investment	Rent	Loan given / to be given and to receive alongwith interest / Investment in debentures	Loan given / to be given and receive alongwith Interest
<b>Nature, Material terms of the contracts / arrangements / Transactions</b>	Loan taken / to be taken and repaid alongwith Interest	Rent to be paid	Loan to be given / investment in debentures	Loan given / to be given and receive alongwith Interest	Investment in Shares and Debentures	Rent received / to be received	Loan given / to be given and to receive alongwith interest / Investment in debentures	Loan given / to be given and receive alongwith Interest
<b>Monetary Value</b>	Upto Rs. 2100 Crores	Upto Rs. 0.40 Crores	Upto Rs. 35 Crores	Upto Rs. 1150 Crores	Upto Rs. 1000 Crores	Upto Rs. 2.68 Crores	Upto Rs. 25 Crores	Upto Rs. 16 Crores
<b>Are the transactions in the ordinary course of business</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Are the transactions on an arm's length basis</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Whether the transactions would meet the arm's length standard in the opinion of the Company's Transfer Pricing Consultants</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Whether the transactions have been/ would be approved by the Audit Committee and the Board of Directors of the Company</b>	Yes		Yes	Yes	Yes	Yes	Yes	Yes

<b>Any other information relevant or important for the members to make a decision on the proposed transactions</b>	Mr. Sanjay Dangi is Director of Mentor Capital Limited and Mrs. Alpana Dangi, spouse of Mr. Sanjay Dangi is a Shareholder of Mentor Capital Limited	Mr. Sanjay Dangi and Mr. Amit Dangi are Directors of Berix Bearing Pvt. Ltd. (formerly known as SRCT Globex Pvt. Ltd.)	Mr. Sanjay Dangi and Mr. Amit Dangi are Directors of Reliance Commercial Finance Limited	Mr. Sanjay Dangi and Mr. Amit Dangi are ex-Directors of Geetanjali Infosystems Pvt. Ltd.	Entity is owned by brother of Mr. Sanjay Dangi and uncle of Mr. Amit Dangi
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Few transactions with the related parties were entered post the dispatch of Notice for 40<sup>th</sup> AGM and hence Directors are seeking ratification of the said transaction mentioned above.

The monetary value of the transactions proposed is estimated on the basis of the Company's current transactions and future business.

The Board is of the opinion that the transactions referred in the resolution would be in the best interest of the Company. The Board accordingly recommends the Special Resolution at Item No. 6 of the accompanying notice for your approval.

Pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations") and Section 188 of the Companies Act, 2013, all related parties shall abstain from voting on such resolution.

None of the Directors, Key Managerial Personnel, their associates and their relatives are concerned or interested, financially or otherwise, in the resolutions set forth in Item No. 6 of this Notice, except to the extent of their shareholding in the Company, if any

Mumbai, August 4, 2023

**By Order of the Board of Directors**

**Registered Office:**

707, Raheja Centre, Free Press Journal Road,  
Nariman Point, Mumbai – 400021.

**CIN:** L51109MH1982PLC319008

**Phone No.:** 022-67472117

**Web Site:** www.authum.com,

**Email ID:** info@authum.com

**Hitesh Vora**

*Company Secretary & Compliance Officer*

Mem. No.: A40193

## Information pursuant to Regulations 26 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings, in respect of Directors seeking appointment / re-appointment at the Annual General Meeting

### Annexure A

<b>Name of the Director</b>	<b>Alpana Dangi (DIN: 01506529)</b>
<b>Qualification</b>	B.com
<b>Date of birth</b>	29/10/1972
<b>Age</b>	50 years
<b>Initial date of Appointment</b>	30/09/2019
<b>Date of re-appointment</b>	-
<b>A brief resume of the directors</b>	She is a Commerce Graduate and is promoter of the Company.
<b>Expertise in specific functional areas</b>	More than 28 years of experience in capital market and financial services.
<b>Terms and conditions of appointment / reappointment</b>	Promoter and Non-Independent Non-Executive Director
<b>Remuneration proposed to be paid</b>	Nil
<b>Remuneration last drawn (including sitting fees, if any) for F.Y. 2022-23</b>	Nil
<b>Shareholding of Directors (as on March 31, 2023)</b>	1,10,90,906 equity shares i.e. 65.30% of total equity share capital of the Company
<b>Number of Board meetings attended during the F.Y. 2022-23</b>	4
<b>Directorships held in other listed companies (as on March 31, 2023)</b>	None
<b>Directorships of other companies in India (as on March 31, 2023)</b>	Nil
<b>Chairmanship/ Membership of the Committees of the Board of Directors of other listed companies (as on March 31, 2023)</b>	None
<b>Chairmanship/ Membership of the Committees of other companies in India (as on March 31, 2023)</b>	None
<b>Disclosure of relationships between directors inter-se</b>	Mrs. Alpana Dangi, Promoter and Non-Executive Non Independent Director of the Company is spouse of Mr. Sanjay Dangi, Non-Executive Non Independent Director of the Company and aunt of Mr. Amit Dangi, Whole Time Director of the Company.



# **BROADBASING THE BUSINESS**

Authum Investments & Infrastructure Limited  
Annual Report 2022-23



### Inside cover page

Disclaimer: In this annual report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should kindly bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise

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# BROADBASING THE BUSINESS

At Authum, we made a decisive shift in our business during the last financial year.

We acquired businesses engaged in affordable housing finance, broadbasing our presence from proprietary investment banking.

We believe that a sizable corpus provided by our long-standing business will represent a foundation for scalable and sustainable growth in our acquired business.

By complementing an attractive, but erratic, business to a large and scalable business is expected to enhance value for all our stakeholders in a sustainable way.

# Authum Investments & Infrastructure Limited.

The Company's long-standing engagement as a professional investor provided a wide exposure across sectors.

The Company reallocated a part of its substantial investing gains towards acquiring existing businesses.

The acquisitions have helped broaden the company's business from proprietary investment to NBFC operations.

This diversification is expected to create larger and sustainable value for the company's stakeholders.

## Our background

Authum Investment & Infrastructure Ltd was incorporated in 1982 as a registered NBFC engaged in the investment in shares and securities on the one hand and financing activities on the other. The Company is listed on Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited.

## Our footprint

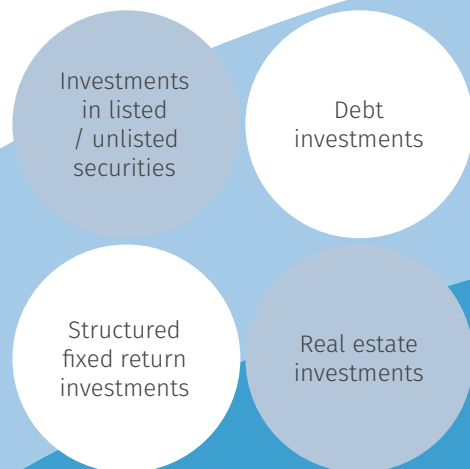
The Company has its registered office in Mumbai, India's finance capital. This enhances the company's access to a number of listed companies headquartered in the city, enhancing its research capability, sectorial understanding and awareness of evolving business models

## Our business

Authum was promoted by Mrs. Alpana Dangi, who created a professional team possessing a rich multi-sectorial and multi-company understanding of more than two-and-a-half decades in India's capital markets and investment banking.

Authum comprises a competent team of research-driven professionals who possess a rich experience in financial and capital markets. The company's research team is headed by experienced professionals.

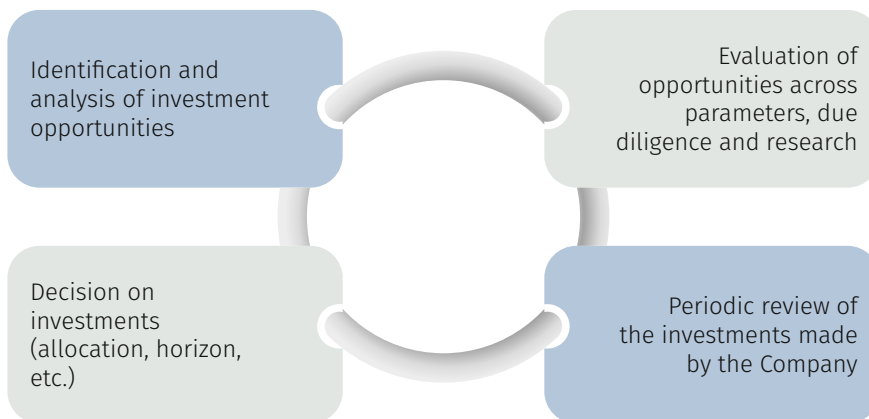
Authum Investment & Infrastructure Ltd invested in publicly listed and unlisted companies (providing growth capital), private equity investments, real estate investments and debt instruments. The Company also engaged in structured financing, fixed returns portfolio, secured lending and equity investments in emerging companies.



### Our leadership

Authum possesses a competent team stewarded by promoter Mrs. Alpana Dangi and Mr. Sanjay Dangi. The promoters created a professional team with a combined experience of more than three decades. The team (analysts) focuses on the identification and analysis of suitable equity investment opportunities.

Authum's investment process is marked by extensive research with the objective to drill down on companies with a long-term investment horizon. The company focuses on investment possibilities that translate into sizable gains leading to a profitable exit.



### Talent management

Authum enjoys access (inhouse and outsourced) to professional analysts, Chartered Accountants, lawyers and Company Secretaries. These relationships have been derived through associations with the best research houses, legal teams, secretarial and legal advisors.



■ 71.47% Promoter and Promoter group;  
■ 28.53% Public

#### Key numbers

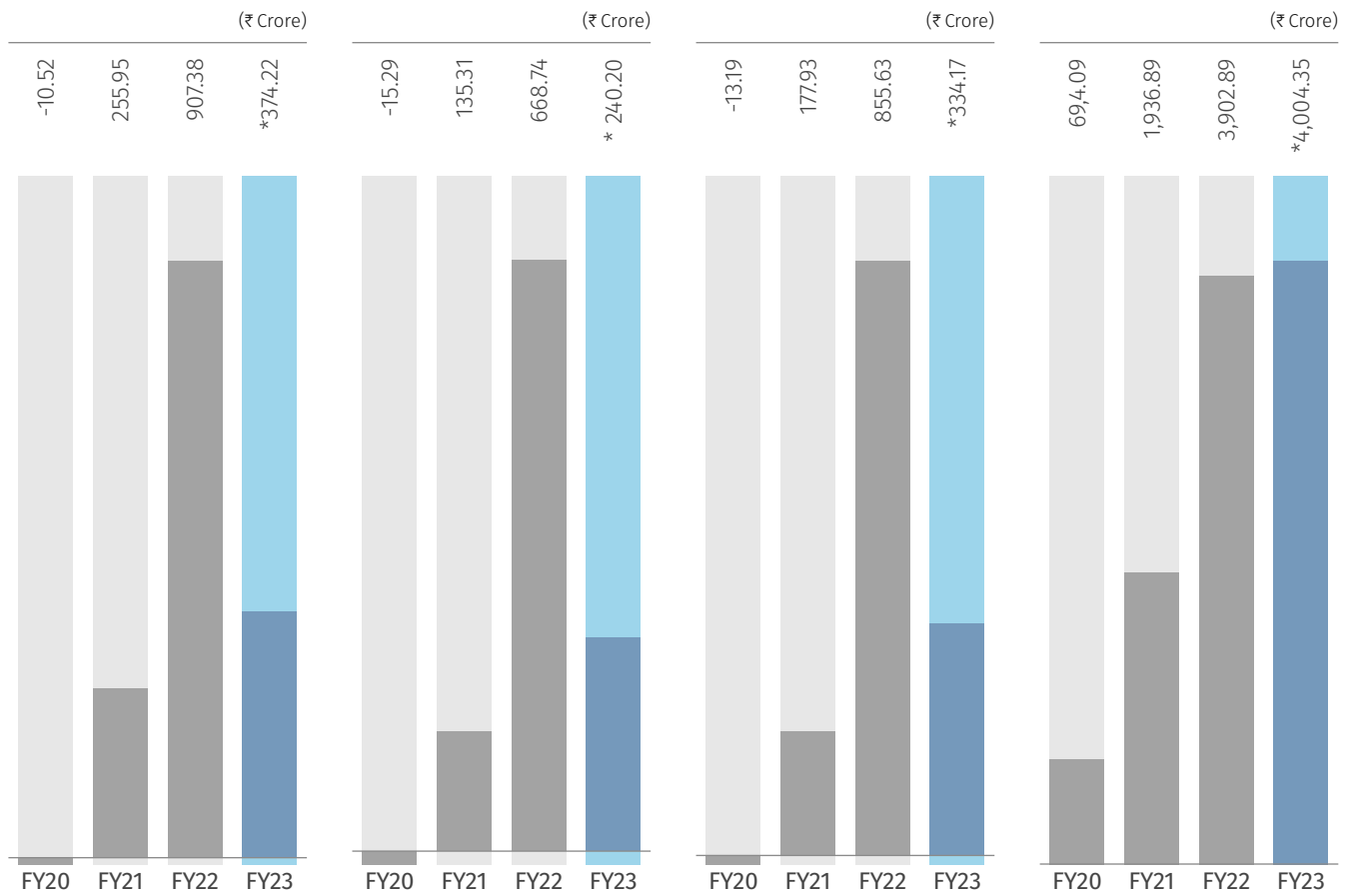
**374.22**  
₹ Crore, total revenues in FY 2022-23

**533.16**  
₹ Crore, decrease in total revenues in FY 2022-23

**59**  
%, de-growth in total revenues in FY 2022-23

**4,004.35**  
₹ Crore, assets under management as on March 31, 2023

# How we have grown over the years



## Revenues

### Definition

Growth in revenues net of taxes.

### Why this is measured

It highlights the success of the Company's business process and vision, translating into revenues.

### Performance

Aggregate revenue decreased by 59% to ₹374.22 Crore in FY 2022-23\*.

## Profit after tax

### Definition

Profit earned during the year after deducting all expenses and provisions.

### Why this is measured

This highlights the strength of the business model in enhancing shareholder value.

### Performance

The Company reported a 64% degrowth in profit after tax in FY 2022-23.

## EBITDA

### Definition

Earnings before the deduction of interest, depreciation, extraordinary items and tax.

### Why this is measured

It showcases the Company's ability to optimise operating costs, an index of its competitiveness.

### Performance

The Company's EBITDA for FY 2022-23 was ₹334.17 Cores, a 61% degrowth over the previous financial year.

## AUM

### Definition

Asset under management (AUM) is the sum of the market value for all of the investments managed by a company.

### Why this is measured

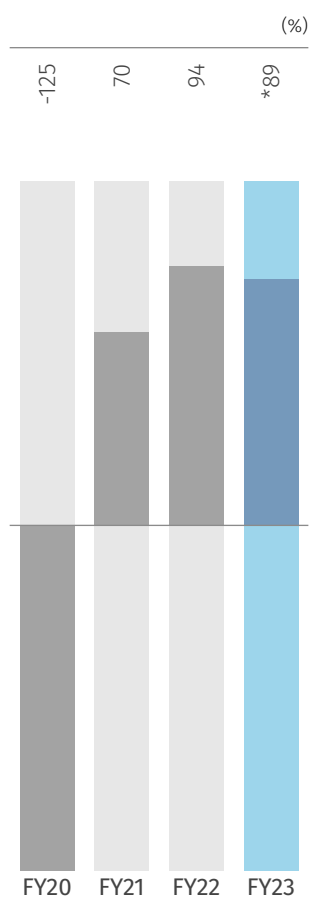
A high AUM is a positive indicator of quality and management experience.

### Performance

The Company's AUM for FY 2022-23 stood at ₹4,004.35 Crore, a 3% growth over the previous financial year.

*\*The company is primarily engaged in the business of investments / trading in shares & securities which are subject to market risks and the future profits/losses may fluctuate depending upon factors & forces affecting the securities market. Hence results will not be comparable periodically.*





### EBITDA margin

#### Definition

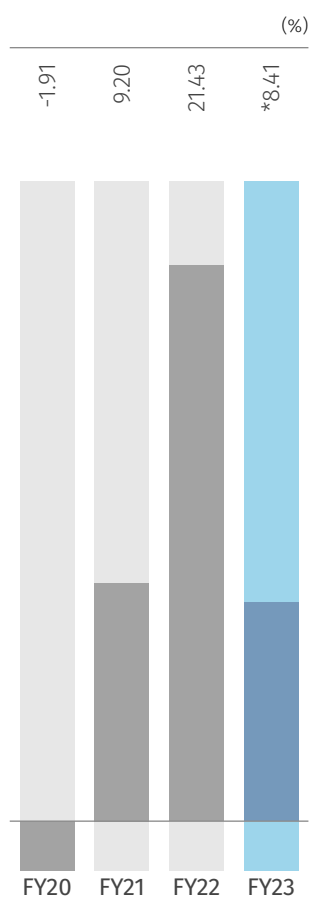
EBITDA margin is a profitability index used to measure the effectiveness of a Company's business model.

#### Why is this measured?

The EBITDA margin provides an idea of how much a Company earns (before accounting for interest and taxes) on each rupee of earnings (expressed as a percentage).

#### Performance

The Company reported a 500 bps decrease in EBITDA margin in FY 2022-23 on account of lower revenues.



### RoCE

#### Definition

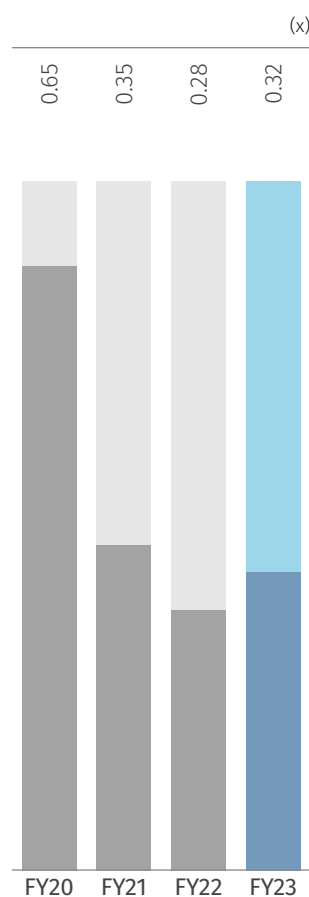
It is a financial ratio that measures a Company's profitability and the efficiency with which its capital is employed in the business.

#### Why is this measured?

RoCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

#### Performance

The Company generated a 1,302 bps degrowth in RoCE in FY 2022-23 on account of lower profits generated from the investment portfolio business.



### Debt-equity ratio

#### Definition

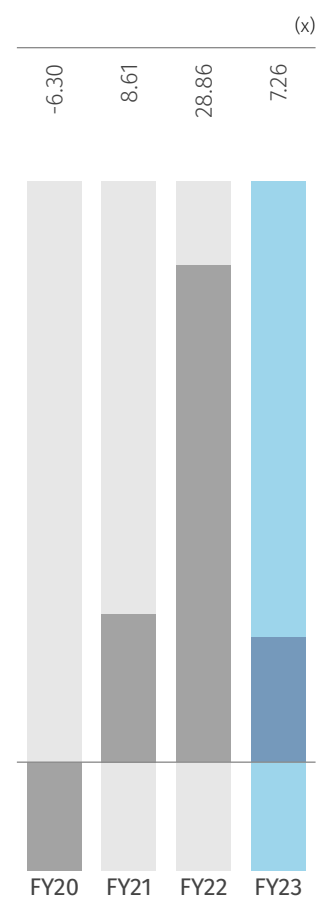
This is derived through the ratio of debt to net worth (less revaluation reserves).

#### Why is this measured?

It is a measure of a Company's financial solvency.

#### Performance

The Company's gearing increased from 0.28x in FY 2021-22 to 0.32x in FY 2022-23.



### Interest cover

#### Definition

This is derived through the division of EBITDA by interest outflow.

#### Why we measure

Interest cover indicates the Company's comfort in servicing interest, the higher the better.

#### Performance

The Company reported a lower interest cover at 7.26x in FY 2022-23 compared to 28.86x in FY 2021-22.



# OUR ACQUISITION STORY

## Overview

In FY 2022-23, your company acquired the assets of Reliance Housing Finance Limited ('RHFL') and acquired Reliance Commercial Finance Limited ('RCFL') as a wholly owned subsidiary after emerging as the highest bidder.

The company received a LOI dated June 19, 2021 and July 15, 2021 from ICA lenders of Reliance Home Finance Limited and Reliance Commercial Finance Limited in FY 2021-22.

The acquisition was finally cleared by all regulatory bodies at the close of FY 2022-23. Pursuant to the above, RCFL became a wholly owned subsidiary of the Company with effect from October 14, 2022. The Company acquired financial assets of RHFL on March 29, 2023.

This is the first Balance Sheet of the company reflecting the impact of the acquisition.

## Capitalizing on a decade strong business platform

The strategic acquisition of RCFL and the business transfer of RHFL have empowered Authum with a valuable entry point in a robust and well-established business platform. This platform boasts an array of strengths, including a robust IT infrastructure, wealth of human resources expertise and streamlined processes. These realities not only offer an immediate advantage but also serve as a springboard for the expansion of the Company's existing business lines and the exploration of new avenues.

## Capitalizing on a rich talent pool

RCFL's formidable workforce comprises over 400 employees, a dynamic team of seasoned professionals from diverse disciplines such as chartered accountants, MBA graduates, lawyers and Company Secretaries. This pool of talent is guided by a management team that enjoys a stellar reputation within the industry.

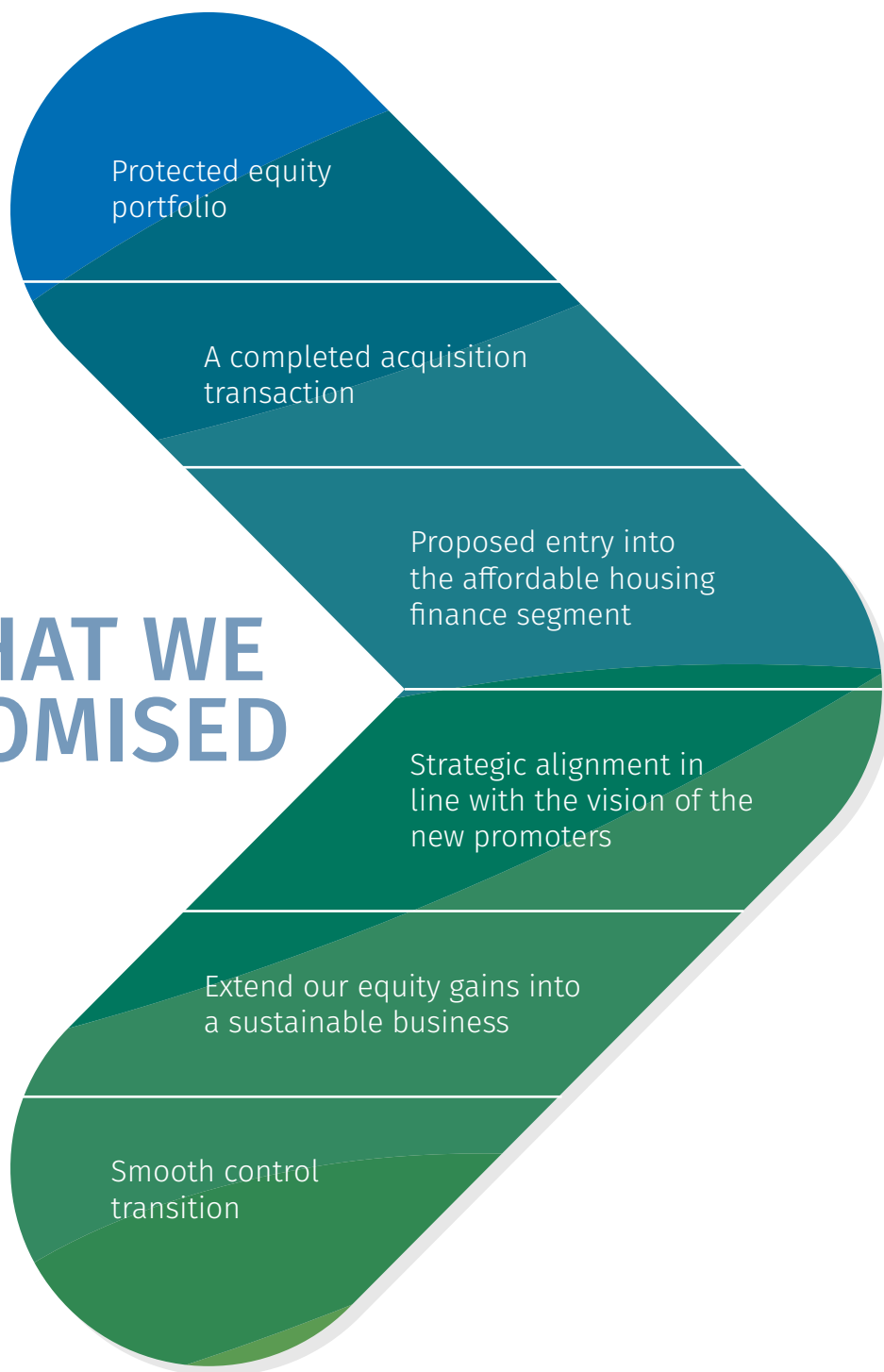
## Capitalizing on a robust recovery team

RCFL's strengths lies in its robust recovery team that oversees an impressive in-house standard and non-performing assets portfolio; it plays a pivotal role in collaborating with banks and asset reconstruction companies to facilitate the retrieval of their outstanding debts through securitization deals.

## Capitalizing on a strong branch network

The acquisition has expanded the horizons of your company. These strategic moves have granted substantial and comprehensive Pan-India infrastructure access, empowering the Company to establish a strong presence across the entire nation. The combined capabilities of these two entities have resulted in the establishment of 22 strategically located branches spanning every corner of the country. This extensive branch network has not only bolstered the national footprint but also empowered to provide improved access and customised service to its diverse clientele.

# WHAT WE PROMISED



# WHAT WE ACHIEVED

Grew the equity portfolio 7%

We completed the acquisition transaction

The new promoters articulated their vision across the company

The new management entered the affordable housing and commercial finance segment

The promoters created a second revenue engine

The company achieved a smooth managerial transition

FIRST PERSON

**Your company demonstrated the successful migration of a concept to reality without compromising business liquidity or impairing its Balance Sheet, a model for the foreseeable future**

## Overview

When we had embarked on the acquisition of RCFL and the acquisition of the assets of RHFL two years ago, we had indicated that this represented an initiative to graduate from a business of attractive but unpredictable returns to a business of attractive and sustainable returns.

During the year under review, the acquisitions became effective and Authum graduated from one business to two, broadbasing revenues, sectorial drivers, sustainability and the possibility of enhanced rating.

There are a number of points that we wish to communicate to our stakeholders.

**One**, the company is not vacating its investment banking business; it is supplementing this business with the business of mortgage finance.

**Two**, the company has provided the new business with adequate funds from the first so that the mortgage finance business becomes largely non-recourse in nature.

**Three**, the company will grow its newly acquired business using the same principles of deep discount of the investment banking business, buying into companies on the basis of a likely arbitrage between their existing and prospective values.

**Four**, the company will seek to differentiate itself from the larger mortgage finance companies by pursuing a strategy that is complementary and not competitive; the company will seek to buy bad loans from the established mortgage finance players and recover outstandings, strengthening its insight into the business and generating a

return higher than the prevailing costs of funds within the Indian economy.

**Five**, the company will endeavour to find reasonable value to make this strategy viable for the moment, deepen its expertise across the medium-term and emerge as the go-to company to 'sell' bad loans. The company will, in the process, deepen its expertise within a niche, playing a role that warrants specialised attention.

We believe that Authum is positioned at the cusp of a long-term value-addition opportunity.

The mortgage finance sector is a growing business on account of the unprecedented appetite for new housing in India. Even as lending is becoming an increasingly secured business with a marked decline in delinquencies, we believe that delinquencies will not completely disappear. Besides, mortgage finance companies will seek to 'sell' the loans on their books that are not being serviced on time to protect their credit rating (which holds the keys to lower cost of funds and corporate respect). As Reserve Bank of India guidelines become increasingly stringent, we are confident of an ongoing pipeline of sub-standard loans that mortgage finance companies would want to 'sell' to protect the integrity of their Balance Sheet. This reality will provide a company like Authum with a perpetual business opportunity. More importantly, the more the Reserve Bank's provisioning guidelines become stringent – enhancing systemic integrity – the greater will be the rationale for the existence of a company like Authum. By the virtue of focusing on two segments of a large sector – bad loan procurement and bad loan recovery – we would be

specializing in a niche, protecting our competitiveness.

At Authum, the mother business of the company is poised to perform even better. India is at the cusp of unprecedented prosperity following a convergence of various realities – weakness in the other major economies, sustained reforms within India, geo-political shift that makes India a strategic partner to the west and a conscious de-risking of supply chains away from China. The convergence of these realities is likely to strengthen the Indian stock markets; the lifting of the water table is expected to enhance the level of water for prudent value-seeking investors. We believe that our investing principles, sectorial knowledge and stock selection have been validated; we stand a good chance to enhance the value of our investment basket across the foreseeable future.

There is one last thought that your management would likely to leave for its shareholders. During the last couple of years, your company demonstrated the successful migration of a concept to reality without compromising business liquidity or impairing its Balance Sheet. What the company has achieved represents a model; this successful experiment could be the precursor of other such initiatives across different sectors with the objective to enhance value in a sizable and sustainable manner for all its stakeholders across the foreseeable future.

**Sanjay Dangl**  
Director



**The best business  
is one aligned with  
India's economic  
direction**

At Authum, a precious learning we built on – that played an important role in our portfolio growth – was to invest in sectors and companies aligned with the national direction.

We believe that this investing style is increasingly relevant: the Indian government has announced a series of long-term policies that provide multi-year sectorial clarity.

The one sector where we see this clarity most visible is the Indian financial sector. This sector aligns not only with the national goal but also with the objectives of the companies.

There are a number of realities that make this space relevant.

**One**, home ownership is still largely an urban and semi-urban phenomenon, which is yet to touch rural India, providing this segment with a vast growth headroom.

**Two**, the Indian financial services sector is poised for significant growth catalysed by increased incomes, stronger government emphasis on financial inclusion and the widespread adoption of digital technologies.

**Three**, the Indian MSME and SME loan segment enjoys substantial potential with a significant credit gap amounting to ₹25 Trillion while the total demand of Indian MSMEs stands at ₹69.3 Trillion.

**Four**, the emerging prospects of India's securitised pool market is a rising opportunity in the financial sector.

**Five**, the shift set against the backdrop of declining non-performing assets reaching multi-year lows are

presenting complexity and opportunity for India's emerging distressed assets market.

**Six**, much of the rural market remains financially excluded in enhancing home ownership.

**Seven**, a large proportion of the financially excluded population comprises individuals with small and undocumented trades, whose incomes cannot be verified.

**Eight**, contrary to the prevailing perception that this social group is financially unreliable, the reality is that this segment is credible.

**Nine**, the vast under-addressed population segment is not a reason to write it off, but an attractive opportunity for the relatively few players to deepen their presence.

At Authum, we are convinced that the affordable mortgage finance space is a sunrise opportunity with a multi-decade growth opportunity, catalysed by under-penetration in the first phase and market expansion in the next.

This represents the basis of why we feel that a transition from one business (portfolio investments) to another (mortgage finance) represents an inflection point in our existence.

This is expected to graduate our company from the volatile to the stable; from the fleetingly profitable to the interminably sustainable.

Through this strategy, we are poised to broaden our business.

# Our housing finance business meets global responsibility benchmarks

We are aligned with the UN's Sustainable Development Goals



## No poverty

Our mortgage finance business has been directed to enhance asset building among the financially excluded



## Zero hunger

While we do not address hunger directly, we believe this to be one of the positive outcomes of helping the financially excluded build sustainable incomes



## Good health and well-being

While we do not address health and well-being directly, we believe these to be positive outcomes in helping the financially excluded build sustainable incomes



## Quality education

While we do not address education directly, we believe this to be one of the positive outcomes in helping the financially excluded build sustainable incomes



## Gender equality

We encourage women empowerment through an emphasis on home ownership by women and strengthening gender diversity through an equal employment opportunity.



## Reduced inequalities

We address awareness and knowledge gaps. We help enhance the confidence of women, making them financially aware and preparing them for entrepreneurship.



## Sustainable cities and communities

We will seek to transform the way homes are constructed or renovated.



## Responsible consumption and production

We intend to transform the supply and demand sides of the housing construction industry by advocating home construction that moderates water, electricity and material consumption.

We also believe that the business of affordable financing can have an extensive social influence.

**One**, it will help transform risk-averse consumers into borrowers, which could mark the beginning of their financial inclusion.

**Two**, the rate affordability and staggered repayment could help borrowers fulfil their repayment and debt servicing commitments with defaults, building a credible credit history foundation.

**Three**, the business of affordable housing finance could assist the financially excluded build documented wealth through immovable assets that can be hypothecated or pledged, kick-starting a cycle of asset creation.

# What makes us optimistic of India's mortgage financing sector

## Population growth

India surpassed China as the world's most populous country in 2023. A growing population leads to an increase in household demand creating an enhanced lending opportunity. India's working-age population is expected to grow to 988.5 Million by 2036, catalyzing affordable housing growth.

## Rising middle-class population

The share of the middle-class population with an annual household income of ₹5-30 Lakh is expected to have doubled from 14% in FY 2004-05 to 31% in 2022. The middle-class population is expected to reach 63% by 2047.

## Health awareness

The Covid-19 pandemic has generated greater awareness related to safe and healthy housing, creating a greater emphasis on affordable housing.

## Rise in nuclear families

According to Morgan Stanley, India's average household size is expected to reduce from 5.5 persons in 1991 to 4.5 persons by 2031. As a result, nuclearisation is expected to drive the demand for affordable housing.

## Improved affordability

Property prices grew a mere 2.8% CAGR between December 2018 and December 2022. Improved affordability is expected to drive the growth of this segment.

## Housing shortage

As per a technical study by the Ministry of Housing and Urban Poverty Alleviation, the urban housing shortage in India was estimated at around 19 Million in 2022. This gap was expected to widen to an estimated 38 Million homes by 2030 on account of a growing population and increased urbanisation.

## Higher bankruptcy recoveries

During FY 2022-23, creditors, including banks, witnessed an increase in the realisation of bankruptcy resolution cases to 36% of the admitted claims compared to 23% in the previous year, despite a sharp rise in the number of cases filed for insolvency resolution.

## Mortgage penetration

As of 2022, India's mortgage penetration was 11% of the GDP, lower than Asian economies (20-30%). However, with increased demand, it is expected that India would be able to double home loans to USD 600 Billion by 2027.

## Growing urbanisation

India's urban population is expected to stand at 675 Million (accounting for 43.2% of the country's population) by 2035. This is expected to lead to a rise in housing and housing finance sector demand.

(Source: realtyplus.com, Financial Express, KPMG, CRISIL Research, the hindu.com)

## Government policies

**Special refinance facilities:** The government facilitated special refinance facilities for NBFCs and HFCs.

### Urban Infrastructure Development Fund:

The Indian government will establish this fund to develop urban infrastructure through public agencies in tier-II and tier-III cities. The fund is expected to be managed by the National Housing Bank with an estimated allocation of ₹10,000 Crore annually.

### Pradhan Mantri Awas Yojana (Urban):

The government of India has been facilitating higher Budget allocations towards affordable housing — the

Pradhan Mantri Awas Yojana (PMAY) launched in June 2015 which will provide quicker urban housing approvals, was allocated an outlay of ₹79,000 Crore from the Union Budget FY 2023-24

### Pradhan Mantri Awas Yojana (Gramin):

In FY 2022-23, the government has targeted to complete around 5.3 Million rural houses, a growth of 25% from the previous year. In FY 2021-22, the centre targeted to build around 6.1 Million rural houses out of which over 4.3 Million were completed. The overall target is to build 29.5 Million houses under the scheme to ensure housing for all by FY 2023-24.

**Alternative Investment Fund:** The Union Cabinet set up an Alternative Investment Fund with a corpus worth ₹25,000 Crore. This will provide relief to developers with unfinished projects and ensure a timely delivery of homes to buyers.

**Tax moderation:** Homebuyers have to pay a goods and services tax (GST) on the purchase of under-construction properties like flats, apartments and bungalows at the rate of 1% for affordable housing. The GST rate stood at 5% for properties under the luxury residential building category.



# What makes us optimistic of the growth in the securitised pool

## **Security-backed loans for risk mitigation**

The securitised loan pools have assets backed by immovable or movable securities. Acquiring such pools not only reduces the risk of defaults during recovery but also offers a safeguard to recover funds in the event of defaulting loans.

## **Robust collection team**

Authum boasts a formidable collection team comprising over 120 experienced employees adept in handling non-performing asset (NPA) cases. This extensive team not only cushions the acquisition of NPAs at significant discounts but also brings an expertise in managing cases under IBC, Sarfaesi, restructuring and asset liquidation to extract value from default cases.

## **Growing demand and mutual benefits**

The demand for securitised pools has been on the rise, creating a win-win scenario for originators and investors.

Originators obtain funds for projects, reducing capital risk in securitised pools, while investors gain access to a vast market of borrowers in a single transaction.

## **Optimal utilization of collection team**

The securitisation arrangement aligns advantageously with Authum's strengths on account of its sizable collection team. This team not only collects loans but also receives service fees of 3-8% of the collected amount, enhancing the efficient management of the portfolio.

## **Access to pools**

The securitised loan pools are often available at discounted prices, allowing investors to mitigate the risks associated with such loans while pursuing potentially rewarding opportunities.

# What we have achieved in the last few years

## Overview

Authum did not just report a reasonable appreciation over inflation, costs of funds or national economic growth during the last couple of years.

The company reported outsized growth.

This extensive outperformance represented a validation of the company's ability to read global trends, the resilience of the Indian economy and the speed with which select Indian companies would outperform.

The result is that the company's investment value of ₹57.24 Crore as on March 31, 2019 had grown to ₹3,902.89

₹4,004.35 Crore as on March 31, 2022 and ₹4,004.35 Crore as on March 31, 2023.

Rather than this large corpus threaten to generate sub-optimal returns from this point onwards, a new possibility has emerged.

This sizable corpus is creating an opportunity for the company to catalyse this growth in a decisive and sustainable manner across the foreseeable future.

Our time starts now.



# Our focus: From an investment portfolio to an enduring institution

## Overview

In the business of investments, the primary question is 'Will value endure?'

The business is influenced by a range of variables – possibly the largest complement that we have seen than at any time in our careers – that comprise foreign fund flows, global geopolitics, global interest rates, armed conflict, terrorism, free trade agreements and tariff wars, among others.

We believe that this complement of variables and uncertainties are creating shorter windows in which to generate disproportionate gains.

One such window transpired in the last two years following the commencement of the pandemic lockdown and extended thereafter following economy-stimulus measures announced by governments the world

over. There is a greater consensus that with these stimulus measures tapering and surplus cash being sucked out of the system, the world could be at the start of an extended recession.

The recession could erode investment values, affecting not just equities but business, commodities and products backing them.

As the world turns to safe-haven investing, there will be a premium for seeking businesses relatively protected from the large sweep of the global slowdown.

This is where Authum's differentiated perspective comes in.

The company seeks to enter a space where demand will exceed supply for years; the company intends to graduate from seeking safe proxies to becoming one itself.



# Why Authum will continue to build its equity investment business

## Overview

At Authum, we will continue to build our equity investment book in line with our deep understanding of the markets and the unfolding India investment story.

Our optimism is based on various realities.

**One**, the growth of India's investing market will be driven by a rapidly growing economy. The Indian economy is likely to sustain GDP growth higher than 6% per annum for the next number of years, the only instance of a major economy (save China) delivering sustained economic outperformance.

**Two**, India is the fifth largest economy that is likely to become the third largest – valued at more than USD 5 Trillion – by the end of the decade.

**Three**, a global geopolitical shift – the US moving away from China – is likely to benefit Indian companies and their corresponding valuations; even a small trade shift away from China could emerge as the biggest catalyst for the sustained growth of the Indian economy.

**Four**, the Indian economy is being driven by long-term policies across virtually every sector, inspiring investments (foreign and Indian) and catalysing industrial growth.

**Five**, the Indian government continues to focus on the Ease of Doing Business that makes it easier for entrepreneurs to get into business and minimise unproductive bureaucracy.

**Six**, India's investing universe comprises hundreds of companies (from small caps to mid-caps to large caps) that represent the growth stories of tomorrow.

**Seven**, India's investing universe is tightly regulated, enhancing global investing confidence in the sector's governance.

At Authum, we possess a multi-decade investing experience. The company expects 2023 to 2025 to be a growth phase for the Indian equity markets. The company has focused on investments in renewable energy, engineered products and the B2C-

isation of companies (not more than 10 investee companies as on March 31, 2023); it has demonstrated a preference for companies with low debt, free cash flows and with a stated programme to repay all debt in three years.

Besides, the company reported gains of ₹240.20 Crore in FY 2022-23, which was a creditable performance given a lateral market; the company booked losses and exited some stocks that did not perform upto expectations.



# The securitisation opportunity within India's mortgage space

## Overview

At Authum, we believe that the affordable mortgage space comprises a number of overlooked niches. These niches go deep, offer room for specialisation and can generate sustainable returns.

One such niche that we believe has been largely overlooked is that of securitization. We believe that securitisation is a small part of the overall housing loan book that is likely to grow faster than the overall home loan book growth across the foreseeable future.

The principal reason for the projected growth in securitization deals is a deepening regulatory scrutiny of loan book quality. This priority has been emphasised following the pandemic, which temporarily affected the capacity of borrowers to repay in full and on schedule. In turn, this affected for a period of time the loan book quality of lending companies, weakening their credit rating (and the possibility of mobilising low-cost loans).

The result is that various housing finance companies responded to a tight regulatory control on the one hand and weakening loan book quality

on the other through securitization. These companies negotiated the sale of defaulting loans (as classified by a tight regulatory interpretation) that helped minimise non-performing loans on their books, protecting their credit rating. Most of these loans were sold at a fraction of their realizable value.

At Authum, we perceive an opportunity in this reality for the following reasons.

**One**, distressed asset investments are alluring to astute investors due to their inherent potential of significant returns through 'buy low-sell high' strategies.

**Two**, the Indian distressed assets market presents a burgeoning opportunity as the economy continues to evolve. The potential for investing in assets at lower valuations, coupled with their potential for appreciation, makes it an attractive venture.

**Three**, a focus on collections and recovery provides the company with an insight into customer creditworthiness, which could prove business-strengthening when the company's business model extends to disbursements.

**Four**, the profitability of the business is based on the capacity to negotiate – when purchasing loans at one end with regular housing finance companies and closing a loan with a borrower at the other.

**Five**, collections and recovery warrant focus; they warrant the exercise of legal provisions and protracted negotiations; this competence represents a competitive advantage for those who specialise.

At Authum, we are focusing on this challenging end of the sector with the objective of deepening a recall that 'If you have sticky loans, it would be best to sell to Authum for reasons of speed and convenience.'

# Authum is attractively placed to capitalise on the securitisation opportunity

## Overview

At Authum, we bring to the securitization opportunity a distinctive competitive advantage honed over the years.

Our capacity to comprehend the challenges related to the space has been deepened through the following realities.

**One**, for years, Authum prospected investment stories – commodities, sectors and companies – that presented a mismatch between how they were valued in the present and how this investment could grow sustainably.

**Two**, the company has consistently professed a contrarian spirit, never resisting the opportunity to invest in overlooked spaces.

**Three**, as the Indian economy grows, the potential for reviving distressed assets and integrating them back into productive use aligns with the nation's overall economic progress.

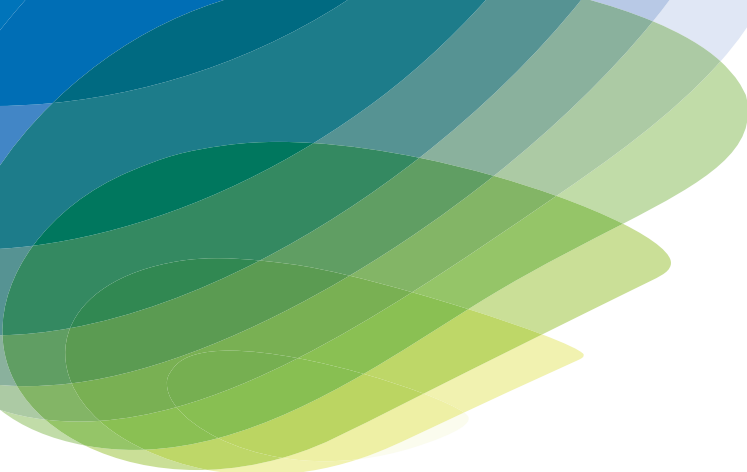
**Four**, the company drew from its extensive learning of corporate moats (unassailable competitive advantage), leading to a specialisation in underwriting (focusing on collections

and legal recourse) and the turnaround of non-performing assets.

**Five**, the company developed a uniqueness: an unlimited pipeline of bad loans at discounted rates. The company leveraged its understanding of deeply discounted investments to buy distressed loan portfolios.

**Six**, by buying out distressed loan pools, the company would be scaling its business without going through the conventional retail loan disbursement route that would have warranted sizable upfront investments in people and multi-locational branch infrastructure.

**Seven**, the company is building on its investment-centric 'margin of safety' approach in buying out loan portfolios at a fraction of their fundamental value.



# At Authum, we have built a risk management discipline in our underwriting business

## Overview

At Authum we are building our underwriting business around a framework of risk comprehension, disciplined risk mitigation.

This discipline has been influenced by the following realities.

**One**, we believe that default loans procurement and settlement are an art; while there will be errors of judgement, the objective is to minimise them by passing an underwriting decision through different screening filters

**Two**, the company is engaged in aggregating a repository of experiences that is helping build processes around responsible settlement and bring an impaired asset back to book value.

**Three**, the company has created a team to engage actively with defaulters, impressing upon them the long-term advantage of an unimpaired CIBIL score

**Four**, the company focuses on buying out loan portfolios at a cost that is extensively discounted against the dollar, its margin of safety. This procurement competence is derived from an understanding of assets, terrains, case histories and cultures.

**Five**, the company brought loan portfolios of relatively moderate sizes – and small individual loan amounts within the large portfolio – with the objective to ring-fence underwriting mismatches or errors.

**Six**, the company has selected to grow its underwriting business without additional cash infusions. The acquisition of RHFL and RCFL with impaired loan books provided the company with a wide test bed of experiences. When the loans are progressively settled, their proceeds will be redeployed into buying additional distressed loan pools; when these are settled, the proceeds will be similarly redeployed, creating a virtuous cycle.

**Seven**, the company focused on the buyout of retail assets (generally never larger than ₹1 Crore), protecting the company from the risk of investing in large wholesale loans where a few errors could set the company back.

**Eight**, each challenged loan was individually addressed – as opposed to an IT system-driven approach – that reflected the management's seriousness of intent.

Through this discipline, the company focused on generating 18% IRR, an adequate surplus for onward reinvestment.

# The story of our two different businesses – now in one company

## Equity investments

Riding the India growth story

Possibility of making outsized gains

Liquid business

Investing with focused discipline

Balancing liquidity and appreciation needs

## Affording home financing

Fastest growing home financing segment

Rides on government policy support

Seemingly unlimited market

Addressing the largest market bulge

De-risked approach; sustainable returns potential

## Commercial finance

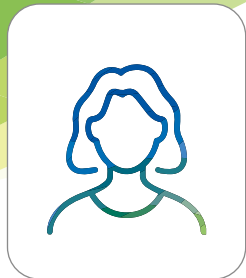
Dynamic landscape of modern finance

Multiple financial products under a roof

Driving force behind economic growth

Boom for small and medium-sized enterprises (SMEs) to flourish

# Our Board of Directors



## Alpana Dangi

**DIN:** 01506529

**Date of Birth:** October 29, 1972

**Qualification:** Bachelor of Commerce

**Designation:** Non-Executive Non-Independent Director

**Occupation:** Business

**Term:** W.e.f. September 30, 2020 and liable to retire by rotation.

**Nationality:** Indian

**Experience:** 26 years

**Director:** Nil

**Designated Partner:** Altura Capital Advisors LLP



## Sanjay Dangi

**DIN:** 00012833

**Date of Birth:** June 4, 1970

**Qualification:** Chartered Accountant

**Designation:** Non-Executive Non-Independent Director

**Occupation:** Business

**Term:** w.e.f. April 21, 2021 and liable to retire by rotation.

**Nationality:** Indian

**Experience:** more than 26 years

### Director

- Mentor Capital Limited
- Reliance Commercial Finance Limited
- Berix Bearing Private Limited (formerly known as SRCT Globex Private Limited)



## Amit K Dangi

**DIN:** 06527044

**Date of Birth:** January 30, 1991

**Qualification:** Chartered Accountant

**Designation:** Whole-Time Director

**Occupation:** Business

**Term:** For a period of five years from June 29, 2020, liable to retire by rotation.

**Nationality:** Indian

**Experience:** 10 years

### Director

- Reliance Commercial Finance Limited
- Berix Bearing Private Limited (formerly known as SRCT Globex Private Limited)
- Uniworld Entertainment Private Limited

### Designated Partner:

Uniworld Being Talented (UBT) LLP



### Vimal Ajmera

**DIN:** 07011895

**Date of Birth:** July 6, 1974

**Qualification:** Chartered Accountant

**Designation:** Independent Director

**Occupation:** Professional  
Term: For a period of five years from September 30, 2019, not liable to retire by rotation

**Nationality:** Indian

**Experience:** more than 17 years



### Bhaviika Bharatkumar Jain

**DIN:** 08738884

**Date of Birth:** April 8, 1990

**Qualification:** Company Secretary

**Designation:** Independent Director

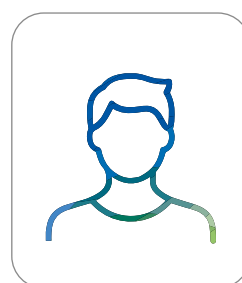
**Occupation:** Professional  
Term: For a period of five years from May 20, 2020, not liable to retire by rotation

**Nationality:** Indian

**Experience:** 10 years

**Director**

- Reliance Commercial Finance Limited
- Maharashtra Safe Chemists and Distributors Alliance Limited



### Haridas Bhat

**DIN:** 09691308

**Date of Birth:** May 10, 1962

**Qualification:** Chartered Accountant

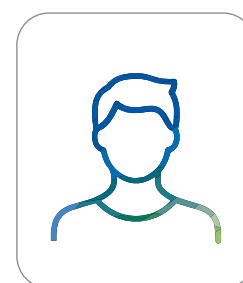
**Designation:** Independent Director

**Occupation:** Professional  
**Term:** For a period of five years from August 1, 2022, not liable to retire by rotation

**Nationality:** Indian

**Experience:** over 37 years

**Director:** Nil



### Rahul Bagaria

**DIN:** 06611268

**Date of Birth:** August 16, 1989

**Qualification:** Chartered Accountant and Certified Forensic Accounting & Fraud Detection Auditor

**Designation:** Independent Director

**Occupation:** Professional

**Term:** For a period of five years from August 1, 2022, not liable to retire by rotation

**Nationality:** Indian

**Experience:** over 11 years

**Director**

- Reliance Commercial Finance Limited
- India Pesticides Limited

**Designated Partner:** Bagaria & Co. LLP



# Corporate Information

## COMPOSITION OF BOARD & KEY MANAGERIAL PERSONNEL

Mr. Amit Dangi	- Whole Time Director
Mrs. Alpana Dangi	- Non-Executive Non-Independent Director
Mr. Sanjay Dangi	- Non-Executive Non-Independent Director
Mr. Vimal Ajmera	- Independent Director
Ms. Bhavika Jain	- Independent Director
Mr. Sanjiv Swarup	- Independent Director (resigned w.e.f. August 1, 2022)
Mr. Rahul Bagaria	- Independent Director (appointed w.e.f. August 1, 2022)
Mr. Haridas Bhat	- Independent Director (appointed w.e.f. August 1, 2022)
Mr. Deepak Dhingra	- Chief Financial Officer (appointed w.e.f. March 10, 2023)
Mr. Hitesh Vora	- Company Secretary and Compliance Officer

## PRINCIPAL BANKER

HDFC Bank Limited  
Axis Bank Limited

## STATUTORY AUDITORS

M/s. H. R. Agarwal & Associates, Chartered Accountants  
219-C, Old China Bazar Street,  
1st Floor, Room No. B-6, Kolkata – 700 001.

## SECRETARIAL AUDITORS

M/s. Mayank Arora and Co., Practicing Company Secretaries  
Office no. 101, 1st Floor, Udyog Bhavan, Sonawala Road  
Goregaon East, Mumbai – 400 063.

## REGISTRAR & SHARE TRANSFER AGENTS

Maheshwari Datamatics Private Limited.  
23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001  
Ph. No.:(033) 2248-2248.

## REGISTERED OFFICE ADDRESS

707, Raheja Centre, Free Press Journal Road, Nariman Point,  
Mumbai - 400021  
Phone No.: (022) 67472117  
Web Address: [www.authum.com](http://www.authum.com), Email ID: [info@authum.com](mailto:info@authum.com)

## CORPORATE IDENTIFICATION NUMBER

L51109MH1982PLC319008

## LISTING

Bombay Stock Exchange Limited  
The Calcutta Stock Exchange Limited

## WEBSITE

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

## SUBSIDIARY COMPANY

Reliance Commercial Finance Limited w.e.f. October 14, 2022

# Directors' Report

To,  
The Members,

The Directors have pleasure in presenting the 41<sup>st</sup> Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2023. The Company is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Banking Financial Company ("NBFC") not taking public deposits (NBFC-ND-SI).

## FINANCIAL HIGHLIGHTS

PARTICULARS	(Rs. In Crores)	
	Year Ended 31/03/2023	Year Ended 31/03/2022
Operational & Other Income	377.36	907.28
<b>Profit/Loss Before Depreciation &amp; Tax</b>	<b>288.30</b>	<b>825.98</b>
<b>Less:</b> Depreciation	1.12	0.09
Provision for taxation	43.20	157.15
Deferred Tax	0.00	0.00
Taxes for earlier years	3.78	0.00
<b>Profit/Loss after Depreciation &amp; Tax</b>	<b>240.20</b>	<b>668.74</b>
Balance brought forward for previous year	0.00	0.00
<b>Appropriations</b>		
Amount transferred to Statutory Reserves	48.04	133.74
<b>Balance Carried to Balance Sheet</b>	<b>192.16</b>	<b>531.24</b>

## OPERATIONS

During the year under review, Company made a profit of Rs. 240.20/- Crores as compared to a profit of Rs. 668.74/- Crores. The Management is very positive and looking forward for better performance in future. The Company remains confident of a sound growth trajectory in FY 2024.

Detailed information on the operations of the Company and details on the state of affairs of the Company are covered in the Management Discussion and Analysis Report.

During the year under review the Company has acquired Reliance Commercial Finance Limited ("RCFL") as certain Lenders of the Company (Banks and other Financial Institutions) have entered into an Inter-Creditor Agreement (ICA) for arriving at the debt resolution plan in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India on Prudential Framework for Resolution of Stressed Assets. Lenders have selected Authum Investment and Infrastructure Limited as the successful Bidder to acquire the Company and / or all its assets through a competitive bidding process after several rounds of negotiations between the bidders and the Lenders. Hon'ble Supreme Court of India by the order dated August 30, 2022 has approved the Resolution Plan and Company along with its Lenders and successful Resolution Applicant has executed the Resolution Plan.

Pursuant to the above, Reliance Commercial Finance Limited is a Wholly Owned Subsidiary of Authum w.e.f. October 14, 2022.

Further, the Company through its wholly owned subsidiary viz. RCFL has acquired Business Undertaking of Reliance Home Finance Limited ("RHFL") on a slump sale and going concern basis pursuant to the approved Resolution Plan of RHFL being conducted by the Financial Creditors of RHFL in terms of RBI Circular No. RBI/2018-19/ 203, DBR.No.BP. BC.45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets and the order of Hon'ble Supreme Court of India dated March 3, 2023.

## DIVIDEND & APPROPRIATIONS

The Board of Directors has decided not to recommend any dividend for the year ended March 31, 2023.

## APPROPRIATIONS

Under section 45-IC(1) of Reserve Bank of India ('RBI') Act, 1934, non-banking financial companies ('NBFCs') are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend, if any. Accordingly, the Company has transferred a sum of Rs. 48.04/- Crores to its reserve fund. The closing balance of the reserves and surplus of the Company for F.Y. 2022-23, after all appropriation and adjustments was Rs. 2974.03/- Crores.

## CHANGE IN SHARE CAPITAL

During the Financial year, there has been no change in the issued, subscribed and paid-up capital of the Company. The Company has also not carried out any buy back of its equity shares during the year under review.

Further, the Company has not issued any equity capital during the year under review and has also not issued any shares with differential voting rights, nor granted any stock options or sweat equity, at any time during the year under review.

### **NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES**

As on March 31, 2023, the total outstanding Non-Convertible Redeemable Preference Shares (RPS) issued and allotted on private placement basis stands at Rs. 202.00 Crores divided into 4,04,00,000 Preference Shares of Face Value Rs. 10/- each.

### **PUBLIC DEPOSITS**

The Company did not hold any public deposits at the beginning of the year nor has it accepted any Public Deposits during the year under review.

### **SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company form part of the Annual Report. The annual accounts of the subsidiary company and related detailed information are available on the website of the Company and the same may be obtained by writing to the Company Secretary at the registered e-mail ID of the Company i.e. info@authum.com.

During the year under review, Authum has acquired new subsidiary i.e. M/s. Reliance Commercial Finance Limited ("RCFL"). The consolidated financial results reflect the operations of RCFL too.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Policy, as approved by the Board, is uploaded on the Company's website: <https://www.authum.com/financial-info.html>.

#### **Subsidiary Company**

During the year under review the Company has acquired Reliance Commercial Finance Limited ("RCFL") as certain Lenders of the Company (Banks and other Financial Institutions) have entered into an Inter-Creditor Agreement (ICA) for arriving at the debt resolution plan in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India on Prudential Framework for Resolution of Stressed Assets. Lenders have selected Authum Investment and Infrastructure Limited as the successful Bidder to acquire the Company and / or all its assets through a competitive bidding process after several rounds of negotiations between the bidders and the Lenders. Hon'ble Supreme Court of India by the order dated August 30, 2022 has approved the Resolution Plan and Company along with its Lenders and successful Resolution Applicant has executed the Resolution Plan.

Pursuant to the above, Reliance Commercial Finance Limited is a Wholly Owned Subsidiary of Authum Investment & Infrastructure Limited.

RCFL is registered as an NBFC with the Reserve Bank of India. In terms of Regulation 16 (1) (c) of the SEBI Listing Regulations, RCFL is a wholly owned subsidiary.

### **PARTICULARS OF LOANS GRANTED, GUARANTEE PROVIDED AND INVESTMENTS MADE PURSUANT TO THE PROVISIONS OF SECTION 186 OF THE COMPANIES ACT, 2013**

The Company, being an NBFC registered with the RBI and engaged in the business of giving loans in ordinary course of its business, is exempt from complying with the provisions of section 186 of the Act with respect to loans, guarantees and investments. Accordingly, the Company is exempted from complying with the requirements to disclose in the financial statement the full particulars of the loans given, investment made or guarantee given or security provided.

### **EXTRACT OF ANNUAL RETURN**

A copy of the Annual Return as provided under section 92(3) of the Act, in the prescribed form, which will be filed with the Registrar of Companies/MCA, is hosted on the Company's website and can be accessed at [www.authum.com](http://www.authum.com).

### **RELATED PARTY TRANSACTIONS**

In line with the requirements of the Companies Act 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, your Company has formulated a Policy on Related Party Transactions which is available on Company's website at [www.authum.com](http://www.authum.com). This Policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria for giving the omnibus approval by the Audit Committee within the overall framework of the Policy on Related Party Transactions.

Pursuant to Regulation 23 of the Listing Regulations, all related party transactions were placed before the Audit Committee on a quarterly basis for their review and approval.

Further, the Policy on materiality of Related Party Transactions is available on the website of the Company at [www.authum.com](http://www.authum.com).

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed Form AOC-2, is appended as **Annexure I** to the Board's report.

## DIVIDEND DISTRIBUTION POLICY

Pursuant to the provisions of regulation 43A of the Listing Regulations, the Company had formulated a dividend distribution policy, which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and/or retaining profit earned. The policy is annexed to this report as **Annexure II** and is also available on the website of the Company at <https://www.authum.com/financial-info.html>.

## MEETINGS OF THE BOARD

During the year under review, 7 (Seven) Board Meetings were held. The details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. There have not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board.

## COMMITTEES OF THE BOARD

Currently the Board has Nine Committees viz. Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Investment Committee, Risk Management Committee, Corporate Governance Committee, Securities Allotment and Redemption Committee and Asset Liability Committee. A detailed note on the composition of the Board and its Committees and other related particulars are provided in the Corporate Governance Report forming part of this Annual Report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointment of Directors and Key Managerial Personnel

During the year under review and by way of approval of the shareholders of the Company in the 40<sup>th</sup> AGM, the Board has approved the appointment of Mr. Haridas Bhat (DIN 09691308) and Mr. Rahul Bagaria (DIN: 06611268) as the Independent Directors of the Company w.e.f. August 1, 2022 for the term of 5 years upto July 31, 2027, under the provisions of Section 161 of the Act. Further, Mr. Deepak Dhingra was appointed as Chief Financial Officer of the Company w.e.f. March 10, 2023.

### Resignation of Directors and Key Managerial Personnel

Further during the year under review, Mr. Sanjiv Swarup, due to his increased work commitments, has resigned as an Independent Director of the Company w.e.f. August 1, 2022.

Also, Mr. Amit Dangi has resigned from the position of Chief Financial Officer of the Company w.e.f. March 10, 2023.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2023 are Mr. Amit Dangi - Whole Time Director, Mr. Deepak Dhingra - Chief Financial Officer and Mr. Hitesh Vora - Company Secretary.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of section 164 & 165 of the Companies Act, 2013.

## FIT AND PROPER CRITERIA & CODE OF CONDUCT

All the Directors meet the fit and proper criteria stipulated by RBI. All the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company.

## DECLARATION FROM THE INDEPENDENT DIRECTORS

The independent directors have submitted a declaration of independence, stating that they meet the criteria of independence provided under section 149(6) of the Act read with regulation 16 of the Listing Regulations, as amended. The independent directors have also confirmed compliance with the provisions of rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of independent directors.

The Board took on record the declaration and confirmation submitted by the independent directors regarding them meeting the prescribed criteria of independence, after undertaking due assessment of the veracity of the same in terms of the requirements of regulation 25 of the Listing Regulations.

## SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company met on February 13, 2023 in terms of Section 149(8) and Schedule - IV of Companies Act, 2013 and regulation 25(3) & (4) of Listing Regulations, without the attendance of Non-Independent Directors and members of management. They met to discuss the inter-alia amongst other items the following mandatory items viz., (a) to review the performance of non-independent directors and the Board as a whole; (b) to review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors; (c) to assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS (IDs)

In terms of Regulation 25(7) of the Listing Regulations and the Companies Act, 2013, the Company is required to conduct the Familiarization Programme for Independent Directors (IDs) to familiarize them about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various initiatives. Directors are made aware of the significant news developments and highlights from various regulatory authorities viz. Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), etc.

The Directors are regularly apprised about their roles, rights and responsibilities in the Company from time to time as per the requirements of the Listing Regulations, with the Stock Exchanges and Companies Act, 2013 read together with the Rules and Schedules thereunder. The policy and details of familiarization programme imparted to the Independent Directors of the Company is available at [www.authum.com](http://www.authum.com).

## PERFORMANCE EVALUATION

Pursuant to the provisions of Section 134(3), 149(8) and Schedule IV of the Companies Act, 2013 read with SEBI Listing Regulations, Annual Performance Evaluation of the Board, the Directors as well as Committees of the Board has been carried out. The performance evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board, details of which are provided in the Corporate Governance Report. The properly defined and systematically structured questionnaire was prepared after having considered various aspects and benchmarks of the Board's functioning, composition of the Board and its Committees, performance of specific duties, obligations and governance.

## DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2022-23.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. the Directors 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 under review;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Annual Accounts for the year ended March 31, 2023, has been prepared on a going concern basis.
5. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company maintains appropriate systems of internal controls, including monitoring procedures, to ensure that all assets and investments are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines

and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

The Internal Auditor reviews the efficiency and effectiveness of these systems and procedures. The Internal Auditor submits his Report which is placed before the Audit Committee.

A combination of these systems enables your Company to maintain a robust design of controls and its operating effectiveness is ensured through periodical internal checks and audit.

## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AND ITS REPORT

The Company recognizes the responsibilities towards society and strongly intends to contribute towards development of knowledge based economy.

In accordance with the requirements of the provisions of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report forming part of this Annual Report.

The Company has also formulated a CSR Policy which is available on the website of the Company at <https://www.authum.com/financial-info.html>. Further, the detailed CSR initiatives undertaken by the Company are available at <https://www.authum.com/financial-info.html>.

The CSR obligation of the Company for Financial Year 2022-23 is Rs. 6,45,23,772/-. As on March 31, 2023, total amount spent on CSR activities by Company is Rs. 3,89,00,000/-.

As per section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014, as amended, the Company is required to transfer any unspent amount, pursuant to any ongoing project undertaken by the Company in pursuance of its Corporate Social Responsibility Policy, within a period of thirty days from the end of the financial year to a special account opened by the Company in that behalf for that financial year in any scheduled bank called Unspent Corporate Social Responsibility Account.

The Company has opened necessary bank account and transferred the unspent amount, further the Company has already identified few projects for CSR and the said unspent amount is being used for the CSR activities pursuant to the provisions of the Act.

The Annual Report on the CSR activities undertaken by your Company during the year under review, as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, is set out in **Annexure III** of this Report.

## PARTICULARS OF EMPLOYEES, KEY MANAGERIAL PERSONNEL AND RELATED DISCLOSURES

In accordance with the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules are provided in the Annual Report.



The disclosures as specified under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are appended to this Report as **Annexure IV**. The information regarding employee remuneration as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not provided as none of the employees are covered under the same.

### STATUTORY AUDITORS AND THEIR REPORT

M/s. H. R. Agarwal & Associates, Chartered Accountants (Firm Reg. No. 323029E) were appointed as Statutory Auditors of the Company from the conclusion of the 39<sup>th</sup> Annual General Meeting until the conclusion of the 44<sup>th</sup> Annual General Meeting to be held in the year 2026. However, as per the RBI Guidelines and Circular dated April 27, 2021 and as per the provisions of Section 139 of the Act, the tenure of the appointment of Statutory Auditors in NBFCs should be three years. Therefore, their tenure has been ratified and their appointment is till the conclusion of 42<sup>nd</sup> Annual General Meeting to be held in the year 2024. Further they have confirmed that they are not disqualified from continuing as Auditors of the Company. The Audit Report of M/s. H. R. Agarwal & Associates, Chartered Accountants (Firm Reg. No. 323029E) on the Financial Statements of the Company for the Financial Year 2022-23 is a part of the Annual Report.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. H. R. Agarwal & Associates, Chartered Accountants, Statutory Auditors, in their report on the Company's financial statements for the year ended on March 31, 2023.

### DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE COMPANIES ACT 2013, OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.

### SECRETARIAL AUDITOR

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Mr. Mayank Arora, partner of M/s. Mayank Arora & Co., Practicing Company Secretary (FCS No. 10378, CP No. 13609), to undertake secretarial audit of the Company.

A report from the secretarial auditor in the prescribed Form MR-3 is annexed to this Report as **Annexure V**.

In addition to the above, the company has obtained Secretarial Compliance Report for the financial year ended March 31, 2023 from M/s. Mayank Arora & Co., Practicing Company Secretary in compliance with the Regulation 24A of the Listing Regulations and the SEBI circular CIR/CFD/CMD1/27/2019 dated February 8, 2019 and has been submitted with stock exchanges.

### MAINTENANCE OF COST RECORDS

Your Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records have not been maintained by the Company.

### SECRETARIAL STANDARDS OF ICSI

The Company has complied with the requirements prescribed under the Secretarial Standards on meetings of the Board of Directors (SS-1) and General Meetings (SS-2) read with the MCA circulars granting exemptions in view of the COVID-19 pandemic.

### INTERNAL AUDITOR AND THEIR REPORT

The Board appointed M/s. L.K. Bohania & Co., Chartered Accountant, as Internal Auditors to conduct Internal Audit for the FY 2022-23. During the year under review, M/s. L.K. Bohania & Co, Internal Auditor's had submitted their Report for the FY 2022-23 to the Audit Committee for its review and necessary action.

At the beginning of each financial year, an audit plan is rolled out after approval of the Audit Committee. Pursuant to Risk Based Internal Audit Framework, internal audit is aligned in such a manner that assurance is provided to the Audit Committee and Board of Directors on quality and effectiveness of the internal controls and governance related systems and processes.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR)

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(f) & and other applicable regulation read with Schedule V of Listing Regulations is presented in a separate section and forms part of the Annual Report.

### CORPORATE GOVERNANCE REPORT AND ITS COMPLIANCE CERTIFICATE

In compliance with the Regulation 34 read with Schedule 9 of the Listing Regulations, a detailed report on Corporate Governance forms an integral part of this Annual Report. A Certificate from the Practicing Company Secretary confirming compliance of the conditions of Corporate Governance as stipulated under the Listing Regulations is appended to the Corporate Governance Report.

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ('BRSR')

Pursuant to amendment in SEBI Listing Regulations, top 1,000 listed entities based on market capitalisation are required to submit a BRSR with effect from F.Y. 2023.

In accordance with Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report has been annexed to this Report as **Annexure VI** which forms an integral part of this report.

## DISCLOSURE ON NOMINATION AND REMUNERATION COMMITTEE AND NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Committee as on March 31, 2023 comprises of the following:

Mr. Rahul Bagaria - Chairman and Non Executive Independent Director, Mr. Vimal Ajmera – Non Executive Independent Director and Mrs. Alpana Dangi – Non Executive Non Independent Director as members of the Committee.

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

## RISK MANAGEMENT

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 17(9) of the Listing Regulations. It establishes various levels of risks with its varying levels of probability, the likely impact on the business and its mitigation measures.

The Risk Management Committee as on March 31, 2023 comprises of the following:

Mr. Amit Dangi – Chairman and Executive Director, Mr. Sanjay Dangi – Non Executive Non Independent Director and Mr. Haridas Bhat - Non Executive Independent Director as members of the Committee.

The Audit committee facilitates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting.

## WHISTLE BLOWER/VIGIL MECHANISM

The Company has formulated a codified Vigil Mechanism Policy incorporating the provisions relating to Vigil Mechanism in terms of Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, in order to encourage Directors and Employees of the Company to escalate to the level of the Audit Committee any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in anyway. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith. During the year under review, the Company amended the Whistle Blower Policy to provide a clause wherein all employees of the Company are eligible to report any instance of leak of Unpublished Price Sensitive Information. The said Policy is available on the Company's website [www.athum.com](http://www.athum.com).

Employees of the Company are required to undergo mandatory online learning module on Code of Conduct including Whistle Blower Policy and affirm that they have understood and are aware of vital aspects of the policy.

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

### (A) Conservation of Energy and Technology Absorption:

The Company has no activity relating to Conservation of Energy and Technology Absorption as stipulated in Rule 8(3) of Companies (Accounts) Rules, 2014.

### (B) Foreign Exchange Earnings & Outgo

During the year under review, the Company did not have any Foreign Exchange Earnings or Outgo.

## CEO & CFO CERTIFICATION

A Certificate of the CEO and CFO of the Company in terms of Regulation 17(8) of the Listing Regulations is annexed to this report.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the FY 2022- 23

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

## RBI COMPLIANCES

The Company is registered as a non-deposit accepting systemically important NBFC. The Company has complied with and continues to comply with all applicable laws, rules, circulars and regulations, including the RBI Directions.

During FY 2022-23, there were no frauds committed by the Company and no material frauds committed on the Company by its officers or employees.

## OTHER DISCLOSURES AND INFORMATION

### a) Significant and Material Orders passed by any Authorities

There are no significant or material orders passed by the Regulators or Courts or Tribunals which impacts the going concern status of the Company and its future operations.

### b) Material Changes and Commitments affecting financial position of the Company

During the year under review the Company has acquired Reliance Commercial Finance Limited ("RCFL") as certain Lenders of the Company (Banks and other Financial Institutions) have entered into an Inter-Creditor Agreement (ICA) for arriving at the debt resolution plan in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India on Prudential Framework for Resolution of Stressed Assets. Lenders have selected Athum Investment and Infrastructure Limited as the successful Bidder to acquire the Company and / or all



its assets through a competitive bidding process after several rounds of negotiations between the bidders and the Lenders. Hon'ble Supreme Court of India by the order dated August 30, 2022 has approved the Resolution Plan and Company along with its Lenders and successful Resolution Applicant has executed the Resolution Plan.

Pursuant to the above, Reliance Commercial Finance Limited is a Wholly Owned Subsidiary of Authum w.e.f. October 14, 2022.

Further, the Company through its wholly owned subsidiary viz. RCFL has acquired Business Undertaking of Reliance Home Finance Limited ('RHFL') on a slump sale and going concern basis pursuant to the approved Resolution Plan of RHFL being conducted by the Financial Creditors of RHFL in terms of RBI Circular No. RBI/2018-19/ 203, DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets and the order of Hon'ble Supreme Court of India dated March 3, 2023.

## APPRECIATION

Your Company has been able to perform better with the continuous improvement in all functions and areas which coupled with an efficient utilization of the Company's resources led to sustainable and profitable growth of the Organization. Your Directors express their deep sense of appreciation and extend their sincere thanks to every employee and associates for their dedicated and sustained contribution and they look forward the continuance of the same in future.

## ACKNOWLEDGEMENTS

The Directors would like to place on record their gratitude for the valuable guidance and support received from the Reserve Bank of India, the Securities and Exchange Board of India, the Registrar of Companies, and other government and regulatory agencies and to convey their appreciation to the Members, bankers, lenders, vendors and all other business associates for the continuous support given by them to the Company. The Directors also place on record their appreciation of all the employees of the Company for their commitment, commendable efforts, team work and professionalism.

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

Place: Mumbai  
Date: August 4, 2023

**Amit Dangi**  
*Whole Time Director*  
DIN: 06527044

**Sanjay Dangi**  
*Director*  
DIN: 00012833

**Annexure - I**

**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis**

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

**2. Details of contracts or arrangements or transactions at arm's length basis**

<b>Name(s) of the related party &amp; nature of relationship</b>	<b>Nature of contracts / arrangements / transaction</b>	<b>Duration of contracts / arrangements / transaction</b>	<b>Salient terms of the contracts or arrangements or transaction including the value, if any</b>	<b>Date of approval by the Board</b>	<b>Amount paid as advances, if any</b>
Mentor Capital Limited (Promoter Company)	Loan taken	36 months	ICD at interest of 10% p.a. which is pre payable or payable at maturity	09.11.2022	Nil
	Loan repaid alongwith interest	36 months		09.11.2022	Nil
	Office rent paid	12 months	As per leave and license agreement	24.05.2022	Nil
Berix Bearing Private Limited (formerly known as SRCT Globex Private Limited)  (Entity with joint control or significant influence over entity)	Loan Given	36 months	ICD at interest of 10% p.a. which is pre payable or payable at maturity	24.05.2022	Nil
Geetanjali Infosystems Pvt. Ltd.  (Entity with joint control or significant influence over entity)	Loan Given alongwith interest accrued	12 months	ICD at interest of 8% p.a. which is pre payable or payable at maturity	24.05.2022	Nil
Rumi Grown Diamonds Private Limited	Loan Given alongwith interest accrued	36 months	ICD at interest of 9% p.a. which is pre payable or payable at maturity	08.08.2022	Nil
Reliance Commercial Finance Limited	Investment in Shares / Debentures, etc	Not Applicable	The transaction with Related Party is at Arm's length basis and as per the resolution plan	27.09.2022	Nil
	Loan Given	Not Applicable	The transaction with Related Party is at Arm's length basis	27.09.2022	Nil
	Purchase of Immovable Property	Not Applicable	The transaction with Related Party is at Arm's length basis and as per the resolution plan	10.03.2023	Nil

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

Place: Mumbai  
Date: August 4, 2023

**Amit Dangi**  
Whole Time Director  
DIN: 06527044

**Sanjay Dangi**  
Director  
DIN: 00012833

## Annexure - II

# Dividend Distribution Policy

### Background and applicability

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy for the company is as under:

The Board of Directors ("Board") of Authum Investment and Infrastructure Limited ("Company") has adopted this Dividend Distribution Policy to comply with these requirements.

### 1. Dividend distribution philosophy

One of the ways to reward a shareholder is by distributing portion of Company's earnings in the form of dividend. Besides capital appreciation, an investor expects a consistent cash inflow in the form of dividend. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

### 2. Dividend

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges, as required by Listing Regulations.

### 3. Circumstances under which shareholders can expect Dividend

The Board of Directors of the Company may consider inter-alia the following factors viz., the financial performance of the Company, the past dividend trends, the liquidity position of the Company, capital expenditure requirements and financial commitments to grow the business, if any, business expansions (including acquisitions) if any, debt obligations, the external market conditions, the future potential etc., before considering dividend proposition.

The Company will endeavour to maintain the dividend track record subject to the factors which the Board might appropriately consider at that point in time. When the performance of the company coupled with the market conditions are conducive/ favourable, the Board may consider declaring interim dividends too.

In order to conserve resources, the Board may consider recommending a lesser rate of dividend (as compared to the earlier years). The retained earnings of the company can be inter-alia utilized for capex, working capital requirement, investment in growth opportunities as deemed fit by the Board at appropriate time. The retained earnings may also be utilised for payment of dividend in subsequent years, or other permitted means of rewarding the shareholders.

In a year where the profits of the company are inadequate or there is a loss or there is a future financial commitment for the Company, the Company would like to utilise the reserves judiciously and the Board may not consider payment of dividend as a viable proposition. Alternatively, in such a scenario the Board might consider declaring dividends, out of the Free Reserves or the accumulated profits and the dividend payment track record is maintained. The amounts paid as dividend in the past does not necessarily indicate the dividend to be paid in the future and so the rate and the amount of dividend may vary from time to time.

### 4. Circumstances under which shareholders may not expect Dividend

Notwithstanding the above, the shareholders of the Company may not expect Dividend under the following circumstances:

1. Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
2. Significantly higher capital requirements adversely impacting free cash flow;
3. Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
4. In the event of inadequacy of profit or whenever the Company has incurred losses.

### 5. Financial parameters and other internal and external factors that would be considered for declaration of Dividend:

1. Net operating profit after tax;
2. Operating cash flow of the Company for the year;

3. Liquidity position, aggregate Debt of the Company, debt service coverage position, etc;
4. Loan repayment and Working capital requirements;
5. Capital expenditure requirements;
6. Resources required for funding acquisitions, mergers and / or new businesses;
7. Cash flow required for meeting tax demands and other contingencies;
8. Regulatory (and growth requirement of) Capital Adequacy;
9. Regulatory (and growth requirement of) Solvency;
10. Trend of dividends paid in the past years;
11. Any windfall, extra-ordinary or abnormal gains made by the Company and
12. Any other factor not explicitly covered above but which is likely to have a significant impact on the Company.

**External Factors:**

1. Prevailing legal requirements, regulatory restrictions laid down under the applicable laws including tax laws and changes made in accounting standards;
2. Dividend pay-out ratios of companies in the same industry.
3. Any other factor that has a significant influence / impact on the Company's working / financial position of the Company.

## 6. Utilisation of retained earnings

**Subject to applicable regulations, the Company's retained earnings shall be applied for:**

1. Funding inorganic and organic growth needs including working capital, capital expenditure, repayment of debt, etc.
2. Buyback of shares subject to applicable limits
3. Payment of Dividend in future years
4. Issue of Bonus shares
5. Any other permissible purpose

## 7. General

1. This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter.
2. The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this policy.
3. In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

Annexure -III

## Annual Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company:

Authum Investment & Infrastructure Limited ("AIII" or "Company") believes in a philosophy of Share, Care, Urge, Advance & Build adopting sustainable business practices which are beneficial to the various stakeholders including the society. Through its corporate values, AIII constantly endeavours to actively contribute to the social and economic development of the communities in which it operates.

To further the Company's CSR philosophy, a formal policy on CSR is being formulated to align its practices with requirements of Companies Act, 2013 and rules made thereunder.

2. Composition of CSR Committee:

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Bhaviika Jain	Chairman	1	1
2	Mr. Amit Dangi	Member	1	1
3	Mr. Vimal Ajmera	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - <https://www.authum.com/financial-info.html>.

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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
N.A.			

6. Average net profit of the company as per section 135(5) – Rs. 322,61,88,575/-

7. (a) Two percent of average net profit of the company as per section 135(5) – Rs. 6,45,23,772/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – Rs. 29,35,191/-

(c) Amount required to be set off for the financial year, if any – N.A.

(d) Total CSR obligation for the financial year (7a+7b-7c). - Rs. 6,15,88,581/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3,89,00,000	2,50,00,000	29/04/2023	N.A.		

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial Year (in Rs.)	(9) Amount transferred to Unspent - Direct (Yes/No)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Parmarth Seva Samithi	Yes	Yes	Mumbai, Maharashtra		F.Y. 2022-23	11,00,000	11,00,000	Nil	Yes	N.A.	-
2.	Parmarth Seva Samithi	Yes	Yes	Mumbai, Maharashtra		F.Y. 2022-23	11,00,000	11,00,000	Nil	Yes	N.A.	-
3.	Shree Aakhil Bharat Varshiya Sadhu Margiya Shant Kranti Jain Shrawak Sang	Yes	No	Raipur, Chhattisgarh		F.Y. 2022-23	50,000	50,000	Nil	Yes	N.A.	-
4.	Welspun Foundation for Health & Knowledge	Yes	No	Kutch, Gujarat		F.Y. 2022-23	75,00,000	75,00,000	Nil	Yes	N.A.	
5.	Sevah Samiti Foundation	Yes	Yes	Mumbai, Maharashtra		F.Y. 2022-23	1,00,00,000	1,00,00,000	Nil	Yes	N.A.	
6.	Shri Mata Vaishno Devi Shrine	Yes	Yes	Mumbai, Maharashtra		F.Y. 2022-23	2,00,00,000	2,00,00,000	Nil	Yes	N.A.	
	<b>Total</b>						<b>3,89,00,000</b>	<b>3,89,00,000</b>				

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Parmarth Seva Samithi	Yes	Yes	Mumbai, Maharashtra		9,06,839	Yes	NA	-
2.	Patanjali Yogpeeth Trust	Yes	No	Haridwar, Uttarakhand		2,50,000	Yes	NA	-
3.	Iskon	Yes	Yes	Mumbai, Maharashtra		10,00,000	Yes	NA	-
4.	JITO Education Assistance	Yes	Yes	Mumbai, Maharashtra		3,00,000	Yes	NA	-
5.	R K HIV AIDS Research & Care	Yes	Yes	Mumbai, Maharashtra		75,00,000	Yes	NA	-
	<b>Total</b>					<b>99,56,839</b>			

(d) Amount spent in Administrative Overheads – N.A.

(e) Amount spent on Impact Assessment, if applicable – N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 4,88,56,839/-

(g) Excess amount for set off, if any

Sl. No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	6,45,23,772
(ii)	Total amount spent for the Financial Year	6,39,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	23,11,419
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	29,35,191
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	23,11,419

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial year (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / Ongoing
1								
2								
3								
4								
5								
6								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) - None

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

The Company had CSR obligation of Rs. 6,15,88,581/- to spend in F.Y. 2022-23. However, the Company had spent Rs. 3,89,00,000/- during the year. Further, provision of Rs. 2,50,00,000/- has been created for few identified projects. The unspent amount has been transferred to unspent CSR account within 30 days of the end of the financial year 2022-23.



**Annexure IV**

**Remuneration details under Rule 5(1) of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules,  
2014, as amended for the financial year ended March 31, 2023**

<b>Sr. No.</b>	<b>Name of Director/ Key Managerial</b>	<b>Category</b>	<b>Ratio of remuneration of each Director to median remuneration of employees</b>	<b>% Increase in remuneration in FY 2022-23</b>
1	Mr. Sanjay Dangi	Chairman, Non-Executive Non-Independent	Not Applicable	Not Applicable
2	Mr. Amit Dangi	Whole Time	16.18	2.56
3	Mrs. Alpana Dangi	Non- Executive, Non-Independent	Not Applicable	Not Applicable
4	Mr. Vimal Ajmera	Independent	Not Applicable	Not Applicable
5	Ms. Bhaviika Jain	Independent	Not Applicable	Not Applicable
6	Mr. Haridas Bhat	Independent	Not Applicable	Not Applicable
7	Mr. Rahul Bagaria	Independent	Not Applicable	Not Applicable
8	Mr. Sanjiv Swarup	Independent	Not Applicable as resigned during the year under review	
9	Mr. Amit Dangi	Chief Financial Officer	Mentioned in Point No. 2 above	
10	Mr. Deepak Dhingra	Chief Financial Officer	Not Applicable as appointed during the year under review	
11	Mr. Hitesh Vora	Company Secretary	4.93	6.49

**Notes for Sr. No.:**

6 & 7. Mr. Haridas Bhat and Mr. Rahul Bagaria were appointed as Independent Director w.e.f. August 1, 2022.

8. Mr. Sanjiv Swarup ceased to be an Independent Director of the Company w.e.f. August 1, 2022.

9. Mr. Amit Dangi ceased to be Chief Financial Officer of the Company w.e.f. March 10, 2023.

10. Mr. Deepak Dhingra was appointed as Chief Financial Officer of the Company w.e.f. March 10, 2023.

Remuneration to Independent Directors does not include sitting fee paid to them for attending Board and/or Committee meetings. The Non-Executive, Non-Independent Directors did not receive any remuneration from the Company.

I. In the Financial Year 2022-23, there was an increase of 29.67% in the median remuneration of the employees.

II. There were 18 permanent employees on the role of Company as on March 31, 2023.

III. For employees other than Managerial Personnel who were in employment for whole of the Financial Year 2021-22 and Financial Year 2022-23, the average increase in the remuneration was 12.83%. The average increase in remuneration for Managerial Personnel in Financial year 2022-23 was 4.47%.

IV. It is hereby affirmed that the remuneration paid to the Directors, Key Managerial Personnel and employees is as per the Remuneration policy of the Company.

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

Place: Mumbai  
Date: August 4, 2023

**Amit Dangi**  
Whole Time Director  
DIN: 06527044

**Sanjay Dangi**  
Director  
DIN: 00012833

## Annexure V

# FORM NO. MR-3

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

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

To,  
**The Members,**  
**Authum Investment & Infrastructure Limited**  
707, Raheja Centre, Free Press Journal Road,  
Nariman Point, Mumbai- 400021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **M/s. AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on my verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and subject to letter annexed herewith, We hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March, 2023, complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED** ("the Company") for the financial year ended on March 31, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Reserve Bank of India Act, 1943;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; (not applicable to the Company during the Audit period);
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 (not applicable to the Company during the Audit period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
  - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period); and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Company during the Audit period);
- (vii) Other Laws specifically applicable to the Company as per the representations made by the Company are listed in **Annexure I** and forms an integral part of this report.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditors of the Company.

We have also examined compliance with the applicable clause of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- b. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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

### **We further report that:-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board took place during the year under

review were carried out in compliance of the provisions of Act and SEBI LODR.

Adequate notice is given to all the directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent atleast seven days in advance or convened on a shorter notice with requisite consent, and a system exist for seeking and obtaining further information and clarification on the agenda item before the meeting and for meaningful participation at the meeting.

We further report that there are adequate system and process in the company commensurate with the size and operation of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report** that during the audit period the following event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

- a. During the year under review the Company has acquired Reliance Commercial Finance Limited ("RCFL") as certain Lenders of the Company (Banks and other Financial Institutions) have entered into an Inter-Creditor Agreement (ICA) for arriving at the debt resolution plan in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India on Prudential Framework

for Resolution of Stressed Assets. Lenders have selected Authum Investment and Infrastructure Limited as the successful Bidder to acquire the Company and / or all its assets through a competitive bidding process after several rounds of negotiations between the bidders and the Lenders. Honorable Supreme Court of India by the order dated August 30, 2022 has approved the Resolution Plan and Company along with its Lenders and successful Resolution Applicant is executing the Resolution Plan.

Pursuant to the above, Reliance Commercial Finance Limited is a Wholly Owned Subsidiary of Authum.

- b. Further, the Company through its wholly owned subsidiary viz. RCFL has acquired Business Undertaking of Reliance Home Finance Limited ('RHFL') on a slump sale and going concern basis pursuant to the approved Resolution Plan of RHFL being conducted by the Financial Creditors of RHFL in terms of RBI Circular No. RBI/2018-19/ 203, DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets and the order of Hon'ble Supreme Court of India dated 3<sup>rd</sup> March, 2023.

This report is to be read with my letter of even date which is annexed as **Annexure II** and form an integral part of this report.

**For Mayank Arora & Co.,**  
*Company Secretaries*

**Mayank Arora**  
*Partner*  
Membership No.: F10378  
COP No.: 13609  
PR No: 679/2020

Place: Mumbai  
Date: 03/08/2023  
UDIN number: F010378E000731714

## Annexure I

# Other Laws applicable to the Company

### (A) Commercial Laws

- (i) Indian Contract Act
- (ii) Limitation Act
- (iii) Arbitration and Conciliation Act
- (iv) Negotiable Instruments Act
- (v) Information Technology Act
- (vi) The Competition Act
- (vii) Income Tax Act
- (viii) Goods and Service Tax Act

### (B) Others

- (i) Shops & Establishments Act
- (ii) Bombay/Indian Stamp Act

**For Mayank Arora & Co.,**  
*Company Secretaries*

**Mayank Arora**  
*Partner*  
Membership No.: F10378  
COP No.: 13609  
PR No: 679/2020

Place: Mumbai  
Date: 03/08/2023  
UDIN number: F010378E000731714

## Annexure II

To,  
**The Members,**  
**Authum Investment & Infrastructure Limited**  
707, Raheja Centre, Free Press Journal Road,  
Nariman Point, Mumbai- 400021

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. We have reported, in our audit report, only those non-compliance, especially in respect of filing of applicable forms/ documents, which, in our opinion, are material and having major bearing on financials of the Company.

**For Mayank Arora & Co.,**  
*Company Secretaries*

**Mayank Arora**  
*Partner*  
Membership No.: F10378  
COP No.: 13609  
PR No: 679/2020

Place: Mumbai  
Date: 03/08/2023  
UDIN number: F010378E000731714

Annexure VI

# Business Responsibility & Sustainability Report

Authum Investment & Infrastructure Limited ('Authum or Company') is fully aware of and committed to fulfilling its economic, environmental and social responsibilities while conducting its business. Authum believes that the foundation of economic growth can be strengthened if the entire society is a part of the growth story. Authum emphasizes on improving social relations with the community in which it operates and generating economic value.

The Company's Business Responsibility & Sustainability Report for the Financial Year 2022-23 has been prepared in accordance with the requirements of SEBI (LODR) Regulations, 2015 and is based on the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVGs) released by Ministry of Corporate Affairs, Government of India.

## SECTION A: GENERAL DISCLOSURES

### I. INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company:** L51109MH1982PLC319008
- Name of the Company:** Authum Investment & Infrastructure Limited
- Year of Incorporation:** 1982
- Registered Office address:** 707, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai 400021
- Corporate address:** 707, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai 400021
- Website:** www.authum.com
- E-mail id:** info@authum.com
- Telephone No.:** 022 67472117
- Financial Year reported:** April 1, 2022 to March 31, 2023
- Name of the Stock Exchange(s) where shares are listed:** BSE Limited and Culcatta Stock Exchange of India Limited
- Paid – up Capital:** Rs. 57,38,45100/-
- Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**  
 Mr. Hitesh Vora, Company Secretary and Compliance Officer  
 Contact: 022 67472117, Email: secretarial@authum.com
- Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together):** Standalone basis

### II. PRODUCTS/SERVICES

- Details of business activities (accounting for 90% of the turnover):**

Sr. No.	Name of Director/ Key Managerial	Description of Business Activity	% of Turnover of the entity
1.	Financial services	The Company is engaged in 1) Investment in Equity Market 2) Trading in Equity & Stock Market 3) Investment in Real Estate 4) Lending	The Company's primary sources of income consist of dividends, interest, income from Trading in Equity & Stock Market, derivatives and gains on sale of long-term and short-term investments. This constitutes 100% of the company's turnover.

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

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Same as question 14	64990	Same as question 14

### III. OPERATIONS:

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

Location	Number of Plants	Number of Offices	Total
National	-	1	1
International	-	-	-

The Company operates from one location from its Registered Office situated in Mumbai, India.

#### 17. Markets served by the entity:

##### a. Number of locations

Location	Number of Offices
National (No. of States)	1 (Maharashtra)
International (No. of Countries)	-

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

Not Applicable

##### c. A brief on types of customers:

The Company is a non-deposit taking non-banking financial company, primarily involved in Investment in Equity Market and Trading in Equity & Stock Market. It does not have any customer interface.

### IV: EMPLOYEES

#### 18. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>						
1	Permanent (D)	18	16	88.89	2	11.11
2	Other than Permanent (E)	-	-	-	-	-
<b>3</b>	<b>Total employees (D + E)</b>	<b>18</b>	<b>16</b>	<b>88.89</b>	<b>2</b>	<b>11.11</b>
<b>Workers</b>						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
<b>6</b>	<b>Total workers (F + G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

##### b. Differently abled Employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Differently Abled Employees</b>						
1	Permanent (D)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
<b>3</b>	<b>Total differently abled employees (D + E)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Differently Abled Workers</b>						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
<b>6</b>	<b>Total differently abled workers (F + G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	28.57
Key Management Personnel (KMP)*	3	-	-

\*Includes 1 Key Managerial Personnel covered under Board of Directors.



20. Turnover rate for permanent employees and workers

Particulars	FY2023			FY2022			FY2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	50%	100%	54.55%	83.33%	-	83.33%	400%	100%	500%
Permanent Workers	-	-	-	-	-	-	-	-	-

V: HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

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

S. No.	Name of the holding / subsidiary/ associate companies / joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Reliance Commercial Finance Limited	Subsidiary	100	No

VI: CSR DETAILS

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (Rs. in crores)	374.22
(iii) Net worth (Rs. in crores)	2991.02

VII: TRANSPARENCY AND DISCLOSURES COMPLIANCES

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

There was no case of violation of Authum's Code of Conduct in 2022-23 and no case was reported under the Company's whistle blower policy during the year.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)***	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes. <a href="https://www.authum.com/financial-info.html">https://www.authum.com/financial-info.html</a>	-	-	-	2	0	Resolved
Investors (other than shareholders)	Yes. <a href="https://www.authum.com/financial-info.html">https://www.authum.com/financial-info.html</a>	-	-	-	-	-	-
Employees and workers	Yes <a href="https://www.authum.com/AuthumPapers/Vigil%20Mechanism%20Policy.pdf">https://www.authum.com/AuthumPapers/Vigil%20Mechanism%20Policy.pdf</a>	-	-	-	-	-	-
Customers	-	-	-	-	-	-	-
Value Chain Partners	-	-	-	-	-	-	-
Government and Regulators	-	-	-	-	-	-	-
Communities	-	-	-	-	-	-	-

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

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

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Economic performance	Opportunity	<p>Financial performance drives profitability, business survival and promotes expansion of business.</p> <p>Further, maintaining credit rating and return ratios also enhance goodwill.</p> <p>Economic growth is one of the pillars of our Company's ESG framework.</p>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>- Increases profitability</li> <li>- Increases shareholders value</li> </ul>
2	Corporate Governance and Ethics	Risk	<p>Maintaining the highest standards of ethics and corporate governance is necessary to gain the trust of our Company's investors and stakeholders.</p> <p>Any risks can undermine stakeholder trust, damage reputation and disrupt business.</p>	<p>Our Company has instituted various policies and measures to constitute a strong corporate governance framework as per regulatory guidelines.</p> <p>We have in place a fair, transparent and accountable corporate governance structure across our hierarchy to safeguard the interests of all stakeholders. There is an effective mechanism, supported by strong policies to supervise the management and oversee the critical functions of the Company. An effective grievance redressal mechanism for stakeholders to address their concerns is also integrated into our Company's policies.</p>	<p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>- Reputational risks</li> <li>- Image/perception of the Company</li> </ul>

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
1b.	Has the policy been approved by the Board? (Yes/No)	Y	-	Y	Y	Y	-	-	Y	Y
1c.	Web link of the policies.	www.authum.com								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	-	Y	Y	Y	-	-	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/ No)	The policies have been communicated to all the internal stakeholders. Companies Code of Conduct has been communicated to other external stakeholders based on their relevance.								
4.	Name of the national and international codes/ certifications/ labels/ standards adopted by your entity and mapped to each principle.	-	-	-	-	-	-	-	-	-
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has developed detailed action plans and goals for each of the material issues aligned with the NGRBC principles, these will be detailed under the relevant principle in section C of this Report.								
6.	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met	Detailed under the relevant principles in section C of this Report.								
7.	Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>Dear Stakeholders,</p> <p>In today's world, businesses have a critical role to play in creating a sustainable future. We, at AILL, recognize the importance of ESG considerations and our commitment to them is reflected in our policies, practices and investments.</p> <p>As such, we are in the process of developing targets that align with our values and business objectives.</p> <p>We will keep our stakeholders informed of our progress and continue to work towards a sustainable future.</p> <p>Thank you for your support and engagement in this journey.</p> <p>Sincerely,          Mr. Amit Dangi          Whole Time Director          DIN: 06527044</p>								

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9									
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Amit Dangi Whole Time Director DIN: 06527044																	
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Corporate Social Responsibility Committee Details on: <a href="https://www.authum.com/AuthumPapers/CSR_Policy20.pdf">https://www.authum.com/AuthumPapers/CSR_Policy20.pdf</a>																	
10.	Details of Review of NGRBCs by the Company:																		
	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action	The Board of Directors, its committees meet periodically for evaluating the performance of the Company on various aspects including NGRBC Principles to the extent applicable.																	
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	✓									Annually								
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	P1	P2	P3	P4	P5	P6	P7	P8	P9									
		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No

12. If answer to the question at serial number 1 against any principle, is 'NO', please explain why: (Tick up to 2 options):

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
2.	The entity is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3.	The entity does not have financial or manpower resources available for the task.									
4.	It is planned to be done in the next financial year.									
5.	Any other reason (please specify)									

## SECTION C: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

#### Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	ESG and BRSR	100
Key Managerial Personnel	1	ESG and BRSR	100
Employees other than BoD and KMPs	1	ESG and BRSR	100
Workers	-	-	-

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on entity's website:

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-
Non-Monetary					
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

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

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

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

Yes. [www.authum.com](http://www.authum.com)

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

	FY 2022-23	FY 2021-22
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

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

Not applicable

## Leadership Indicators

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

Yes, Authum has zero tolerance towards unethical business practices and ensures adherence to relevant principles including in relation to conflict of interest. Authum has put in place adequate measures and procedures to ensure that no conflict of interest arises involving members of the Board.

Every Director on the Board is required to make disclosure of his / her interest or concern in other entities (under Section 184 of the Companies Act, 2013) and also the parties to which such Director is related to (under Section 2(76) of the Companies Act, 2013 and other laws applicable). Such disclosure is required to be made as and when a Director attends the first Board Meeting after his/her appointment on the Board and thereafter at every first Board Meeting held in a financial year as well as within 30 days from any change in the disclosure previously given by such Director.

Director, if interested or concerned in any transaction(s) or arrangement(s) to be entered into by the Company, does not participate in the discussion and approval of the transaction.

Authum has a separate Code of Conduct ('CoC') for Directors and Senior Management which provides that 'Directors and Senior Management shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement'. The said CoC requires them to not to engage in any business relationship or activity, which conflicts with their duties towards the Company. A declaration from the Directors and Senior Management's affirming to the said CoC is communicated to all stakeholders by the Managing Director (MD), through the Annual Report.

The Company has also put in place necessary mechanism and has formulated a Policy on Dealing with Related Party Transactions, keeping in view the requirements under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013. This Policy provides a framework to ensure proper identification, approval, and subsequent modification of Related Party Transactions.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

**Essential Indicators**

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

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	Not Applicable		
Capex	Not Applicable		

- a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Not Applicable

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

Not Applicable

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

Not applicable. The Company is engaged only in investment activities as a Non-Banking Financial Company and does not have any goods and raw materials utilization as a part of its products and services.

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

No

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

**Essential Indicators**

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

Category	% Of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C /A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	16	-	-	-	-	-	-	-	-	-	-
Female	2	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>18</b>	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent employees</b>											
Male	The Company does not have employees other than Permanent Employees.										
Female											
<b>Total</b>											

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

Category	FY2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Permanent Workers</b>						
Male	The Company does not employ workers.					
Female						
<b>Total</b>						
<b>Other than Permanent workers</b>						
Male	The Company does not employ temporary workers.					
Female						
<b>Total</b>						

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

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % Of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	-	-	-	-	-	-
Gratuity	-	-	-	-	-	-
ESI	-	-	-	-	-	-
Others – Please Specify	-	-	-	-	-	-

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

Yes, the office is accessible to differently abled employees.

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

No

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	-	Not applicable	
Female	-	-		
<b>Total</b>	<b>100%</b>	<b>-</b>		

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	The Company does not have any Workers under employment.
Other than Permanent Workers	
Permanent Employees	The Company follow an “open-door” approach. Any employee having issues with related to work may contact senior management freely.
Other than Permanent Employees	The Company does not have employees other than Permanent Employees.



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

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association (s) or Union (B)	% (B / A)
<b>Total Permanent Employees</b>	Our Company does not have any Employee Association. However, our Company recognizes the Right to freedom of Association and does not discourage collective bargaining.					
- Male						
- Female						
<b>Total Permanent Workers</b>	The Company does not have any Workers under employment.					
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	16	16	100	16	100	-	-	-	-	-
Female	2	2	100	2	100	-	-	-	-	-
<b>Total</b>	<b>18</b>	<b>18</b>	<b>100</b>	<b>18</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Workers</b>										
Male	The Company does not have any Workers under employment.									
Female										
Total										

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	16	16	100	10	10	100
Female	2	2	100	1	1	100
<b>Total</b>	<b>18</b>	<b>18</b>	<b>100</b>	<b>11</b>	<b>11</b>	<b>100</b>
<b>Workers</b>						
Male	The Company does not have any Workers under employment.					
Female						
<b>Total</b>						

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?	Due to the nature of the operations of the Company, there are no critical occupational health and safety risks.
b. What are the processes used to identify work-related hazards and assess risks on a routine and nonroutine basis by the entity?	Due to the nature of the work, there are no critical occupational health and safety risks.
c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)	No
d. Do the employees/ worker of the entity have access to nonoccupational medical and healthcare services? (Yes/ No)	No

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

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	NA	NA
Total recordable work-related injuries	Employees	-	-
	Workers	NA	NA
No. of fatalities	Employees	-	-
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	NA	NA

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace**

We encourage employees to adopt healthy habits such as taking breaks, staying hydrated, and practicing good posture to prevent fatigue and injury.

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

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions			Nil			
Health & Safety						

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	0
Working Conditions	0

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

Not Applicable

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of**

**A Employees (Y/N)**

No.

**B Workers (Y/N): NA**

Not Applicable. Our Company does not have any worker.

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

We ensure that all statutory payment challans of previous month are attached with current invoice of our regular vendors.

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

Not Applicable

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

No.

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

Not Applicable.

## Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders

### Essential Indicators

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

The Company is a NBFC mainly into investments and trading in equity market and its stakeholders include a diverse range of groups, such as employees, banks, custodians, business associates, shareholders, regulators and communities.

The Company endeavours to maintain strong relationships with all of its stakeholder groups, which are identified based on their potential to add value to the Company's business. The key stakeholders identified by the Company are Employees, Shareholders, Beneficiaries of CSR Projects and Regulatory Bodies.

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

Segment	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, SMS, Newspaper, Website	Quarterly	To share updates of the Company and to call for meetings
Investors	No	Email, Newspaper, Website	As required	To share updates of the Company
Vulnerable Customers	No	Email, Newspaper, Website	As required	To share updates of the Company
Other Customers	No	Email, Newspaper, Website	As required	To share updates of the Company
Employees	No	Email, Website	As required	To share updates of the Company
Government and Regulators	No	Email	As required	To share updates of the Company
Value Chain Partners	No	Email	As required	To share updates of the Company
CSR Community	No	Email, In person meetings	As required	To share updates of the Company

### Leadership Indicators

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

The Company ensures transparent communication and access to relevant information about its decisions that impact relevant stakeholders, keeping in mind the need to protect confidential competitive plans and information. Engagement with stakeholders is a continuous process for AILL and such engagement is driven by the senior management of the Company. The ESG Committee is updated with various developments arising out of such engagement for taking its guidance / inputs on such matters.

#### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No).

**If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. The engagement with stakeholders on a continuous basis helps in meeting the expectations for enabling the Company to serve its stakeholders better.

#### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups

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

## Principle 5: Businesses should respect and promote Human Rights.

### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			Total (C)	FY 2022-23	
	Total (A)	No. of employees workers covered (B)	% (B/A)		No. of employees workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-
<b>Total Employees</b>	-	-	-	-	-	-
<b>Workers</b>						
Permanent	The Company does not have any worker					
Other than Permanent						
<b>Total Workers</b>						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					Total (D)	FY 2021-22			
	Total (A)	Equal to Minimum Wage		More than Minimum age			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	16	-	-	16	100	10	-	-	10	100
Female	2	-	-	2	100	1	-	-	1	100
Other than permanent										
Male	Not Applicable									
Female										
<b>Workers</b>										
Permanent	The Company does not have any worker									
Male										
Female										
Other than Permanent										
Male										
Female										

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

Gender	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (Rs. in Crores)	Number	Median remuneration/ salary/wages of respective category (Rs. in Crores)
Board of Directors (BoD)	5	0.41	2	-
Key Managerial Personnel <sup>#</sup>	2	0.29	0	-
Employees other than BoD and KMP	13	0.02	2	0.03
Workers	The Company does not have any worker			

<sup>#</sup>Excluding 1 KMP already covered under Board of Directors.

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

Yes

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

Human Rights is one of the core values of the Company. The Company is committed to maintaining a safe and harmonious business environment and workplace for everyone, irrespective of ethnicity, region, sexual orientation, race, caste, gender, religion, disability, work, designation, and such other parameters.

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

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment			Nil			
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

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

We have constituted an internal complaints committee state wise to address Prevention of Sexual Harassment Committee (POSH) related complaints. Any other employee grievances are addressed through employee portal which is directly monitored by Head HR of the Company and in this process, we make sure the identity of complainant is kept confidential

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

Yes

9. Assessments for the year:

	%age of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others – please specify	0

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable

## Leadership Indicators

- Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**  
None, due to NIL grievance.
- Details of the scope and coverage of any Human rights due diligence conducted.**  
None.
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**  
Yes, the office is accessible to differently abled persons.
- Details on assessment of value chain partners:**

	%age of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others – please specify	0

- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**  
None.

## Principle 6: Businesses should respect, protect and make efforts to restore the environment.

### Essential Indicators:

- Details of total energy consumption (in Gigajoules) and energy intensity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	Not applicable	Not applicable
Total fuel consumption (B)	Not applicable	Not applicable
Energy consumption through other sources (C)	Not applicable	Not applicable
Total energy consumption (A+B+C)	Not applicable	Not applicable
Energy intensity per rupee of turnover (Total energy consumption/turnover in Lac)		
Energy intensity (optional) – the relevant metric may be selected by the entity		

**Note** – Energy consumption is negligible / minimal as the Company is a NBFC.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

- Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any**

No

- Provide details of the following disclosures related to water, in the following format:**

The Company's usage of water is primarily restricted to employees' consumption purposes only.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Not Applicable as the Company is a Financial Company.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Nox	Not Applicable. The Company is a financial services Company.		
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others- please specify			

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency**

No

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Negligible amount	Negligible amount
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Negligible amount	Negligible amount
Total Scope 1 and Scope 2 emissions per Lac of turnover	Metric tonnes of CO2 equivalent	Negligible amount	Negligible amount
Total Scope 1 and Scope 2 emission intensity (optional)- the relevant metric may be selected by the entity			

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.**

No

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. No**

Not Applicable as the Company is a Financial Company

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Not Applicable	Not Applicable
E-waste (B)	Not Applicable	Not Applicable
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable
Other Hazardous waste. Please specify, if any. (G)	-	-



Parameter	FY 2022-23	FY 2021-22
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Not Applicable	Not Applicable
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
<b>Category of waste</b>		
(i) Recycled	Not available	Not available
(ii) Re-used	Not available	Not available
(iii) Other recovery operations	Not available	Not available
<b>Total</b>	<b>Not available</b>	<b>Not available</b>
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
<b>Category of waste</b>		
(i) Incineration	Not applicable	Not applicable
(ii) Landfilling	Not applicable	Not applicable
(iii) Other disposal operations	Not applicable	Not applicable
<b>Total</b>	<b>Not applicable</b>	<b>Not applicable</b>

**Note** – As the Company is a NBFC, the generation of waste is negligible / minimal.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
 If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We are not generating any hazardous and toxic chemicals due to nature of our business

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
Not applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

Yes

### Leadership indicators

1. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link

In view of the COVID-19 pandemic, the Company had framed business continuity plan to avoid any disruption of critical services. During the reporting year, there were no disruptions of critical services of the Company. The Company is prepared to invoke business continuity plan as and when the likely disruptive events, their probability and impact on business operations are envisaged

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers/ associations.**

Nil

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
Nil		

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Not applicable		

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity :**

Not applicable

**Principle 8: Businesses should support inclusive growth and equitable development**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following**

Sr. No	Name of Project for which R&R is ongoing.	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs.)
Not applicable						

**3. Describe the mechanisms to receive and redress grievances of the community.**

The Company carries its CSR activities and is committed to contributing to the improvement in the quality of life of individuals and empowerment of institutions which serve the community.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Parameter	FY 2022-23*	FY 2021-22*
Directly sourced from MSMEs/ small producers	Not applicable	
Sourced directly from within the district and neighbouring districts		

\* Not Applicable considering the business model of the Company.

## Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (in crores)
The Company has conducted CSR activities in different districts or states, but it has not yet taken any initiatives in the aspirational districts.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) :

No (procurement is done based on competitiveness). However, the Company encourages marginalized and vulnerable groups.

- (b) From which marginalized /vulnerable groups do you procure?

Not applicable.

- (c) What percentage of total procurement (by value) does it constitute?

Not applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable				

6. Details of beneficiaries of CSR Projects:

Sr. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Contribution towards Corpus for various projects related to Education, Health, Animal welfare, Community & Skill Development, Agriculture & Environment and recognised sports.	-	100

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.**

## Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

The Company does not have a customer interface.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Category	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy			Nil			
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Results communicated in public domain (Yes / No)	Relevant Web link
Voluntary recalls		
Forced recalls		
	Not Applicable	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

No

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

# Management discussion and analysis

## Global economy

Overview: The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower.

The global equities, bonds, and crypto assets reported an aggregated value drawdown of USD26 trillion from peak, equivalent to 26% of the global gross domestic product (GDP). In 2022, there was a concurrently unique decline in bond and equity markets; 2022 was the only year when the S&P 500 and 10-year US treasuries delivered negative returns of more than 10%.

Gross FDI inflows – equity, reinvested earnings and other capital – declined 8.4% to \$55.3 billion in April-December. The decline was even sharper in the case of FDI inflows as equity: these fell 15% to \$36.75 billion between April and December 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023).

The S&P GSCI TR(Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.2	6.1
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

## Performance of major economies

United States: Reported GDP growth of 2.1% compared to 5.9% in 2021

China: GDP growth was 3% in 2022 compared to 8.1% in 2021

United Kingdom: GDP grew by 4.1% in 2022 compared to 7.6% in 2021

Japan: GDP grew 1.7% in 2022 compared to 1.6% in 2021

Germany: GDP grew 1.8% compared to 2.6% in 2021

[Source: PWC report, EY report, IMF data, OECD data]

## Outlook

The global economy is expected to grow 2.8% in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7%. Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK, and South Korea are not in a recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession, and significant developments, including China's progressive departure from its strict zero-Covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global

economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth (Source: IMF).

## Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India's economy grew at 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation (Source: IMF, World Bank)

## Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23
Real GDP growth(%)	3.7	-6.6%	8.7	7.2

## Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (%)	13.1	6.3	4.4	6.1

(Source: Budget FY24; Economy Projections, RBI projections)

India reported 8% higher rainfall over the long-period average in 2022. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 million metric tons (MMT) in 2022-23 from 107 MMT in the preceding year. Rice production at 132 million metric tons (MMT) was almost at par with the previous year. Pulses acreage grew to 31 million hectares from 28 million hectares. Due to a

renewed focus, oilseeds area increased 7.31% from 102.36 lakh hectares in 2021-22 to 109.84 lakh hectares in 2022-23.

India's auto industry grew 21% in FY23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 million units in FY23, crossing 3.2 million units in FY19. The commercial vehicles segment grew 33%. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84%.

Till the end of Q3FY23, total gross non-performing assets (NPAs) of the banking system fell to 4.5% from 6.5% a year ago. Gross NPA for FY23 was expected to be 4.2% and a further drop is predicted to 3.8% in FY2023-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in FY23 was estimated at 16.5% to \$714 billion as against \$613 billion in FY22. India's merchandise exports were up 6% to \$447 billion in FY23. India's total exports (merchandise and services) in FY23 grew 14 percent to a record of \$775 billion in FY23 and is expected to touch \$900 billion in FY24. Till Q3 FY23, India's current account deficit, a crucial indicator of the country's balance of payments position, decreased to \$18.2 billion, or 2.2% of GDP. India's fiscal deficit was estimated in nominal terms at ~ Rs 17.55 lakh crore and 6.4% of GDP for the year ending March 31, 2023. (Source: Ministry of Trade & Commerce)

India's headline foreign direct investment (FDI) numbers rose from US\$74.01 billion in 2021 to a record \$84.8 billion in 2021-22, a 14% Y-o-Y increase, till Q3FY23. India recorded a robust \$36.75 billion of FDI. In 2022-23, the government was estimated to have addressed 77% of its disinvestment target (Rs 50,000 crore against a target of Rs 65,000 crore).

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately \$70 billion in 2022, primarily influenced by rising inflation and interest rates. Starting from \$606.47 billion on April 1, 2022, reserves decreased to \$578.44 billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from Rs. 75.91 to a US dollar to Rs. 82.34 by March 31, 2023, driven by a stronger dollar and increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased

to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in

April 2023 declined below 5%, its lowest in months.

India's total industrial output for FY23, as measured by the Index of Industrial Production or IIP, grew 5.1% year-on-year as against a growth of 11.4 percent in 2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100<sup>th</sup> in 2017 to 63<sup>rd</sup> in 2022. As of March 2023, India's unemployment rate was 7.8 percent.

In 2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-

GDP ratio was estimated to have improved by 11.1 percent Y-o-Y in RE 2022-23.

The total gross collection for FY23 was Rs 18.10 lakh crore, an average of Rs 1.51 lakh a month and up 22% from FY22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to Rs. 1.6 lakh crore. For 2022-23, the government collected Rs 16.61 lakh crore in direct taxes, according to data from the Finance Ministry. This amount was 17.6 percent more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to Rs 172,000 during the year under review, a rise of 15.8 percent over the previous year. India's GDP per capita was 2,320 USD (March 2023), close to the magic figure of \$2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3 percent in 2022-23.

**Outlook:** There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and appreciable decline in consumer price index inflation to less than 5 percent in April 2023. India is expected to grow around 6-6.5 percent (as per various sources) in FY2024, catalysed in no small measure by the government's 35% capital expenditure growth by the government. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This unprecedented investment is expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in 2022-23 was 10,993 kilometres; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 km in the last financial year (Source: IMF).

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP estimate of 6.8% and America and Europe are experiencing its highest inflation in 40 years.

India's production-linked incentive appears to catalyse the downstream sectors. Inflation is steady. India is at the cusp of making significant investments in renewable energy and other sectors and emerging as a suitable industrial supplement to China. India is poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. India is less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilisation, government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The downside



risks are protracted geopolitical tensions, tightening global financial conditions, and slowing external demand.

### Union Budget FY 2023-24 provisions

The Budget 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to Rs. 10 lakh crores, equivalent to 3.3% of GDP and almost three times the

2019-20 outlay, through various projects like PM Gatishakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. An outlay of Rs. 5.94 lakh crore was made to the Ministry of Defence (13.18% of the total Budget outlay). An announcement of nearly Rs. 20,000 crores was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An outlay of Rs. 1.97 lakh crore was announced for Production Linked Incentive schemes across 13 sectors. The Indian government intends to accelerate

road construction in FY24 by 16-21% to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services

### Indian financial services sector overview

India enjoys a diversified financial sector undergoing rapid expansion with regards to robust growth of existing financial services companies and new entities entering the market. The sector includes commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The sector is dominated by the commercial banks accounting for more than 64% of the total assets.

India's insurance industry is a crucial component of the country's financial sector. The total first-year premium of life insurance companies reached US\$ 40.1 billion in FY 22. In FY 2022-23 (until May 2022), the total first year premium of non-life insurance sector reached Rs 36,680.89 crore. As of October 2022, total AUM managed by the mutual fund industry stood at Rs 39.50 trillion and the total number of accounts stood at 139.1 million.

Moreover, Bombay Stock Exchange (BSE) is expected to establish a joint venture with Ebix Inc to build a robust insurance distribution network in the country through a new distribution exchange platform. The number of companies listed on the National Stock Exchange of India Ltd. (NSE) enhanced from 135 in 1995 to 2,012 by FY 2022. In FY22, US\$ 14.55 billion was raised across 127 initial public offerings (IPOs). (Source: IBEF)

### Outlook

India's financial services industry experienced huge growth in the past few years and the momentum is expected to prevail. India's private wealth management industry has large growth headroom as the country is expected to have 6.11 lakh high net worth individuals by 2025, leading India to be the fourth largest private wealth market globally by

2028. India's insurance market is pegged to reach US\$ 250 billion by 2025, adding additional life insurance premiums of US\$ 78 from 2020-30.

The Association of Mutual Funds in India (AMFI) is expected to report a nearly five-fold growth in asset under management to reach Rs. 95 lakh crore and more than three times growth in investor accounts to 130 million by 2025. India's fintech space is expected to further drive the growth in various segments. India's mobile wallet industry is expected to grow at CAGR of 150% to reach US\$ 4.4 billion by 2022, while mobile wallet transactions is expected to touch Rs 32 trillion during the same period. According to Goldman Sachs, investors have been investing in India's stock market, which is expected to reach >US\$ 5 trillion, surpassing UK to become the fifth largest stock market globally by 2024. (Source: IBEF)

### Indian non-banking financial sector overview

The non-banking financial companies (NBFCs) form a crucial part of India's financial framework. The sector has recorded substantial growth over the years with the size of assets becoming almost 13% of India's gross domestic product. According to Fitch Ratings, improving credit growth, reduced asset-quality risks are expected to be the characteristics of the Indian non-banking financial institutions during FY 2022-23. This is expected to strengthen the performance of the non-banking financial companies

amidst a broadening economic recovery, although certain segments are expected to remain vulnerable on account of higher than expected inflation.

According to a report by Crif High Mark, non-banking finance companies and micro finance institutions accounted for 35.1% of the outstanding loans as of September 2022, surpassing banks which held a 34.8% stake. The NBFCs and MFIs have a greater contribution to the society as around 47% of their loans are in the smaller ticket sizes of between Rs 30,000 to Rs 50,000 while the same for bank was 35.9%. In 2022, RBI issued more than 27 regulatory updates specific to the NBFC sector, a significant number of regulatory updates to create a highly fluid compliance universe. There are over 9000 registered NBFCs in

India that provide credit services to the underserved sections of the economy. These organisations are playing an instrumental role in deepening credit to the underbanked and unbanked sections of the society. The industry witnessed great success in the vehicle, housing and micro credit services.

(Source: Economic Times)

### Indian housing finance sector overview

The housing finance sector is expected to grow at a compound annual growth rate (CAGR) of 20.58% between FY 2022 – FY 2027 period. Growing urbanization and affordable mortgage rates are the two major factors fueling the growth of the market. In 2021, the affordable housing segment consists 90% of the market in terms of volume and about 60% based on value. Millennials and young borrowers with high disposable incomes and need for urban accommodation are potential consumers for home loans, accounting for 27% of borrowers. According to ICRA, housing finance companies clocked a 15% year-on-year growth in

their on-book portfolio in Q1 FY23. On-book portfolio of all the housing finance companies' stood at Rs 12.7 lakh crore at the end of June 2022 compared to Rs 11 lakh crore a year ago. The growth was fueled by the healthy demand in the industry and the growing level of economic activity while retaining growth and asset quality estimates for FY23.

The assets under management (AUM) of housing finance companies are expected to grow 10-12% in FY 2022-23 compared to 8% in FY 2021-22 mainly attributed by home loans. Structural factors driving end-user housing demand remain intact in FY 2022-23 despite the impact of growing real estate prices and interest rates. The collection efficiency for NBFCs and HFCs remained healthy in the range of 97-101 per cent at the beginning of FY2023. Tightening of pool selection criteria by the investors for securitized pools and strengthening of prevailing credit appraisal processes and parameters by the lenders following the emergence of COVID also had a positive bearing on the overall collection efficiency. Housing finance companies are expected to witness a portfolio growth of 9-11 per cent in FY 2022-23. The loan portfolio of housing finance companies is anticipated to enhance by 12% in FY 2022-23 due to steady growth in disbursements, improving real estate sector and macro-economic environment.

HFCs witnessed a higher growth rate in loan disbursement compared to banks, a trend that will prevail in the future. Housing finance companies registered a double-digit growth rate at 11% on year, 7% growth rate reported by the banks. The growth in the housing finance sector in FY 22 grew at 9% driven largely by the prime segment. India's home loan market, valued at about Rs 24 lakh crore is expected to double in the next five years, with mortgage to GDP ratio commensurately from 11%. (Source: Business Standard, Business Insider, Financial Express)

### Affordable housing finance sector

Sales in the affordable housing segment have faced challenges in 2022 as high-end and mid-segment housing gained share owing to lower-priced units, indicating some impact of deteriorating affordability in the price-sensitive segment. According to Knight Frank India, the shares of sales for units below Rs 50 lakh category declined from 42% in July-December 2021 to 35% in July-December 2022. The growth in

share of sales in the Rs 50 lakh to Rs 1 crore segment also remained moderate with a 200 basis points growth from 35% in the second half of 2021 to 37% in July to December, 2022.

Housing prices in some of India's mega cities reported double-digit growth in the past one year. Firming up of prices in Tier-II and Tier-III are witnessing most of the action with the advent of the remote working culture. As geo-political uncertainty keeps pushing prices of construction materials, no relief is in sight as far as price moderation in the near future is concerned. Fresh disbursement witnessed a maximum YoY growth in tier-III and below districts in FY22 over FY19, as per the report. Amongst the top 20 tier-III districts, maximum numbers of districts are from Punjab and Karnataka. Among

the tier-IV districts, Uttar Pradesh tops the list of six districts amongst the top 20 with maximum growth in fresh disbursement in FY22 compared to FY19. The number of female borrowers in new disbursements grew significantly in FY22 in tier-III and IV districts. Among the top 20 districts with highest share of female borrowers in fresh home loan disbursement in FY 22, six districts are from Chhattisgarh, three from Gujarat and Haryana each. These districts have on an average 49% female share in total population. (Source: the hindu business line)

### Drivers of the affordable housing finance segment

**Growing population:** India's population surpassed China in 2023 and is expected to reach 1.51 billion by 2030. Population growth is expected to catalyze the demand of Indian real estate segment.

**Rapid urbanisation:** India's urban population is expected to stand at 675 million (accounting for 43.2% of the country's population) by 2035. This is expected to lead to a rise in housing demand accordingly. (Source: the hindu.com)

**Housing shortage:** As per the technical study conducted by Ministry of Housing and Urban Poverty Alleviation, the urban housing shortage in India is estimated at ~19 mn in 2022. This gap is expected to further widen to an estimated 38 million homes by 2030 mainly on account of the growing population and increased urbanization.

**Budgetary allocation:** The Union budget 2023-24 allocated a significant increase in funds for urban development with Rs 76,432 crore allocated under the Ministry of Housing and Urban Affairs compared to the Rs 42,965 crore allotted in 2018-2019, reporting a 77% increase over the past 5 years.

**Mortgage under-penetration:** As of 2022, India's mortgage penetration stands at 13 per cent of the GDP much lower compared to other Asian economies ranging from 20-30%. However, with the increase in demand of housing industry, it is expected that India would be able to double its home loans up to USD 600 billion by 2027.

**Demographics:** About 66 per cent of India's population is below 35 years of age which presents an opportunity of high disbursement of home loans. Over the years, India has been witnessing an uptake in the number of households being shifted towards the concept of a nuclear family.

**Smooth regulations:** Following the implementation of RERA, India's rank in dealing with construction permits improved from 52 to 27. RERA played a crucial role in increasing the ease of doing business in the real estate sector by promoting transparency and buyer-friendliness across the entire process.

(Source: IBEF, The Wire, Statista, Financial Express, Business Standard, Economic Times, Business World, The Hindu business line, Hindustan Times, Construction World)

### Company overview

Authum Investment & Infrastructure Limited started its journey in 1982. The Company is listed on Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited. It is a registered NBFC engaged in the business of investment in



shares and securities and also finance activities to achieve the goal of increasing shareholder value.

### Financial review

**Revenues:** Total consolidated revenue from operations in FY 2022-23 was Rs. 374.22 Crores, compared to Rs. 907.28 crores in FY 2021-22.

**PAT:** Profit after tax for FY 2022-23 stood at Rs. 240.20 crores, compared to Rs. 668.74 crores in FY 2021-22.

**Return on Capital employed:** Return on Capital employed during FY 2022-23 stood at 8.41% as compared to 21.43% in FY 2021-22.

**Current ratio:** There is no change in current ratio in FY 2022-23.

Key numbers (Rs. in crores)

Particulars	2022-23	2021-22
Revenue from operations	377.36	907.28
EBIT	334.17	855.63
PAT	240.20	668.74
Return on capital employed (%)	8.41	21.43
Current ratio (x)	0.66	0.66
Net profit margin (%)	64	74

### Our risk management framework

Risk	Mitigation
Economic risk: Unfavourable macro-economic factors might hamper the company's performance.	India's economy grew by 7.2% in FY 22-23; Authum recorded a 2.60% growth in assets under management and 59% degrowth in PAT
Underwriting risk: Inability to assess customer credibility might result in higher delinquencies	The Company's robust underwriting team has a well-defined customer evaluation standard, including experienced professionals such as Chartered Accountants
Employee risk: Higher attrition among experienced talent might hamper the growth of the company	The Company's long-term business strategy offers growth opportunities to its employees. Majority of the middle and senior level employees have a long-term relationship with the

Risk	Mitigation
Company Reputation risk: The Company's brand image might be affected due to its inability to address customer claims	The Company undertakes a comprehensive situation analysis to assess customer claims and is expected to take strict action against customer underservicing
Regulatory risk: Any kind of non-conformance in compliance and regulatory norms might lead to financial or reputational damage.	The Company invested in software to assess compliances to ensure that all responses are timely given by regulators.

### Internal control systems and their adequacy

The internal audit system of the company has been regularly tracked and reformed to make sure that assets are protected, established regulations are complied with and pending issues are addressed on time. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee records the observations of the auditors and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively

### Human resources and industrial relations

The Company considers that the value of the employees is the key to its success and is devoted to provide them skills which will enable them to seamlessly evolve with ongoing technological advancements.

The Company's permanent workforce stood at 17 as at 31<sup>st</sup> March, 2023. During the year, the Company arranged

training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct.

### Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations.

# Report on Corporate Governance

## COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is a set of defined principles, processes and systems which governs a Company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. The Company believes that business excellence is the reflection of the professionalism and ethical values of its management and employees. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its Stakeholders. The Company ensures to comply with the requirements of Corporate Governance listed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations').

At Authum, we believe and continuously endeavor to achieve good governance through timely disclosures, transparency, accountability and responsibility in all our dealings with the employees, shareholders, clients and community at large. The Board of Directors represents the interest of the Company's Stakeholders and continuously strives for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards through compliance with the Code of Conduct adopted by the Company.

We are in compliance with the Corporate Governance requirements as mandated by the Listing Regulations in letter and in spirit. A Report on compliance with the Code of Corporate Governance as stipulated in the Listing Regulations, for the year ended March 31, 2023 (year under review) and developments up to the date of this report are given below:

## CODE OF CONDUCT FOR DIRECTORS AND SENIOR EXECUTIVES

A Code of Conduct as applicable to the Board of Directors and Senior Executives has been approved. The said Code has also been displayed on the Company's website [www.authum.com](http://www.authum.com). The Board Members and Senior Executives have affirmed their compliance with the Code and a declaration signed by the Chairman & Managing Director / CEO in terms of Regulation 27 of Listing Regulations is given below as **Annexure A**. It is hereby declared that the Company has obtained from all the Board Members and Senior Executives an affirmation that they have complied with the Code of Conduct for the financial year 2022-23.

## BOARD OF DIRECTORS:

### COMPOSITION OF THE BOARD AND DETAILS OF DIRECTORS, BOARD MEETINGS, ATTENDANCE RECORDS OF BOARD AND OTHER DIRECTORSHIP(S)

The composition of the Board of your Company is in conformity with the provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations, as amended from time to time.

The Company's Board consists of Seven Directors as on March 31, 2023 out of which there are Two Non-Executive Non-Independent Director, Four Independent Directors and One Executive Director. The Chairman of the Board is an Executive Director. Name and category of each Director is given below:

Name of Directors	Category of Director	Attendance at the Board Meetings	Attendance at last AGM held on September 27, 2022	No. of Directorships of other Indian companies as on 31.03.2023	Membership of mandatory Board Committees of other companies as on 31.03.2023		No. of Ordinary Shares held as on 31.03.2023
					Chairman	Member	
Sanjay Dangi	Non-Executive Non-Independent Director	6	Yes	3	0	2	None
Alpana Dangi	Non-Executive Non-Independent Director	4	Yes	Nil	None	None	11,09,09,060 Equity Shares
Amit Dangi	Whole time Director, Chairman	7	Yes	3	None	None	None

Name of Directors	Category of Director	Attendance at the Board Meetings	Attendance at last AGM held on September 27, 2022	No. of Directorships of other Indian companies as on 31.03.2023	Membership of mandatory Board Committees of other companies as on 31.03.2023		No. of Ordinary Shares held as on 31.03.2023
					Chairman	Member	
Bhaviika Jain	Independent Director	7	No	2	0	2	None
Haridas Bhat	Independent Director	6	Yes	Nil	None	None	None
Rahul Bagaria	Independent Director	6	Yes	2	2	5	None
Vimal Ajmera	Independent Director	7	Yes	Nil	None	None	None

\* Excludes Directorships in foreign companies and companies incorporated under Section 8 of the Companies Act 2013.

**Note:**

Mr. Haridas Bhat and Mr. Rahul Bagaria were appointed as Additional Directors via circular resolution of the Board dated August 1, 2022 and Mr. Sanjiv Swarup resigned as Director w.e.f. August 1, 2022.

During the financial year 2022-23, the Board of Directors met 7 times on the following dates:

May 24, 2022, August 8, 2022, September 27, 2022, November 9, 2022, January 10, 2023, February 13, 2023 and March 10, 2023. The gap between any two meetings did not exceed one hundred and twenty days.

Names of the Listed Entities where the Directors of the Company is a Director and the category of Directorship:

Sr. No	Name and DIN of Director	Name of the Listed Entity	Designation	Category
1	Mr. Sanjay Dangi (DIN: 00012833)	Reliance Commercial Finance Limited	Director	Director
2	Mr. Amit Dangi (DIN: 06527044)	Reliance Commercial Finance Limited	Director	Director
3	Mr. Rahul Bagaria (DIN: 06611268)	Reliance Commercial Finance Limited	Independent Director	Non Executive Director
4		India Pesticides Limited	Non-Independent Director	Non Executive Director
5	Mrs. Bhaviika Jain (DIN: 08738884)	Reliance Commercial Finance Limited	Independent Director	Non Executive Director

In the opinion of the Board, the Independent Directors fulfills the conditions as specified in Listing Regulations and are independent of the Management.

**FAMILIARIZATION PROGRAMMES**

The Company has adopted a structured programme for orientation of all the Directors including Independent Directors at the time of their joining so as to familiarize them with the Company – its operations, business, industry and environment in which it functions and the regulatory environment applicable to it.

Pursuant to Regulation 25(7) of the Listing Regulations, the management conducts familiarization programmes for its Directors which includes discussion on industry outlook and updates on various matters viz. Regulatory, Business, Trading Operations, Finance, Internal Control, Information Technology etc.

The details of programmes for familiarization of Directors are available on the Company’s website: [www.authum.com](http://www.authum.com)

## MATRIX SETTING OUT SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS

The Board of Directors have identified the following skills required for the Company and the availability of such skills with the Board:

Names of Directors	Areas of Expertise							
	Technology	Legal & Administrative	Stakeholder relationship	Strategy development	Finance	Corporate Governance	Leadership	Capital Market Understanding
Sanjay Dangi	✓	✓	✓	✓	✓	✓	✓	✓
Alpana Dangi	✓	✓	✓	✓	✓	✓	✓	✓
Amit Dangi	✓	✓	✓	✓	✓	✓	✓	✓
Haridas Bhat	✓	✓	✓	✓	✓	✓	✓	✓
Rahul Bagaria	✓	✓	✓	✓	✓	✓	✓	✓
Vimal Ajmera	✓	✓	✓	✓	✓	✓	✓	✓
Bhaviika Jain	✓	✓	✓	✓	✓	✓	✓	✓

## COMMITTEES OF THE BOARD

### AUDIT COMMITTEE

Pursuant to the Act, Listing Regulations and NBFC Regulations, the Company has an Audit Committee, meeting the composition prescribed thereunder with a minimum of two-third of its members (including Chairman) being independent directors. All members are financially literate and have accounting or related financial management expertise.

The Board reviews the working of the Committee from time to time to bring about greater effectiveness and to ensure compliance with the various requirements under the Act, Listing Regulations and NBFC Regulations.

The minutes of the meetings of the Committee are placed before the Board for noting. Mr. Hitesh Vora, Company Secretary & Compliance Officer functions as the Secretary of the Committee.

### COMPOSITION AND ATTENDANCE

During the financial year 2022-23, four meetings of Audit Committee were held on the following dates:

May 24, 2022, August 8, 2022, November 9, 2022 and February 13, 2023. The gap between any two meetings did not exceed one hundred and twenty days.

The composition of the Committee along with the details of the meetings held and attended during the aforesaid period is detailed below:

Name of Members	Designation	Category of Directors	Number of Meetings	
			Held	Attended
Mr. Sanjiv Swarup *	Chairman	Independent Director	1	1
Mr. Haridas Bhat #	Chairman	Independent Director	3	3
Mr. Vimal Ajmera *	Member	Independent Director	1	1
Mr. Rahul Bagaria #	Member	Independent Director	3	3
Mr. Amit Dangi	Member	Whole Time Director	4	4

Note: \* Appointed in the Committee w.e.f. August 1, 2022

# Ceased the position in the Committee w.e.f. August 1, 2022

### TERMS OF REFERENCE

The terms of reference of the Audit Committee includes the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;

3. Major accounting entries involving estimates based on the exercise of judgment by Management;
  4. Significant adjustments made in the financial statements arising out of audit findings;
  5. Compliance with listing and other legal requirements relating to financial statements;
  6. Disclosure of any related party transactions and
  7. Qualifications in the draft audit report.
- e. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - f. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - g. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - h. Approval or any subsequent modification of transactions of the company with related parties;
  - i. Scrutiny of inter-corporate loans and investments;
  - j. Valuation of undertakings or assets of the company, wherever it is necessary;
  - k. Evaluation of internal financial controls and risk management systems;
  - l. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - n. Discussion with internal auditors of any significant findings and follow up there on;
  - o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - r. To review the functioning of the Whistle Blower mechanism;
  - s. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

## **NOMINATION AND REMUNERATION COMMITTEE**

Pursuant to the Act, Listing Regulations and NBFC Regulations, the Company has constituted a Nomination and Remuneration Committee ('NRC').

The Committee invites those executives, as it considers appropriate. The minutes of the meetings of the Committee are placed before the Board for noting. Mr. Hitesh Vora, Company Secretary & Compliance Officer, functions as the Secretary of the Committee.

The Nomination and Remuneration Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable statute, rules and regulations which the Committee deems relevant, make recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors and Key Managerial personnel of the Company in compliance with the provisions specified for Nomination and Remuneration Committee in Section 178 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and under the Listing Regulations with the Stock Exchanges.

SEBI vide notification dated August 3, 2021 amended the Listing Regulations. Vide the said amendment, it has introduced following additional term of reference of NRC with effect from January 1, 2022:

*For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:*

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

In view of the above amendment, the terms of reference of NRC were suitably amended to incorporate the above.

## COMPOSITION AND ATTENDANCE

During the financial year 2022-23, four meetings of Nomination and Remuneration Committee were held on May 24, 2022, August 8, 2022, February 13, 2023 and March 10, 2023. The Nomination and Remuneration Committee at its said meetings discussed and approved various matters.

The composition of the Committee along with the details of the meetings held and attended during the aforesaid period is detailed below:

Name of Members	Designation	Category of Directors	Number of Meetings	
			Held	Attended
Mr. Sanjiv Swarup *	Chairman	Independent Director	1	1
Mr. Rahul Bagaria #	Chairman	Independent Director	3	3
Mr. Vimal Ajmera	Member	Independent Director	4	4
Mrs. Alpana Dangi	Member	Non-Executive Non Independent Director	4	2

Note: \* Appointed in the Committee w.e.f. August 1, 2022

# Ceased the position in the Committee w.e.f. August 1, 2022

## TERMS OF REFERENCE

The Nomination and Remuneration Committee is primarily responsible to:

1. To oversee the framing, review and implementation of Remuneration/Compensation policy of the Company, approved by the Board.
2. Formulation of the criteria for determining qualifications, positive attributes, and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Committee shall ensure that –
  - A. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - B. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - C. remuneration to directors, Key Managerial Personnel and Senior Management Personnel involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
  - D. The Committee may revisit the principles basis industry and regulatory context, company context and emerging best practices from time to time
3. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee, recommend to the Board their appointment and removal.
4. The Committee shall formulate the criteria and specify the manner for effective evaluation of performance of Board, its committees and individual directors (Independent & Non-Independent Directors) to be carried out either by the Board or by the Nomination and Remuneration Committee and review its implementation and compliance.
5. To determine whether to extend or continue the term of appointment of the Independent Director on the basis of the report of their performance evaluation. The tenure of extension or continuity of Independent Director shall be computed as per the provisions of sub-section (10) and (11) of Section 149 of the Companies Act, 2013 read with Explanation there to and Regulation 16(1)(b) of the Listing Regulations.
6. To recommend to the Board, all remuneration, in whatever form, payable to Senior Management Personnel.
7. Devising a policy on Board diversity
8. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - A. use the services of an external agencies, if required;
  - B. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - C. consider the time commitments of the candidates.
9. Formulation of Succession policy and Succession plan for Executive Vice Chairman, Managing Director and CEO, Key Managerial personnel and Senior Management Personnel.

10. To work in close coordination with Risk Management Committee of the Company to achieve effective alignment between compensation and risks to ensure that the compensation outcomes are symmetric with risk outcome.
11. To ensure that compensation levels are supported by the need to retain earnings of the Company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP).
12. To ensure 'fit and proper' status of proposed directors and that there is no conflict of interest in appointment of directors on Board of the Company, Key Managerial Personnel and senior management.

## REMUNERATION POLICY:

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The remuneration Policy is stated below:

Nomination & Remuneration Policy:

### 1. Preamble

- 1.1 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "senior management" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.
- 1.2 In terms of Section 178 of the Companies Act, 2013 which has been made effective from 1<sup>st</sup> April, 2014 by the Central Government vide notification no. S.O. 902(E) issued on 26<sup>th</sup> March, 2014, this Remuneration Policy named as Authum Investment & Infrastructure Limited Remuneration Policy ("the Policy") is being framed and formulated for laying down criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Executives.
- 1.3 The policy will be reviewed by the Nomination and Remuneration Committee of the Board of Directors, as and when required.

### 2. Aims & Objectives

- 2.1 The aims and objectives of this remuneration policy may be summarized as follows:
  - 2.1.1 The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and other executive level.
  - 2.1.2 The remuneration policy seeks to enable the company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
  - 2.1.3 The remuneration policy will ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.
  - 2.1.4 The remuneration policy will ensure that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### 3. Principles of remuneration

- 3.1 **Support for Strategic Objectives:** Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- 3.2 **Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- 3.3 **Internal equity:** The Company shall remunerate the board members, KMP and senior management in terms of their roles within the organization. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- 3.4 **External equity:** The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore, the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.
- 3.5 **Flexibility:** Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.



3.6 **Performance-Driven Remuneration:** The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.

3.6.1 **Affordability and Sustainability:** The Company shall ensure that remuneration is affordable on a sustainable basis.

#### 4. Compensation Structure

4.1 **Remuneration to Non-Executive Directors:** The Non-executive Directors of the Company are paid remuneration by way of sitting fees for attending the meetings of the Board of Directors and its Committees. The said sitting fees paid to the Non-executive Directors for the Board Meetings and Committee meetings are fixed by the Board and reviewed from time to time in accordance with applicable law. The Non-executive Directors may be paid such remuneration as the Board may approve from time to time subject to limits prescribed from time to time in the Act or Rules made there under.

4.2 **Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel(s) (SMPs):** The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director/ Whole Time Directors (MD/ WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration are governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards.

#### 5. Supplementary provisions

5.1 Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.

5.2 The right to interpret this Policy vests in the Board of Directors of the Company.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to the Act and Listing Regulations, the Company has constituted SRC. This Committee specifically looks into the grievances of various stakeholders of the Company.

The terms of reference of the Committee, inter alia, includes review of measures taken for effective exercise of voting rights by shareholders and review of adherence to the service standards in respect of various services rendered by the Registrar and Share Transfer Agent ('RTA').

The necessary quorum was present for the meetings. Mr. Hitesh Vora, Company Secretary & Compliance Officer, functions as the Secretary of the Committee.

#### COMPOSITION AND ATTENDANCE

During the financial year 2022-23, one meeting of Stakeholders' Relationship Committee was held on May 24, 2022.

Name of Members	Designation	Category of Directors	Number of Meetings	
			Held	Attended
Mr. Sanjiv Swarup *	Chairman	Independent Director	1	1
Mr. Rahul Bagaria #	Chairman	Independent Director	0	0
Mr. Amit Dangi	Member	Whole Time Director	1	1
Mr. Vimal Ajmera	Member	Independent Director	1	1

Note: \* Appointed in the Committee w.e.f. August 1, 2022

# Ceased the position in the Committee w.e.f. August 1, 2022

Number of shareholders' complaints received during the year	Number of shareholders' complaints resolved during the year	Number of pending complaints
0	0	0

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee (CSR Committee) is constituted in line with the provisions of Section 135 of the Companies Act, 2013 in order to formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act. The committee monitors the CSR Policy and recommends the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.

#### COMPOSITION AND ATTENDANCE:

During the financial year 2022-23, one meeting of Corporate Social Responsibility Committee was held on February 13, 2023. The necessary quorum was present for the meetings.



The composition of the Committee along with the details of the meetings held and attended during the aforesaid period is detailed below:

Name of Members	Designation	Category of Directors	Number of Meetings	
			Held	Attended
Mr. Sanjiv Swarup #	Chairman	Independent Director	0	0
Mrs. Bhaviika Jain *	Chairman	Independent Director	1	1
Mr. Vimal Ajmera	Member	Independent Director	1	1
Mr. Amit Dangi	Member	Whole Time Director	1	1

Note: \* Appointed in the Committee w.e.f. August 1, 2022

# Ceased the position in the Committee w.e.f. August 1, 2022

### TERMS OF REFERENCE:

The CSR Committee has been constituted by the Board of Directors with powers, inter alia, to make donations/ contributions to any Charitable and/or CSR projects or programs to be implemented directly or through eligible executing agency(ies), of at least two percent of the Company's average net profits during the three immediately preceding Financial Years in pursuance of its CSR Policy for the Company's CSR initiatives.

The role of CSR Committee includes formulating and recommending to the Board an annual action plan (including alteration of such plan) consisting of: (i) list of approved projects or programs to be undertaken within the purview of Schedule VII of the Act, (ii) manner of execution of such projects; (iii) modalities of utilisation of fund; (iv) implementation schedules; (v) monitoring and reporting mechanism for the projects; (vi) details of need and impact assessment, if any, for the projects undertaken and also to monitor the CSR Policy periodically, etc.

The scope of the Committee also includes, inter alia, the formulation and recommendation to the Board for its approval and implementation, the Business Responsibility ("BR") Policy(ies) of the Company, undertake periodical assessment of the Company's BR performance, review the draft BR Report and recommend the same to the Board for its approval and inclusion in the Annual Report of the Company.

### OTHER COMMITTEES:

The Board has constituted various Committees to look into various routine business matters; Securities Allotment and Redemption Committee to look after the transfer / transmission of shares, issue of duplicate shares, redemption of preference shares, etc., Risk Management Committee to ascertain & minimize risk, to take appropriate decisions for regular assessment and minimization of risks, Corporate Governance Committee, Asset Liability Committee, Investment Committee as required under RBI regulations.

### REMUNERATION OF DIRECTORS

#### PECUNIARY RELATIONSHIPS OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS

None of the Non-Executive Directors had any other pecuniary relationship or transactions with the Company during financial year 2021-22, apart from remuneration as directors and transactions in the ordinary course of business and on arm's length basis at par with any member of general public. During Financial Year 2022-23, the Company did not advance any loans to any of its directors.

#### CRITERIA/DETAILS OF REMUNERATION TO NON-EXECUTIVE DIRECTORS

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company.

The following table sets out the details of sitting fees paid to the Directors for FY 2022-23:

Names of Non-Executive Directors	Sitting Fees (Rs. in Crores)
Mr. Vimal Ajmera	0.01
Mrs. Bhaviika Jain	0.01
Mr. Sanjiv Swarup	0.00
Mr. Haridas Bhat	0.01
Mr. Rahul Bagaria	0.01

## DETAILS OF REMUNERATION PAID TO WHOLE TIME DIRECTOR AND CHIEF EXECUTIVE OFFICER

The details of remuneration paid to Whole Time Director & CEO during the financial year 2022-23 are tabled below:

Particulars	Amount (Rs. In Crores)	
	Amit Dangi, Whole Time Director	
Basic Salary	0.40	
Allowances & Perquisites	0.01	
Variable Pay based on performance	-	
PF Contribution	-	
Any other	-	
Total	0.41	

## GREEN INITIATIVES BY MCA

Sections 20 and 136 of the Act, read with relevant Rules, permit companies to service delivery of documents electronically to the registered email ID of the members.

In compliance with the said provisions and as a continuing endeavor towards the 'Go Green' initiative, the Company proposes to send all correspondence/communications through email to those shareholders who have registered their email ID with their depository participant's/Company's RTA.

During F.Y. 2023, the Company sent documents, such as notice calling the annual general meeting, postal ballot notice, audited financial statements, Directors' Report, Auditors' report, etc. in electronic form to the email addresses provided by the members and made available by them to the Company through the depositories. All financial and other vital official news releases and documents under the Listing Regulations are also communicated to the concerned stock exchanges, besides being placed on the Company's website.

## GENERAL BODY MEETINGS

### The details of the last three Annual General Meetings and Special Resolutions passed

1. Location and Time where last three AGMs were held

Details of General Meetings	Location	Day & Date	Time	Description of Special Resolution
38 <sup>th</sup> Annual General Meeting (2019-2020)	Via Video Conferencing	Wednesday, September 30, 2020	4.00 P.M.	<ol style="list-style-type: none"> <li>Appointment of Mrs. Alpana Dangi (DIN: 01506529) as a Director of the Company.</li> <li>Appointment of Mr. Amit Dangi (DIN: 06527044) as a Whole Time Director of the Company for the period of five years w.e.f. June 29, 2020.</li> <li>Appointment of Mr. Amit Dangi (DIN: 06527044) a Whole Time Director of the Company and fix his remuneration.</li> <li>Appointment of Mr. Vinit Parikh (DIN: 01461830), as an Independent Director of the Company for the period of five years w.e.f. September 30, 2020.</li> <li>Appointment of Mr. Vimal Ajmera (DIN: 07011895), as an Independent Director of the Company for the period of five years w.e.f. September 30, 2020.</li> <li>Appointment of Mr. Ashokan Achuthan (DIN: 08738877) as an Independent Director of the Company for the period of five years w.e.f. September 30, 2020.</li> <li>Appointment of Mrs. Bhaviika Jain (DIN: 08738884) as an Independent Director of the Company for the period of five years w.e.f. September 30, 2020.</li> </ol>
39 <sup>th</sup> Annual General Meeting (2020-2021)	Via Video Conferencing	Thursday, September 30, 2021	4.00 P.M.	<ol style="list-style-type: none"> <li>Appointment of Mr. Sanjiv Swarup (DIN: 00132716) as an Independent Director of the Company.</li> <li>Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013</li> <li>Adoption of Articles of Association as per the provisions of the Companies Act, 2013</li> <li>Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to Rs. 4,000 Cr.</li> <li>Approval for creation of charges, mortgages, hypothecation on the immovable and movable assets of the Company under Section 180(1) (a) of the Companies Act, 2013</li> <li>Approval for raising of additional capital by way of one or more public or private offerings including through a Qualified Institutions Placement ('QIP') to eligible investors through an issuance of equity shares or other eligible securities for an amount not exceeding Rs. 750 Crore.</li> </ol>

Details of General Meetings	Location	Day & Date	Time	Description of Special Resolution
40 <sup>th</sup> Annual General Meeting (2021-2022)	Via Video Conferencing	Tuesday, September 27, 2022	4.00 P.M.	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Haridas Bhat (DIN: 09691308) as an Independent Director of the Company.</li> <li>2. Appointment of Mr. Rahul Bagaria (DIN: 06611268) as an Independent Director of the Company.</li> <li>3. Revision in the terms of payment of remuneration to Mr. Amit Dangi, Whole Time Director &amp; CFO (DIN: 06527044).</li> <li>4. Approval of remuneration payable to Mr. Divy Dangi son of Director and Promoter of the Company.</li> <li>5. Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to Rs. 4,000 Cr.</li> <li>6. Approval for creation of charges, mortgages, hypothecation on the immovable and movable assets of the Company under Section 180(1) (a) of the Companies Act, 2013</li> <li>7. Approval for raising of additional capital by way of one or more public or private offerings including through a Qualified Institutions Placement ('QIP') to eligible investors through an issuance of equity shares or other eligible securities for an amount not exceeding Rs. 750 Crore.</li> <li>8. Approval of Related Party Transactions</li> </ol>

## MEANS OF COMMUNICATIONS WITH SHAREHOLDERS

The quarterly and annual financial results of the Company are published in leading newspapers in India, circulating in substantially in the whole of India which includes Business Standard - English newspaper and in Mumbai Lakshadeep - Marathi vernacular newspaper.

The results are available on the website of the Company [www.authum.com](http://www.authum.com). The website also contains link to official news releases, investor presentations along with all material information pertaining to the Company.

The Company's website contains a separate dedicated section 'Investor Relations'. It contains comprehensive database of information of interest to our investors including the financial results and Annual Report of the Company. The basic information about the Company in terms of the Listing Regulations is provided on the Company's website and the same is updated regularly. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchange are filed through BSE (Bombay Stock Exchange) for dissemination on their website.

## INSIDER TRADING CODE

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company have formulated 'Authum Code of Conduct for Prohibition of Insider Trading' (Authum Insider Code) in the shares and securities of the Company by its Directors and Designated Employees. The said Code is available on the Company's website [www.authum.com](http://www.authum.com). Company Secretary is the Compliance Officer for monitoring adherence to the Regulations for the preservation of price sensitive information, pre-clearance of trades and implementation of the Authum Code of Conduct for Prohibition of Insider Trading.

## INDEPENDENT DIRECTORS MEETING

In terms of Section 149 of the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors held on February 13, 2023 without the presence of the other Directors or any management team. The meeting was attended by all the Independent Directors and enabled them to discuss various matters pertaining to the Company's affairs and thereafter put forth their combined views to the Board. The Meeting was held to discuss:

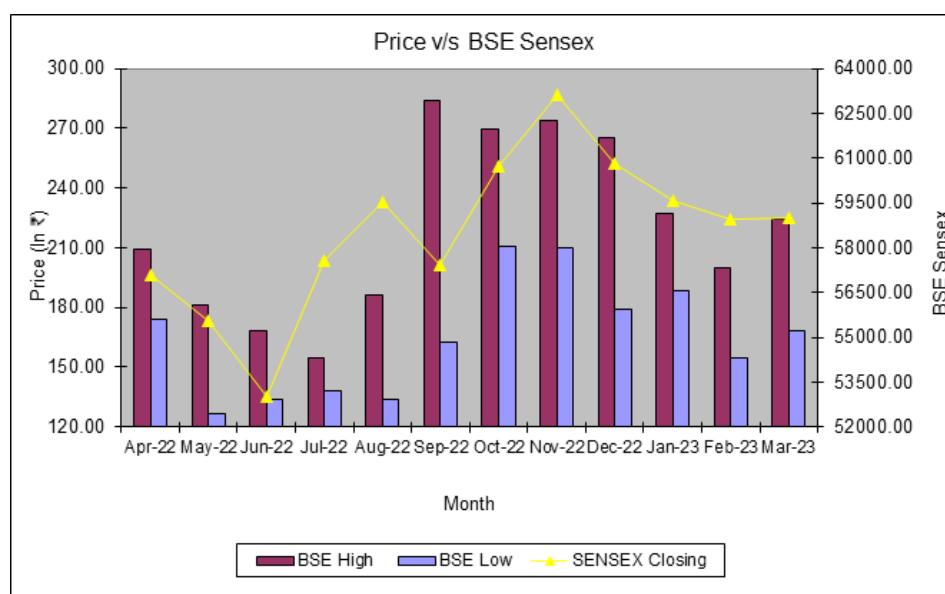
- a) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- b) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- c) Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors were present at the Meeting.

## GENERAL SHAREHOLDER INFORMATION

1.	Annual General Meeting Date and	Wednesday, September 27, 2023 at 4:00 P.M.																																																																														
2.	Venue	The Company is conducting meeting through Video Conferencing/Other Audio Visual Means pursuant to the MCA Circular dated May 5, 2022. For details, please refer Notice of this AGM. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at 707, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai - 400021, which shall be the deemed venue of AGM.																																																																														
3.	Financial year	April 1, 2022 to March 31, 2023																																																																														
4.	Dividend Payment date and record date for such dividend	Not Applicable																																																																														
5.	Listed on Stock Exchange	The Equity shares of the Company are presently listed on following stock exchanges: i.) BSE Limited P.J. Towers Dalal Street Mumbai- 400001 ii) The Calcutta Stock Exchange Limited 7, Lyons Range, Kolkata- 700001																																																																														
6.	Annual Listing Fees	The Company hereby confirms that Annual Listing Fees for financial year 2022-23 is paid to BSE and CSE.																																																																														
7.	Stock Code/Symbol	BSE: 539177 The Calcutta Stock Exchange Limited : 011262																																																																														
8.	ISIN	INE206F01022																																																																														
9.	Market Price Data	<p>Shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and The Calcutta Stock Exchange Limited. There is no trading during the entire year 2022-23 on Calcutta Stock Exchange and frequently traded on BSE, however data is provided as below.</p> <p><b>STOCK MARKET PRICE DATA MONTH WISE:</b> Details of monthly open, high, low and close prices and volume of shares traded on BSE are given below:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Open Price</th> <th>High Price</th> <th>Low Price</th> <th>Close Price</th> <th>No. of Shares</th> </tr> </thead> <tbody> <tr> <td>Apr-22</td> <td>178.40</td> <td>209.40</td> <td>173.85</td> <td>178.00</td> <td>387109</td> </tr> <tr> <td>May-22</td> <td>180.00</td> <td>181.00</td> <td>126.45</td> <td>160.00</td> <td>282130</td> </tr> <tr> <td>Jun-22</td> <td>163.00</td> <td>168.00</td> <td>134.00</td> <td>140.90</td> <td>87427</td> </tr> <tr> <td>Jul-22</td> <td>138.10</td> <td>154.75</td> <td>138.00</td> <td>144.25</td> <td>97582</td> </tr> <tr> <td>Aug-22</td> <td>145.00</td> <td>186.45</td> <td>134.00</td> <td>171.90</td> <td>641103</td> </tr> <tr> <td>Sep-22</td> <td>178.95</td> <td>284.00</td> <td>162.35</td> <td>250.75</td> <td>3486523</td> </tr> <tr> <td>Oct-22</td> <td>256.00</td> <td>269.70</td> <td>210.75</td> <td>211.90</td> <td>339459</td> </tr> <tr> <td>Nov-22</td> <td>210.05</td> <td>273.90</td> <td>209.60</td> <td>240.90</td> <td>829939</td> </tr> <tr> <td>Dec-22</td> <td>250.00</td> <td>264.95</td> <td>179.00</td> <td>222.85</td> <td>359209</td> </tr> <tr> <td>Jan-23</td> <td>222.85</td> <td>227.00</td> <td>188.05</td> <td>190.70</td> <td>198376</td> </tr> <tr> <td>Feb-23</td> <td>197.90</td> <td>200.05</td> <td>154.50</td> <td>176.00</td> <td>220440</td> </tr> <tr> <td>Mar-23</td> <td>182.00</td> <td>224.50</td> <td>168.00</td> <td>194.75</td> <td>403797</td> </tr> </tbody> </table>	Month	Open Price	High Price	Low Price	Close Price	No. of Shares	Apr-22	178.40	209.40	173.85	178.00	387109	May-22	180.00	181.00	126.45	160.00	282130	Jun-22	163.00	168.00	134.00	140.90	87427	Jul-22	138.10	154.75	138.00	144.25	97582	Aug-22	145.00	186.45	134.00	171.90	641103	Sep-22	178.95	284.00	162.35	250.75	3486523	Oct-22	256.00	269.70	210.75	211.90	339459	Nov-22	210.05	273.90	209.60	240.90	829939	Dec-22	250.00	264.95	179.00	222.85	359209	Jan-23	222.85	227.00	188.05	190.70	198376	Feb-23	197.90	200.05	154.50	176.00	220440	Mar-23	182.00	224.50	168.00	194.75	403797
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## 10. Performance of BSE Sensex



11.	Share Transfer System	<p>In respect of shares held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit / credit of the accounts involved.</p> <p>The Company obtains from a Company Secretary in Practice yearly certificate of compliance pertaining to share transfer formalities as required under Regulation 40(9) &amp; (10) of the Listing Regulations with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.</p>			
12.	Distribution of Shareholding as on March 31, 2022:	<b>Range of Equity Shares held</b>	<b>No. of Shareholders/Accounts</b>	<b>No. of Shares held</b>	<b>Percentage of Shares held (%)</b>
		1-5000	6699	967056	0.5694
		5001-10000	29	199656	0.1176
		10001-20000	17	237259	0.1397
		20001-30000	4	90956	0.0536
		30001-40000	3	97422	0.0574
		40001-50000	3	136662	0.0805
		50001-100000	7	498224	0.2933
		100001 and above	30	167617865	98.6887
		<b>TOTAL</b>	<b>6792</b>	<b>169845100</b>	<b>100.00</b>
13.	Dematerialization of Shares and Liquidity	<p>As on March 31, 2023; 16,98,45,100 Equity Shares aggregating to Rs. 16,98,45,100/- of the fully paid up share capital are held in dematerialized mode.</p> <p>Based on a SEBI directive, the Equity shares of the Company are permitted to be traded only in dematerialised form and are available for demat under both the Depositories in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).</p> <p>As on March 31, 2023; 100% shares of the Company are in demat mode. The bifurcation of shares held in DPs as on March 31, 2023 is given below</p> <p>The Company's shares are compulsorily traded in dematerialized form on BSE. Bifurcation of the category of shares in physical and electronic mode as on March 31, 2023 is given below:</p>			

		<b>Category</b>	<b>No. of Shareholders</b>	<b>No. of Shares held</b>	<b>Percentage of Shares held (%)</b>
		Physical	0	0	0
		NSDL	1528	31790004	18.72
		CDSL	5413	138055096	81.28
		Total	6941	169845100	100.00
14.	Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:	Not Applicable			
15.	Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	Not Applicable			
16.	Plant Locations	Not Applicable			
17.	Address for Correspondence	All correspondence regarding share transfers, dematerialization of share certificates and other related matters should be addressed to M/s. Maheshwari Datamatics (P) Limited, 23, R.N. Mukherjee Road, 5 <sup>th</sup> Floor Kolkata-700001 (West Bengal)  Members are requested to quote their folio number/DP Id & Client Id in all their correspondence with the Company & the Registrars.			
18.	Registrar & Share Transfer Agent	Maheshwari Datamatics (P) Limited. 23, R.N. Mukherjee Road, 5 <sup>th</sup> Floor Kolkata-700 001 (West Bengal)			
19.	List of all Credit Ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all Debt Instruments of such Entity or any Fixed Deposit Programme or any Scheme or proposal of the Listing Entity Involving Mobilization of Funds, whether in India or abroad	Not Applicable			
20.	Categories of Shareholders as on March 31, 2022	<b>Category</b>	<b>Total No. Shares held</b>	<b>% of Shareholding</b>	
		1. Shareholding of Promoter and Promoter Group			
		A. Indian	119360900	70.28	
		B. Foreign			
		Total Shareholding of Promoter and Promoter Group	119360900	70.28	
		2. Public Shareholding			
		A. Institutions			
		a. Foreign Portfolio Investor	11894000	7.00	
		B. Non-Institutions			
		a. Bodies Corporate	24701238	14.54	
		b. Individual Holding			
		i) Nominal Shares Capital up to Rs. 2 Lakh	2785376	1.64	
		ii) Nominal Share Capital in excess of Rs. 2 Lakh	8383260	4.94	
		c. Resident Individual (HUF)	156738	0.09	
		d. Investor Education and Protection Fund Authority	175500	0.10	
		e. Non Resident Individual	15005	0.01	
		C. Any Other - Clearing Member	342848	0.20	
		Total Public Shareholding	48453965	28.53	
		3. Shares Held By Custodians and against which Depository Receipts have been issued (Public)	0	0	
		<b>Grand Total (A+B+C)</b>	<b>169845100</b>	<b>100.00</b>	

## OTHER DISCLOSURES

### **DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS (RPT) THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTERESTS OF COMPANY AT LARGE**

The Company complies with the disclosure requirements as prescribed in Regulation 23 of Listing Regulations pertaining to Related Party Transactions (“RPT”) and follows Ind AS - 24 issued by Institute of Chartered Accountants of India (ICAI). For details on material RPT’s please refer the section ‘Related Party Transaction’ as mentioned in the Boards’ Report.

### **DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES IMPOSED BY STOCK EXCHANGE, SEBI OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO THE CAPITAL MARKETS DURING THE LAST THREE YEARS:**

The Company had received penalty notice amounting to Rs. 3,77,081/- from BSE Limited for delayed compliances pertaining to the financial year 2016-17 and 2017-18. The Company has deposited the penalty amount with BSE alongwith the clarification and further requested BSE to waive off the penalty imposed. BSE has waived off partial penalty amounting to Rs. 2,30,560/- which has been set-off against the Annual Listing Fees for F.Y. 2022-23 payable by the Company.

### **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

The Company has formulated a codified Whistle Blower Policy in order to encourage Directors and employees of the Company to escalate to the level of the Audit Committee any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in anyway. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith. The said Policy is available on the Company’s website-www. authum.com.

The Company affirms that none of the employees have been denied access to the Audit Committee. Quarterly report with number of complaints received, if any, under the Whistle Blower Policy and their outcome is placed before the Audit Committee of the Company at quarterly intervals.

### **COMPLIANCE WITH MANDATORY REQUIREMENTS**

The Company has complied with all the mandatory requirements prescribed under the Listing Regulations.

### **THE COMPANY HAS COMPLIED WITH THE FOLLOWING NON-MANDATORY AND DISCRETIONARY REQUIREMENTS AS PER SCHEDULE II PART E OF THE LISTING REGULATIONS**

Chairperson’s office is maintained at Company’s expense and all reimbursements are allowed to the Chairperson in performance of his duties.

The Internal Auditors of the Company make presentation to the Audit Committee on their reports.

The Company’s financial statement for F.Y. 2022-23 does not contain any audit qualification. The Company’s audited financial statements are accompanied with unmodified opinion from the statutory auditor of the Company.

### **POLICY FOR DETERMINING ‘MATERIAL’ SUBSIDIARIES**

The reference of the same is given in the Boards’ Report.

### **POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS**

The reference of the same is given in the Boards’ Report.

### **DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES: NIL**

### **DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32(7A) OF LISTING REGULATIONS**

During the year under review, your Company has not raised any funds through Preferential Allotment or Qualified Institutional Placement.

### **PRACTICING COMPANY SECRETARY CERTIFICATION**

A certificate from practicing company secretary confirming that none of the Directors on the Board of the Company were debarred or disqualified from being re-appointed under retirement by rotation and/or continuing as Directors of the Company by SEBI, Ministry of Corporate Affairs or any other statutory authorities is attached as Annexure B.

#### DETAILS OF FEES PAID TO STATUTORY AUDITOR

Statutory Auditor: M/s. H. R. Agarwal & Associates, Chartered Accountants, Kolkata

Payment to Auditors	Amount in Rs. (excluding GST)
Statutory audit fee	1,50,000/-
Tax audit fee	59,000/-
Other services	57,000/-
Out of pocket	-
Total	266,000/-

#### DETAILS OF SEXUAL HARASSMENT COMPLAINTS RECEIVED AND REDRESSED

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as at end of the financial year
Nil	Nil	Nil

#### COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46 (2) of the Listing Regulations, to the extent as applicable, with regards to Corporate Governance.

#### CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER CERTIFICATE

In terms of Regulation 17(8) of the Listing Regulations, the Whole Time Director and the CFO have given a certificate to the Board as contemplated in Schedule - V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is separately annexed as Annexure C.

#### COMPLIANCE CERTIFICATE

Certificate from Mayank Arora & Co, Practicing Company Secretaries, confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations is attached as Annexure D.

#### EQUITY SHARES IN THE SUSPENSE ACCOUNT: NIL

#### ANNUAL REPORT

Annual Report containing, inter alia, Audited Accounts, Auditor's Report, Boards' Report, Corporate Governance Report, and other material and related matters/ information is circulated by email to the Shareholders and others entitled thereto. The copy of Annual Report is also available on Company's website at [www.aauthum.com](http://www.aauthum.com).

#### ANNEXURE 'A' TO CORPORATE GOVERNANCE REPORT

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

This is to confirm that the Company has obtained from all the Members of the Board and Senior Management personnel affirmation that they have complied with the Code of Conduct for Directors and senior management personnel as required under Regulation 26(3) of the Listing Regulations for the FY. 2022-23.

#### Amit Dangi

Whole Time Director

DIN: 06527044

Place: Mumbai

Date: August 4, 2023



## ANNEXURE 'B' TO CORPORATE GOVERNANCE REPORT

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant To Regulation 34(3) and Schedule V Para C Clause (10)(I) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Members of  
**Authum Investment & Infrastructure Limited,**  
**707, Raheja Centre,**  
**Free Press Journal Marg,**  
**Nariman Point**  
**Mumbai – 400 021**

In my opinion and to the best of my information, verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) and according to our examination of the relevant records and information provided by **AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED** ('the Company') and based on representation made by the Management of the Company for the period from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023 for the purpose of issuing a Certificate as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the LODR Regulations') read with Part C of Schedule V of the LODR Regulations, I hereby certify that **NONE** of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority for the period as on 31<sup>st</sup> March, 2023.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mayank Arora & Co.,**  
Company Secretaries  
(ICSI Unique Code P2023MH094900)

**Mayank Arora**  
*Partner*  
Membership No.: F10378  
COP No.: 13609

Place: Mumbai  
Date: 06/06/2023  
UDIN number: F010378E000462588

## CHIEF EXECUTIVE OFFICER/ CHIEF FINANCIAL OFFICER COMPLIANCE CERTIFICATE

**To**  
**The Board of Directors**  
**Authum Investment & Infrastructure Limited**  
707, Raheja Centre, Free Press Journal Road,  
Nariman Point, Mumbai- 400021

Sub: Certificate on Audited Financial Statements for the financial year ended March 31, 2023 pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s) / Madam(s),

We have reviewed the Audited Financial Statements, read with the Cash Flow Statement of Authum Investment and Infrastructure Limited for the year ended March 31, 2023 and to the best of our knowledge and belief, we state that;

- a) (i) These statements do not contain any materially untrue statement nor do they omit any material fact or contain statements that may be misleading.  
(ii) These statements present the true and fair view of the company's affairs and are in compliance with current Accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the auditors and Audit Committee deficiencies in the design or operation of internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the auditors and audit committee:
  - (i) Significant changes, if any in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements;
  - (ii) There are no instances of fraud involving the management or an employee; and
  - (iii) Significant Changes, if any in the internal controls over financial reporting during the year.

Sd/-  
**Amit Dangi**  
*Whole Time Director*  
DIN: 06527044

**Deepak Dhingra**  
*Chief Financial Officer*

Place: Mumbai  
Date: August 4, 2023

## ANNEXURE 'D' TO CORPORATE GOVERNANCE REPORT CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Board of Directors**

**Authum Investment & Infrastructure Limited**

707, Raheja Centre, Free Press Journal Road,  
Nariman Point, Mumbai- 400021

I have examined all the relevant records of Authum Investment & Infrastructure Limited ('the Company') for the purpose of certifying compliance with the conditions of Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the financial year ended March 31, 2023.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Mayank Arora & Co.,  
Company Secretaries  
(ICSI Unique Code P2023MH094900)

**Mayank Arora**

*Partner*

Membership No.: F10378

COP No.: 13609

Place: Mumbai

Date: 06/06/2023

UDIN number: F010378E000462610

# INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF  
**AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **Authum Investment & Infrastructure Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 on the standalone financial statements.

### Key Audit Matters

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

opinion on these matters. We did not determine any key audit matter to be communicated in our report.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the

preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure – "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B" and
- g. In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) contain any material mis-statement.
  - v. The Company has not declared or paid any dividend during the year.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail (edit log) in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is not applicable.

For **H.R. Agarwal & Associates**

Chartered Accountants

Firm Reg. No: 323029E

**Shyam Sunder Agarwal**

Partner

Membership No: 060033

UDIN: 23060033BGUDFJ1343

Place: Mumbai

Date: May 30, 2023

## Annexure – A to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31st March 2023, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company does not have any intangible assets.
- (b) According to the information and explanations given to us, the Property, plant and equipment have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in Note 8 on investment property to the standalone financial statements, are not held in the name of the Company. Details as below: (Also refer Note 37)

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
Land & Building	132.66 Crores	Mentor Capital Limited	Promoter Group	03.01.2020	Note below

The company has created proper Escrow mechanism with bank and all sales are routed through proper channel and sale consideration is directly credited to the company’s bank account on the same day and ensure that there is no loss to the company on these assets.

- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2. (a) The inventories of Shares being held in electronic mode. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.
  - (b) The Company has not been sanctioned any working capital facility by banks or financial institutions during the year on the basis of security of its current assets. Accordingly, paragraph 3(ii)(b) of the Order is not applicable.
3. (a) Since the Company’s principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it.
  - (b) In respect of the investments/ loans / securities, the terms and conditions under which such investments were made/loans were granted / securities provided are not prejudicial to the Company’s interest.
  - (c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
  - (e) Since the Company’s principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.
  - (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 to the extent applicable to it.



5. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
7.
  - a) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, the Company is regular in depositing undisputed statutory dues (including GST, income tax, other statutory dues applicable to it) with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of GST, Income-tax, and other statutory dues in arrears were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no such statutory dues which have not been deposited on account of any dispute.
8. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
9.
  - (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender, as applicable, during the year.
  - (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
  - (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
  - (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
  - (e) On an overall examination of standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) According to information and explanation given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.
10.
  - (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
11.
  - (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
  - (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT -4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - (c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
12. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
14.
  - (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.



- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
17. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3 (xviii) is not applicable.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as at the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. (a) In respect of other than ongoing projects, the company has not transferred the remaining unspent amount to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the said Act, has not elapsed till the date of our report.
- (b) In respect of ongoing projects, there are no amounts required to be transferred to unspent Corporate Social Responsibility (CSR) account as specified under Section 135(6) of the Act. Accordingly, the requirements of clause 3(xx)(b) are not applicable.

For **H.R. Agarwal & Associates**  
Chartered Accountants  
Firm Reg. No: 323029E

**Shyam Sunder Agarwal**  
Partner

Place: Mumbai  
Date: May 30, 2023

Membership No: 060033  
UDIN: 23060033BGUDFJ1343

## Annexure - B to the Independent Auditors' Report

### Report on the Internal Financial Controls 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 **Authum Investment & Infrastructure Limited** ("the Company") as of 31st March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' 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, issued by ICAI and deemed to be prescribed 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 standalone financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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 standalone 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 standalone 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 standalone financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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 over financial reporting with reference to standalone financial statements and such internal financial controls over financial reporting with reference to standalone financial statements were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the

Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **H.R. Agarwal & Associates**

Chartered Accountants

Firm Reg. No: 323029E

**Shyam Sunder Agarwal**

Partner

Membership No: 060033

UDIN: 23060033BGUDFJ1343

Place: Mumbai

Date: May 30, 2023

# Standalone Balance Sheet as at 31st MARCH 2023

(₹ In Crores)

S. No.	Particulars	Note No.	As at 31/03/2023	As at 31/03/2022
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
	(a) Cash and Cash Equivalents	2	67.93	42.08
	(b) Bank Balance other than (a) above	3	66.67	500.06
	(c) Receivables			
	(I) Trade Receivables	4	0.21	6.49
	(II) Other Receivables		-	-
	(d) Loans	5	91.48	33.45
	(e) Investments	6	3,593.40	3,185.72
	(f) Other Financial Assets	7	1.47	94.38
<b>2</b>	<b>Non-Financial Assets</b>			
	(a) Investment Property	8	179.93	141.58
	(b) Property, Plant and Equipment	9	4.94	0.68
	(c) Other Non-Financial Assets	10	15.42	14.63
	<b>Total Assets</b>		<b>4,021.45</b>	<b>4,019.06</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
	(a) Payables			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	11	45.79	-
	(b) Borrowings (Other than Debt Securities)	12	767.81	669.27
	(c) Subordinated Liabilities	13	202.00	202.00
	(d) Other Financial Liabilities	14	9.47	-
<b>2</b>	<b>Non-Financial Liabilities</b>			
	(a) Provisions	15	0.42	25.07
	(b) Other Non-Financial Liabilities	16	4.94	1.40
<b>3</b>	<b>EQUITY</b>			
	(a) Equity Share Capital	17	16.98	16.98
	(b) Other Equity	18	2,974.03	3,104.32
	<b>Total Liabilities and Equity</b>		<b>4,021.45</b>	<b>4,019.06</b>

The accompanying notes form an integral part of the financial statements.

In term of our report of even date annexed herewith

**For H.R. Agarwal & Associates**

Chartered Accountants

Firm Reg No: 323029E

**Shyam Sunder Agarwal**

Partner

Membership No: 060033

UDIN: 23060033BGUDFJ1343

Place: Mumbai

Date: 30th May, 2023

**For and on behalf of the Board**

**Amit Dangi**

Whole Time Director

DIN: 06527044

**Deepak Dhingra**

Chief Financial Officer

**Sanjay Dangi**

Director

DIN: 00012833

**Hitesh Vora**

Company Secretary

## Standalone Statement of Profit and Loss for the year ended 31st MARCH 2023

(₹ In Crores)

S. No.	Particulars	Note No.	For the Year ended 31.03.2023	For the Year ended 31.03.2022
<b>I.</b>	<b>Revenue from Operations</b>			
	Interest Income	19	9.64	7.93
	Dividend Income		32.76	26.08
	Net Gain / (Loss) on Fair Value Changes	20	(141.60)	394.52
	Net Gain / (Loss) on Speculation in Shares & Securities		5.78	6.70
	Net Gain / (Loss) on Sale of Investments		466.17	468.52
	Income from Mutual Funds/Funds		1.47	3.64
	<b>Total Revenue from operations</b>		<b>374.22</b>	<b>907.38</b>
<b>II.</b>	Other Income		3.13	(0.10)
<b>III.</b>	<b>Total Income</b>		<b>377.36</b>	<b>907.28</b>
<b>IV.</b>	Expenses			
	Finance Costs	21	45.87	29.65
	Employee Benefits Expenses	22	1.43	0.80
	Depreciation, Amortization and Impairment	23	1.12	0.09
	Others Expenses	24	41.76	50.85
	<b>Total Expenses</b>		<b>90.18</b>	<b>81.39</b>
<b>V.</b>	<b>Profit / (Loss) Before Tax</b>		<b>287.18</b>	<b>825.89</b>
	Tax Expense:			
	Current Tax		43.20	157.15
	Income tax for earlier years		3.78	-
<b>VI.</b>	<b>Profit / (Loss) for the year</b>		<b>240.20</b>	<b>668.74</b>
	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to profit or loss			
	(i) Fair Valuation of Equity Instruments through Other Comprehensive Income		(370.49)	1,023.03
	<b>Other Comprehensive Income</b>		<b>(370.49)</b>	<b>1,023.03</b>
	<b>Total Comprehensive Income for the year</b>		<b>(130.29)</b>	<b>1,691.77</b>
	<b>Earnings per equity share</b>			
	Basic (₹)		14.14	39.88
	Diluted (₹)		14.14	39.88

The accompanying notes form an integral part of the financial statements.

In term of our report of even date annexed herewith

**For H.R. Agarwal & Associates**

Chartered Accountants

Firm Reg No: 323029E

**Shyam Sunder Agarwal**

Partner

Membership No: 060033

UDIN: 23060033BGUDFJ1343

Place: Mumbai

Date: 30th May, 2023

**For and on behalf of the Board**

**Amit Dangi**

Whole Time Director

DIN: 06527044

**Deepak Dhingra**

Chief Financial Officer

**Sanjay Dangi**

Director

DIN: 00012833

**Hitesh Vora**

Company Secretary

# Standalone Cash Flow Statement for the year ended 31st MARCH 2023

(₹ In Crores)

S. No.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Profit before tax</b>	287.18	825.89
	<b>Adjustment for:</b>		
	Interest Expenses	45.87	29.65
	Depreciation, Amortization and Impairment	1.12	0.09
	Rent Income	(3.24)	-
	Net (Gain)/ Loss on Sale of Investments	(466.17)	(468.52)
	Net (Gain)/ Loss on Investments Property Sold / Discarded	0.11	35.10
	<b>Operating Profit</b>	<b>(135.13)</b>	<b>422.22</b>
	<b>Adjustment for working capital changes</b>		
	Decrease/(Increase) in Receivables	6.28	(6.49)
	Decrease/(Increase) in Loans	(58.04)	87.50
	Decrease/(Increase) in Other Financial Assets	92.90	(94.38)
	Decrease/(Increase) in Other Non-Financial Assets	(3.30)	(0.09)
	Increase / (decrease) in Trade Payables	45.79	(9.32)
	Increase / (decrease) in Other Financial Liabilities	9.47	(0.06)
	Increase / (decrease) in Other Non-Financial Liabilities	3.54	0.43
	<b>Cash generated /(used) from operations</b>	<b>(38.48)</b>	<b>399.82</b>
	Income Tax Paid (net of refunds)	(69.13)	(138.23)
	<b>Net cash generated /(used) from operating activities (A)</b>	<b>(107.61)</b>	<b>261.60</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	(Purchase)/Sale of Investments	(312.00)	(68.40)
	(Purchase)/Sale of Property, Plant and Equipment	(5.38)	(0.77)
	(Purchase)/Sale of Investments Property	(38.46)	(1.04)
	Rent Income	3.24	-
	Movement in Other Bank Balances	433.39	(500.06)
	<b>Net cash generated /(used) from investing activities (B)</b>	<b>80.79</b>	<b>(570.26)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceed/(Repayment) of Redeemable Preference Shares	-	(9.75)
	Proceeds/(Repayment) of Borrowings	98.54	375.62
	Interest Expenses	(45.87)	(29.65)
	<b>Net cash generated /(used) from financing activities (C)</b>	<b>52.67</b>	<b>336.22</b>
	<b>Net Increase/(decreased) in cash and cash equivalents during the year (A+B+C)</b>	<b>25.85</b>	<b>27.56</b>
	<b>Cash and cash equivalents at the beginning of the year</b>	<b>42.08</b>	<b>14.52</b>
	<b>Cash and cash equivalents at the end of the year</b>	<b>67.93</b>	<b>42.08</b>

Notes:

- (i) The above cash flow statement has been prepared under indirect method as set out in Ind AS 7: "Statement of Cash Flows" as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
- (ii) Figures in brackets indicate cash outflows.

The accompanying notes form an integral part of the financial statements.

In term of our report of even date annexed herewith

**For H.R. Agarwal & Associates**  
Chartered Accountants  
Firm Reg No: 323029E

**Shyam Sunder Agarwal**  
Partner  
Membership No: 060033  
UDIN: 23060033BGUDFJ1343

Place: Mumbai  
Date: 30th May, 2023

**For and on behalf of the Board**

**Amit Dangi**  
Whole Time Director  
DIN: 06527044

**Deepak Dhangra**  
Chief Financial Officer

**Sanjay Dangi**  
Director  
DIN: 00012833

**Hitesh Vora**  
Company Secretary

# Statement of Changes in Equity for the year ended 31st MARCH 2023

## A) SHARE CAPITAL

### (1) Current Reporting Period

	16.98	-	16.98	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period (As at 31st March, 2023)
Balance at the beginning of the current reporting period (As at 1st April 2022)	16.98	-	16.98	-	-	16.98
(₹ in Crores)						

### (2) Previous Reporting Period

	16.14	-	16.14	0.85	16.98
Balance at the beginning of the current reporting period (As at 1st April 2021)	16.14	-	16.14	0.85	16.98
(₹ in Crores)					

## B) OTHER EQUITY

### (1) Current Reporting Period

(₹ in Crores)

Particulars	Reserve & Surplus				Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	Statutory Reserve Fund	Other Reserves		
Balance at the beginning of the current reporting period (as at 01.04.2022)	-	661.89	174.09	10.56	1,618.40	3,104.32
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	661.89	174.09	10.56	1,618.40	3,104.32
Profit for the year	-	-	-	-	-	240.20
Other comprehensive income for the year	-	-	-	-	(370.49)	(370.49)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>1,247.91</b>	<b>(130.29)</b>
Dividend	-	-	-	-	-	-
Any other changes:	-	-	-	-	-	-
Transfer to statutory reserve fund	-	-	48.04	-	-	(48.04)
<b>Balance at the end of the current reporting period (as at March 31, 2023)</b>	-	<b>661.89</b>	<b>222.13</b>	<b>10.56</b>	<b>1,247.91</b>	<b>2,974.03</b>

# Statement of Changes in Equity

for the year ended 31st MARCH 2023

## (2) Previous Reporting Period

(₹ in Crores)

Particulars	Reserve & Surplus					Other Comprehensive Income	Total	
	Capital Reserve	Securities Premium	Other Reserves					Retained Earnings
			Statutory Reserve Fund	Amalgamation Reserve	Capital Redemption Reserve			
Balance at the beginning of the current reporting period (as at 01.04.2021)	-	32.74	40.34	10.56	106.65	595.37	785.65	
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	
<b>Restated balance at the beginning of the current reporting period</b>	-	32.74	40.34	10.56	106.65	595.37	785.65	
Profit for the year	-	-	-	-	668.74	-	668.74	
Other comprehensive income for the year	-	-	-	-	-	1,023.03	1,023.03	
<b>Total comprehensive income for the year</b>	-	-	-	-	-	<b>1,618.40</b>	<b>1,691.77</b>	
Dividend	-	-	-	-	-	-	-	
<b>Any other changes:</b>								
Transfer to statutory reserve fund	-	-	133.75	-	(133.75)	-	-	
Transfer to capital redemption reserve	-	-	-	-	1.50	(1.50)	-	
Repayment of premium on redemption of Redeemable Preference shares	-	-	-	-	(2.25)	(2.25)	(2.25)	
Security premium proceeds on issue of equity shares (Refer note 17 Equity and 18 Other Equity)	-	629.15	-	-	-	-	629.15	
<b>Balance at the end of the current reporting period (as at March 31, 2022)</b>	-	<b>661.89</b>	<b>174.09</b>	<b>10.56</b>	<b>1.50</b>	<b>1,618.40</b>	<b>3,104.32</b>	

The accompanying notes form an integral part of the financial statements.

In term of our report of even date annexed herewith

**For H.R. Agarwal & Associates**  
Chartered Accountants  
Firm Reg No: 323029E

**Shyam Sunder Agarwal**  
Partner  
Membership No: 060033  
UDIN: 23060033BGUDF1343

Place: Mumbai  
Date: 30th May, 2023

**For and on behalf of the Board**

**Amit Dangi**  
Whole Time Director  
DIN: 06527044

**Deepak Dhingra**  
Chief Financial Officer

**Sanjay Dangi**  
Director  
DIN: 00012833

**Hitesh Vora**  
Company Secretary



# Notes to the financial statements for the year ended 31st MARCH 2023

## 1. NOTES TO THE FINANCIAL STATEMENTS

### (a) COMPANY OVERVIEW

Authum Investment and Infrastructure Limited ('the Company') is a Public Limited Company incorporated in India with its registered office located at 707, Raheja Center, Nariman Point, Mumbai – 400021. The Company is listed on Bombay Stock Exchange & The Calcutta Stock Exchange. The Company is a non-deposit taking Systemically Important Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India (RBI) under Section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in the business of providing loans and making investments in shares and securities.

### (b) SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Company's financial statements are prepared in Indian Rupees, which is also its functional currency. The Financial Statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period.

#### Measurement of fair values

The Company's accounting policies and disclosures require the measurement of financial assets and liabilities at fair values. The Company has established policies and procedures with respect to measurement of fair values.

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

**Level 1** - The fair value of financial instruments traded in active markets is based on quoted (unadjusted) market prices at the end of the reporting period.

**Level 2** - The fair valuation of instruments not traded in active markets is determined based on observable market data and by using valuation techniques.

**Level 3** - Where one or more of the significant inputs are not from observable market data.

#### Revenue Recognition:

- Profit or losses in respect of Investments / dealing in shares and securities are recognized on trade dates.
- Profit / Loss on dealing in securities and derivatives comprises profit/loss on sale of securities, unrealized profit/loss on securities held as stock in trade and profit/loss on equity derivative instruments.
- Profit/Loss on sale of securities is determined based on the FIFO method. Profit/loss on exchange traded equity derivatives transactions are accounted for based on the 'Guidance Note on Accounting for Equity Index and equity stock Futures and Options' issued by the Institute of Chartered Accountants of India.
- Dividend income on units of shares/mutual fund is recognised on receipt basis and any gain/losses on mutual fund are recognized on the date of Sale.
- Interest income is accounted on accrual basis except in respect of substandard assets where income is accounted on receipt basis.
- In respect of other items of income, the company accounts the same on Accrual basis.
- Equity Index/Stock-Futures
  - a) Equity index/Stock Futures are marked-to-market. Debit or credit balance disclosed under loans and advances or current liabilities, respectively, in the Mark-to-Market-Equity Index/Stock futures account.
  - b) As on the balance sheet date, the Profit/loss on open positions in index/stock futures is accounted for as follows:
    - Credit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures account" being anticipated profit, is ignored and no credit is taken to profit and loss account.
    - Debit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures account" being anticipated loss, is recognized in the profit and loss account.

## Notes to the financial statements for the year ended 31st MARCH 2023

- c) On final settlement or squaring-up of contracts for Equity Index/stock Futures, the profit or loss is calculated as difference between settlement/ squaring-up price and contract price. Accordingly debit or credit balance pertaining to the settled/squared-up contract in "Mark-to-Market Margin-Equity Index/Stock Futures account " is recognized in the profit and loss account upon expiry of the Contracts. When more than one contract in respect of the relevant series of Equity Index/Stock Futures to which the squared-up contract pertains is outstanding at the time of the squaring-up of the Contract, the contract price of the contract so squared-up is determined using weighted average method for calculating profit/loss on squaring-up.

### Financial Assets Initial Recognition

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

### Subsequent Measurement

#### Financial Asset measured at Amortised Cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

#### Financial assets at fair value through other comprehensive income: (FVTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal and the interest on the principal outstanding.

#### Financial assets at Fair value through profit or loss: (FVTPL)

Any financial asset not subsequently measured at amortized cost or at fair value through other comprehensive income, is subsequently measured at fair value through profit or loss. Financial assets falling in this category are measured at fair value and all changes are recognized in the Statement of Profit and Loss.

### Investments in Subsidiary and Associates

The Company has accounted for its investments in Subsidiary and Associates at cost.

All other equity investments are measured at fair value, with value changes on these instruments, excluding dividends, are recognized in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to profit and loss on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

### Financial Liabilities Initial Recognition

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

### Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### De-Recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

### Impairment of Financial Assets

The Company applies the Expected Credit Loss (ECL) model for recognizing impairment losses if any on financial assets.

## Notes to the financial statements for the year ended 31st MARCH 2023

12 months ECL represents the expected default events on the financial asset that are possible within 12 months after the reporting date.

Where the credit risk on the financial assets has not increased significantly since initial recognition, the loss is measured at an amount equal to 12 months ECL.

Where the credit risk on the financial assets has increased significantly since initial recognition, the loss is measured at an amount equal to the lifetime expected credit loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

### Leases

#### The Company as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

### Employee Benefits

#### SHORT TERM EMPLOYEE BENEFITS

As per the employment policy of the Company, short term employee benefits for services rendered by employees are recognized during the period when the services are rendered.

### Defined benefit plans

#### Gratuity

The Company provides a lump sum payment to eligible employees, at retirement or resignation of employment based on the last drawn salary and years of employment with the Company as per the provisions of the Payment of Gratuity Act, 1972.

The liability or asset recognized in the Balance Sheet in respect of a defined gratuity plan is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets. Gratuity liability is a defined benefit obligation and is recorded based on actuarial valuation using the projected unit credit method made at the end of the year.

The present value of defined benefit obligation is determined by discounting the estimated future cash out flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The gratuity liability and net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on plan assets and increase in compensation levels.

### Recognition and Measurement of Defined Benefit Plans

Re-measurement gains or losses arising from Experience Adjustments and changes in actuarial assumptions are recognized in the period they occur, directly in the Other Comprehensive Income. They are included in the statement of changes in equity and in the Balance Sheet. Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to Statement of Profit or Loss in subsequent periods.

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss.

### Income Taxes

Income-tax expense comprises current tax (amount of tax for the period determined in accordance with The Income Tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements). Taxes are recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in the Other Comprehensive Income.

# Notes to the financial statements for the year ended 31st MARCH 2023

## Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

## Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if the Company:

- a) has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

## Current and Deferred tax for the year - OCI

Current and deferred tax are recognised in profit or 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.

## Property, plant and equipment

The property plant and equipment are the assets held for the use in the supply of services.

Property, plant and equipment's are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses.

Cost of acquisition is inclusive of freight, non-refundable duties & taxes and other directly attributable cost of bringing the asset to its working condition for the intended use.

Freehold land is not depreciated.

An item is recognised as property plant and equipment if and only if it is probable that future economic benefits associated with the item will flow to the Company and its costs can be measured reliably.

Subsequent expenditure is added to the carrying amount or recognised as separate asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Depreciation commences when the assets are ready for their intended use. Where the property plant and equipment is not ready for its intended use as on the balance sheet date it is disclosed as capital work in progress

Depreciation is recognised to write off the cost of assets less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

## Notes to the financial statements for the year ended 31st MARCH 2023

An item of the property plant equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of the item of property plant equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised in profit and loss.

### Investment Property

Properties held to earn rental income or for capital appreciation or both and that is not occupied by the Company is classified as Investment Property.

It is measured initially at cost of acquisition including transaction costs, borrowing cost and other directly attributable cost in bringing the asset to its working condition for its intended use.

Subsequent expenditure is capitalized to the asset carrying amount only when it is probable that the future economic benefit associated with the expenditure will flow to the company.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined by property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

### Intangible assets

Intangible assets are identified non-monetary assets without physical existence. Intangible assets represent Computer software whose cost is amortised over their expected useful life on a straight-line basis.

Intangible assets with finite useful lives that are acquired separately are capitalised and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life of the asset.

Intangible assets are recognised in books only when it is probable that future economic benefits associated with the asset will flow to the company and the cost can be measured reliably.

The cost of the intangible asset shall include the purchase price, including non-refundable duties and taxes, all the directly attributable costs to bring the intangible to the present location, working condition and intended use.

### Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### Foreign Currency Transactions

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the

## Notes to the financial statements for the year ended 31st MARCH 2023

item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

### Dividend

The final Dividend on shares is recorded as a liability on the date of approval by the Shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### Cash Flow Statement

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

### Provisions and Contingent Liabilities

Provisions are recognized when the Company, as a result of a past event, has a present obligation and it is probable that the Company will be required to settle the obligation for which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### Contingent liabilities are disclosed when

- (i) there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)
- (ii) there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### Earnings Per Share

The basic earnings per share has been computed by dividing the net income attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

The diluted earnings per share has been computed using weighted average number of shares adjusted for effects of all potentially dilutive equity shares.

## (c) Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The actual results may differ from these estimates. The Company's management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively in the current and future periods.

### Useful lives of Property Plant and Equipment / Intangible Assets

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

### Impairment of Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 2 CASH AND CASH EQUIVALENTS

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Cash on hand	0.48	0.36
<b>Balances with banks</b>		
- In current accounts	37.12	12.40
- In term deposit accounts (including interest accrued)	30.33	29.32
<b>Total</b>	<b>67.93</b>	<b>42.08</b>

### NOTE: 3 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balances with banks in term deposit account (including interest accrued)	-	500.06
Earmarked balances with banks (including interest accrued)	15.61	-
Balances with banks held as margin money or security against the borrowings, guarantee or other commitments etc.(including interest accrued)	51.06	-
<b>Total</b>	<b>66.67</b>	<b>500.06</b>

### NOTE: 4 RECEIVABLES

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Trade Receivables		
(a) Receivables considered good - Secured	-	-
(b) Receivables considered good - Unsecured	0.21	6.49
<b>Total</b>	<b>0.21</b>	<b>6.49</b>

#### 1) Ageing of Trade Receivables

As at 31st March, 2023	Undisputed Trade Receivables	
	Considered good	Considered doubtful
Within Credit Period	0.21	-
Outstanding for following periods from due date of payment		
Less than 6 months	-	-
6 months to 1 year	-	-
1 year to 2 years	-	-
2 year to 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>0.21</b>	<b>-</b>

As at 31st March, 2022	Undisputed Trade Receivables	
	Considered good	Considered doubtful
Within Credit Period	6.49	-
Outstanding for following periods from due date of payment		
Less than 6 months	-	-
6 months to 1 year	-	-
1 year to 2 years	-	-
2 year to 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>6.49</b>	<b>-</b>

The managements expects no default in receipt of trade receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on trade receivables.

There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member.

# Notes to the financial statements for the year ended 31st MARCH 2023

## NOTE: 5 LOANS

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>Amortised Cost</b>		
<b>(A)</b>		
<b>Loans repayable on Demand</b>		
Loans to Related Parties	15.87	10.12
Loan to other entities	75.62	23.33
<b>Total (A)-Gross</b>	<b>91.48</b>	<b>33.45</b>
Less: Impairment loss	-	-
<b>Total (A)-Net</b>	<b>91.48</b>	<b>33.45</b>
<b>(B)</b>		
Secured by tangible Assets	-	-
Unsecured	-	33.45
<b>Total (B)-Gross</b>	<b>-</b>	<b>33.45</b>
Less: Impairment loss	-	-
<b>Total (B)-Net</b>	<b>-</b>	<b>33.45</b>
<b>(C)</b>		
Loans in India		
(i) Public sector	-	-
(ii) Others	91.48	33.45
<b>Total (C) Gross</b>	<b>91.48</b>	<b>33.45</b>
Less: Impairment loss	-	-
<b>Total (C)-Net</b>	<b>91.48</b>	<b>33.45</b>

Name of the parties	As at 31 March, 2023		As at 31 March, 2022	
	Amount outstanding	% to Total Loans & Advances	Amount outstanding	% to Total Loans & Advances
<b>Related Parties</b>				
a) Geetanjali Infosystems Private Limited	10.84	11.85%	10.12	30.24%
b) Berix Bearing Private Limited	4.50	4.92%	-	-
c) Reliance Commercial Finance Limited #	0.00	0.00%	-	-
d) Rumi Grown Diamonds Private Limited	0.52	0.57%	-	-

# The company has acquired entire exposure worth ₹749.06 Crores of Reliance Commercial Finance Ltd. (RCFL) from Reliance Capital Limited for ₹1/- on 14th October, 2022 in pursuance to the Implementation of Resolution Plan of RCFL.



# Notes to the financial statements for the year ended 31st MARCH 2023

## NOTE: 6 INVESTMENTS

(₹ in Crores)

Particulars	As At 31 March, 2023					As At 31 March, 2022						
	Amortised Cost	At Fair value		Subtotal	Others *	Total	Amortised Cost	At Fair value		Subtotal	Others *	Total
		Through Other Comprehensive Income	Through profit or loss					Designated at fair value through P&L	Through Other Comprehensive Income			
<b>(A)</b>												
Mutual Funds/Other Funds	-	-	-	40.40	40.40	-	-	-	-	-	21.08	21.08
Equity Instruments - Listed	-	2,903.42	317.70	3,221.12	3,221.12	-	3,037.90	28.19	3,066.09	-	3,066.09	3,066.09
Equity Instruments - Unlisted	-	-	-	61.06	61.06	-	-	-	-	-	61.11	61.11
Investments in Subsidiaries #	-	-	-	231.09	231.09	-	-	-	-	-	-	-
Investments in Preference Shares	-	-	-	3.21	3.21	-	-	-	-	-	1.40	1.40
Investments in Debentures	-	-	-	35.63	35.63	-	-	-	-	-	36.04	36.04
Investment in Gold Bar	-	-	-	0.89	0.89	-	-	-	-	-	-	-
<b>Total (A) Gross</b>	-	<b>2,903.42</b>	<b>317.70</b>	<b>3,221.12</b>	<b>3,593.40</b>	-	<b>3,037.90</b>	<b>28.19</b>	<b>3,066.09</b>	-	<b>119.64</b>	<b>3,185.72</b>
* Others Valued at cost												
<b>(B)</b>												
(i) Investment outside India	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investment in India	-	2,903.42	317.70	3,221.12	3,593.40	-	3,037.90	28.19	3,066.09	119.64	3,185.72	3,185.72
<b>Total (B) Gross</b>	-	<b>2,903.42</b>	<b>317.70</b>	<b>3,221.12</b>	<b>3,593.40</b>	-	<b>3,037.90</b>	<b>28.19</b>	<b>3,066.09</b>	<b>119.64</b>	<b>3,185.72</b>	<b>3,185.72</b>
<b>(C)</b>												
Less:												
Allowance for impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Net D=(A-C)</b>	-	<b>2,903.42</b>	<b>317.70</b>	<b>3,221.12</b>	<b>3,593.40</b>	-	<b>3,037.90</b>	<b>28.19</b>	<b>3,066.09</b>	<b>119.64</b>	<b>3,185.72</b>	<b>3,185.72</b>

# The company has acquired entire 13,53,25,694 equity shares of ₹10/- each and 40,00,00,000 preference shares of ₹10/- each of Reliance Commercial Finance Ltd. (RCFL) from Reliance Capital Limited for ₹1 Crore on 14th October, 2022 in pursuance to the Implementation of Resolution Plan of RCFL and RCFL became a wholly owned subsidiary of the company w.e.f. 14th October, 2022.

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 7 OTHER FINANCIAL ASSETS

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Other Receivables	1.47	0.62
Share Application Money Pending Allotment	-	93.75
<b>Total</b>	<b>1.47</b>	<b>94.38</b>

### NOTE: 8 INVESTMENT PROPERTY

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Investment in Immovable Property		
Opening Balance	141.58	175.64
Add:Additions During the year	45.93	1.77
Less: Disposals	7.58	35.84
<b>Total</b>	<b>179.93</b>	<b>141.58</b>

(i) Amount recognised in the Statement of Profit and Loss for Investment property is ₹0.11 Crores (Previous Year ₹0.10 Crores) pertaining to loss on sale of investment property.

### NOTE: 9 PROPERTY, PLANT AND EQUIPMENTS

(₹ In Crores)

Particulars	Computer	Office Equipments	Furniture & Fixtures	Motor Vehicle	Total
Gross Block					
Balance as at April 01, 2021	0.02	-	-	-	0.02
Additions	0.06	0.01	-	0.69	0.77
Disposals	0.00	-	-	-	0.00
Balance as at March 31, 2022	0.08	0.01	-	0.69	0.78
Additions	0.04	0.01	0.02	5.31	5.38
Disposals	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>0.11</b>	<b>0.02</b>	<b>0.02</b>	<b>6.01</b>	<b>6.16</b>
Accumulated Depreciation and Impairment					
Balance as at April 01, 2021	0.01	-	-	-	0.01
Charge for the year	0.03	0.00	-	0.06	0.09
Disposals	-	-	-	-	-
Balance as at March 31, 2022	0.04	0.00	-	0.06	0.10
Charge for the year	0.04	0.01	0.00	1.08	1.12
Disposals	-	-	-	-	-
Balance as at March 31, 2023	0.08	0.01	0.00	1.14	1.22
Net carrying amount as at March 31, 2022	0.04	0.01	-	0.63	0.68
<b>Net carrying amount as at March 31, 2023</b>	<b>0.04</b>	<b>0.01</b>	<b>0.02</b>	<b>4.87</b>	<b>4.94</b>

### NOTE: 10 OTHER NON-FINANCIAL ASSETS

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Security Deposits	3.16	0.37
Balance With Government Authorities	11.76	14.25
Other Receivables	0.49	0.01
<b>Total</b>	<b>15.42</b>	<b>14.63</b>

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 11 TRADE PAYABLES

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Total outstanding dues of Micro, Small and Medium Enterprise	-	-
Total outstanding dues of creditors other than Micro, Small and Medium Enterprise		
Goods	-	-
Services	45.79	-
<b>Total</b>	<b>45.79</b>	<b>-</b>

#### a) Ageing of Trade Payables

##### i) Undisputed Trade Payables

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment	-	-	-	-
Less than 1 year	-	45.79	-	-
1 year to 2 years	-	-	-	-
2 year to 3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>45.79</b>	<b>-</b>	<b>-</b>

##### ii) Disputed Trade Payables

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment	-	-	-	-
Less than 1 year	-	-	-	-
1 year to 2 years	-	-	-	-
2 year to 3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### NOTE: 12 BORROWINGS

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>At Amortised Cost</b>		
<b>In India</b>		
<b>(a) Term Loans</b>		
- from Bank (Secured)	2.30	-
<b>(b) Loans repayable on demand</b>		
- from Financial Institutions (Secured)	659.00	354.17
- from Related Parties (Unsecured)	106.50	14.83
- from Other Parties (Unsecured)	-	300.27
Outside India	-	-
<b>Total</b>	<b>767.81</b>	<b>669.27</b>

Note:

The borrowings have not been guaranteed by directors or others. The Company has not defaulted in repayment of principal and interest to its lenders.

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 12 BORROWINGS (Contd.)

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from financial institutions on the basis of security against shares and securities.

The Company has taken Vehicle Loan from bank against hypothecation of motor vehicle for a tenure of 60 months at a rate of interest 7.70% p.a. payable in equated monthly instalment. Maturity date is 07th November, 2027.

### NOTE: 13 SUBORDINATED LIABILITIES

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
At Amortised Cost		
(A) In India		
7% Redeemable Preference Shares other than those that qualify as Equity	202.00	202.00
<b>Total</b>	<b>202.00</b>	<b>202.00</b>

The Company has borrowed funds from related entity by issue of 7% Redeemable Preference shares.

### NOTE: 14 OTHER FINANCIAL LIABILITIES

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Others	9.47	-
<b>Total</b>	<b>9.47</b>	<b>-</b>

### NOTE: 15 PROVISIONS

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for Income Tax (Net of advance tax)	-	24.65
Contingent Provision Against Standard Asset	0.42	0.42
<b>Total</b>	<b>0.42</b>	<b>25.07</b>

### NOTE: 16 OTHER NON-FINANCIAL LIABILITIES

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Statutory Dues Payable	2.68	0.34
Security Deposits	1.00	1.00
Advance against properties	0.73	-
Others	0.54	0.06
<b>Total</b>	<b>4.94</b>	<b>1.40</b>

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 17 EQUITY SHARE CAPITAL

(₹ In Crores)

Particulars	31.03.2023		31.03.2022	
	No. of Shares	Value	No. of Shares	Value
<b>AUTHORISED:</b>				
Equity Shares of ₹1/- each	58,00,00,000	58.00	58,00,00,000	58.00
Preference Shares of ₹10/- each	4,20,00,000	42.00	4,20,00,000	42.00
	<b>62,20,00,000</b>	<b>100.00</b>	<b>62,20,00,000</b>	<b>100.00</b>
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP:</b>				
Equity Shares of ₹1/- each	16,98,45,100	16.98	16,98,45,100	16.98
	<b>16,98,45,100</b>	<b>16.98</b>	<b>16,98,45,100</b>	<b>16.98</b>

#### (a) Reconciliation of shares outstanding at the beginning and at the end of the year:

(₹ In Crores)

Equity Shares	31.03.2023		31.03.2022	
	No. of Shares	Value ₹	No. of Shares	Value ₹
Shares outstanding at the beginning of the year	16,98,45,100	16.98	16,13,93,260	16.14
Add: Issued during the year	-	-	84,51,840	0.85
<b>Shares outstanding at the end of the year</b>	<b>16,98,45,100</b>	<b>16.98</b>	<b>16,98,45,100</b>	<b>16.98</b>

#### (b) Terms and rights attached to equity shares

The Company has only one class of equity shares having face value of ₹1 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (c) Details of shareholders holding more than 5% shares in the company.

Name of Shareholder	31.03.2023		31.03.2022	
	No. of Shares	Percentage holding	No. of Shares	Percentage holding
Mrs. Alpana Dangi	11,09,09,060	65.30%	11,09,09,060	65.30%
Mentor Capital Limited	1,04,82,075	6.17%	84,51,840	4.98%
Cosmos Heights & Developers LLP	97,99,000	5.77%	97,99,000	5.77%

#### (d) Shares held by promoters and promoter group at the end of the year:

Name of Shareholder	31.03.2023		31.03.2022		% Change during the year
	No. of Shares	Percentage holding	No. of Shares	Percentage holding	
<b>Promoters:</b>					
Mrs. Alpana Dangi	11,09,09,060	65.30%	11,09,09,060	65.30%	0.00%
<b>Promoter Group:</b>					
Mentor Capital Limited	1,04,82,075	6.17%	84,51,840	4.98%	1.20%

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 18 OTHER EQUITY

(₹ In Crores)

Reserves & Surplus	Statutory Reserve Fund	Amalgamation Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
<b>Balance as on 01/04/2021</b>	<b>40.34</b>	<b>10.56</b>	-	<b>32.74</b>	<b>106.65</b>	<b>595.37</b>	<b>785.65</b>
Profit for the year	-	-	-	-	668.74	-	668.74
Other comprehensive Income	-	-	-	-	-	-	-
Additions	133.75	-	-	629.15	-	1,023.03	1,785.93
Repayment of Premium on Redemption of Redeemable Preference shares	-	-	-	-	(2.25)	-	-
Transfers to Reserve Fund	-	-	-	-	(133.75)	-	-
Transfers to Capital Redemption Reserve	-	-	1.50	-	(1.50)	-	-
<b>Total for the year</b>	<b>133.75</b>	<b>-</b>	<b>1.50</b>	<b>629.15</b>	<b>531.24</b>	<b>1,023.03</b>	<b>2,318.67</b>
Dividends	-	-	-	-	-	-	-
Tax on Dividends	-	-	-	-	-	-	-
<b>Balance as on 31/03/2022</b>	<b>174.09</b>	<b>10.56</b>	<b>1.50</b>	<b>661.89</b>	<b>637.89</b>	<b>1,618.40</b>	<b>3,104.32</b>
<b>Balance as on 01/04/2022</b>	<b>174.09</b>	<b>10.56</b>	<b>1.50</b>	<b>661.89</b>	<b>637.89</b>	<b>1,618.40</b>	<b>3,104.32</b>
Profit for the year	-	-	-	-	240.20	-	240.20
Other comprehensive Income	-	-	-	-	-	-	-
Additions	-	-	-	-	-	(370.49)	(370.49)
Repayment of Premium on Redemption of Redeemable Preference shares	-	-	-	-	-	-	-
Transfers to Reserve Fund	48.04	-	-	-	(48.04)	-	-
Transfers to Capital Redemption Reserve	-	-	-	-	-	-	-
<b>Total for the year</b>	<b>48.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192.16</b>	<b>(370.49)</b>	<b>(130.29)</b>
Dividends	-	-	-	-	-	-	-
Tax on Dividends	-	-	-	-	-	-	-
<b>Balance as on 31/03/2023</b>	<b>222.13</b>	<b>10.56</b>	<b>1.50</b>	<b>661.89</b>	<b>830.05</b>	<b>1,247.91</b>	<b>2,974.03</b>

### Other Comprehensive Income

This represents the cumulative gains and losses arising on the revaluation of equity financial instruments measured at fair value through other comprehensive income.

### NOTE: 19 INTEREST INCOME

(₹ In Crores)

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
<b>On Financial Assets measured at amortised cost</b>		
Interest on Loans	6.31	5.76
Interest on Deposits with Banks	3.33	2.17
<b>Total</b>	<b>9.64</b>	<b>7.93</b>

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 20 NET GAIN/(LOSS) ON FAIR VALUE CHANGES

(₹ In Crores)

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
(A) Net gain/(loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	(126.03)	11.32
- Derivatives	(15.56)	383.20
Total Net gain/(loss) on fair value changes (B)	(141.60)	394.52
(C) Fair Value Changes :		
- Realised	(162.66)	382.17
- Unrealised	21.07	12.35
<b>Total Net gain/(loss) on fair value changes(C) to tally with (B)</b>	<b>(141.60)</b>	<b>394.52</b>

### NOTE: 21 FINANCE COST

(₹ In Crores)

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
On Financial liabilities measured at Amortised Cost		
Interest on Borrowings	45.86	28.09
Interest on Compulsory Convertible Debenture	-	0.02
Other Borrowing Cost	0.01	1.55
<b>Total</b>	<b>45.87</b>	<b>29.65</b>

### NOTE: 22 EMPLOYEE BENEFITS

(₹ In Crores)

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
Salaries and Bonus	1.00	0.37
Director's Remuneration	0.41	0.40
Staff Welfare Expenses	0.02	0.04
<b>Total</b>	<b>1.43</b>	<b>0.80</b>

### NOTE: 23 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

(₹ In Crores)

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
Depreciation on Property, Plant and Equipment (Refer Note 9)	1.12	0.09
<b>Total</b>	<b>1.12</b>	<b>0.09</b>

# Notes to the financial statements for the year ended 31st MARCH 2023

## NOTE: 24 OTHER EXPENSES

(₹ In Crores)

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
Rent, Taxes and Energy Costs	0.10	0.09
Repair & Maintenance	0.03	0.06
Director Sitting Fees	0.06	0.06
Donation	27.59	0.45
Corporate Social Responsibility Expenses	2.03	1.26
Auditors Remuneration:		
For Audit Fees	0.02	0.02
For Tax Audit Fees	0.01	0.01
For Other Services	0.01	0.01
Professional & Consultancy Charges	4.70	1.64
Impairment Expenses	-	40.54
Securities Transaction Tax	4.81	5.73
Travelling Expenses	1.14	0.46
Other Expenditure	1.27	0.53
<b>Total</b>	<b>41.76</b>	<b>50.85</b>

## Note: 25 TAX EXPENSE

(₹ In Crores)

Particulars	As on 31 March, 2023	As on 31 March, 2022
Current Tax	43.20	157.15
Income tax for earlier years	3.78	-
<b>Total</b>	<b>43.20</b>	<b>157.15</b>

## Note: 26 EARNINGS PER SHARE

(₹ In Crores)

Particulars	As on 31 March, 2023	As on 31 March, 2022
Net Profit attributable to equity share holders	240.20	668.74
Nominal Value of equity shares (₹)	1	1
Weighted Average of number of Equity shares	16,98,45,100	16,76,68,462
Basic Earnings Per Share (₹)	14.14	39.88
Diluted Earnings Per share (₹)	14.14	39.88

## Note: 27 PAYMENT TO AUDITORS (INCLUDING GOODS AND SERVICE TAX)

(₹ In Crores)

Particulars	As on 31 March, 2023	As on 31 March, 2022
Statutory Audit Fees	0.02	0.02
Tax Audit Fees	0.01	0.01
Other Services	0.01	0.01
<b>Total payment to Auditors</b>	<b>0.03</b>	<b>0.03</b>

## Note: 28 Category - wise classification of Financial Instruments

As on 31st March 2023

Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)

(₹ in Crores)

Particulars	Carrying Amount	Level 1	Level II	Level III
Equity Shares	2,903.42	2,903.42	-	-
Equity Shares Unlisted	61.06	-	61.06	-



## Notes to the financial statements for the year ended 31st MARCH 2023

### Note: 28 CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS (Contd.)

#### Financial Assets measured at Amortised Cost/ Cost

Cash and Cash Equivalents	67.93
Bank balances other than above	66.67
Trade Receivables	0.21
Loans	91.48
Mutual Fund	40.40
Investment in Subsidiary	231.09
Investment in Preference Shares	3.21
Investment in Debentures	35.63
Investment in Gold Bar	0.89
Other Financial Assets	1.47

#### Financial Liabilities measured at Amortised Cost/ Cost

Trade payables	45.79
Borrowings	767.81
Subordinated Liabilities	202.00
Other Financial Liabilities	9.47

#### As on 31st March 2022

#### Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)

Particulars	Carrying Amount	Level 1	Level II	Level III
Equity Shares	3,037.90	3,037.90	-	-
Equity Shares Unlisted	61.11	-	61.11	-

#### Financial Assets measured at Amortised Cost/ Cost

Cash and Cash Equivalents	42.08
Trade Receivables	6.49
Loans	33.45
Mutual Fund	21.08
Investment in Preference Shares	1.40
Investment in Debentures	36.04
Other Financial Assets	94.38

#### Financial Liabilities measured at Amortised Cost/ Cost

Trade payables	-
Borrowings	669.27
Subordinated Liabilities	202.00
Other Financial Liabilities	-

- In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

#### Fair Value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 hierarchy - Includes Financial Instruments measured using quoted prices in the active market.

# Notes to the financial statements for the year ended 31st MARCH 2023

## Note: 28 CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS (Contd.)

Level 2 hierarchy - The Fair value of Financial Instruments that are not traded in an active market, is determined using valuation techniques which maximize the use of observable market data.

Level 3 hierarchy - Inputs are not based on observable market data. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### B. Measurement of fair values

Financial instruments fair valued under Level 3 hierarchy are measured using Market multiples method.

The carrying amount of trade receivables, cash and cash equivalents, other financial assets, trade payables and other financial liabilities are considered to be the fair value due to short term nature.

There are no transfers between level 1, level 2 and level 3 during the year.

## Note: 29 CAPITAL MANAGEMENT

The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence to sustain future development of the business. For the purpose of the Company's capital management, capital includes issued capital and other equity reserves.

## Note: 30 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

Credit risk;

Liquidity risk; and

Market risk

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

### (a) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company regularly monitors the rolling forecasts and the actual cash flows to service the financial liabilities on a day-to-day basis through cash generation from business and by having adequate banking facilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance sheet date.

Particulars	31st March 2023	Contractual Cash Flows				
	Note No.	Carrying Amount	Less than 1 Year	1-3 Years	3-5 Years	After 5 Years
Trade Payables	11	45.79	45.79	-	-	-
Borrowings	12	767.81	767.81	-	-	-
Subordinated Liabilities	13	202.00	-	-	202.00	-
Other Financial Liabilities	14	9.47	9.47	-	-	-

## Notes to the financial statements for the year ended 31st MARCH 2023

### Note: 30 FINANCIAL RISK MANAGEMENT (Contd.)

Particulars	31st March 2022	Contractual Cash Flows				
	Note No.	Carrying Amount	Less than 1 Year	1-3 Years	3-5 Years	After 5 Years
Trade Payables	11	-	-	-	-	-
Borrowings	12	669.27	669.27	-	-	-
Subordinated Liabilities	13	202.00	-	-	202.00	-
Other Financial Liabilities	14	-	-	-	-	-

#### (b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

##### (i) Trade receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Concentration of credit risk with respect to trade receivables are limited as the customers are reviewed, assessed and monitored regularly on a monthly basis with pre-determined credit limits assessed based on their payment capacity. Our historical experience of collecting receivables demonstrates that credit risk is low.

The following table sets out the information about the credit quality of financial assets measured at amortised cost.

Particulars	(₹ In Crores)	
	31st March 2023	31st March 2022
Trade receivables	0.21	6.49
Less: allowance Carrying amount	-	-

##### (ii) Other financial assets:

The Company has exposure in Cash and cash equivalents, employee loans and investment carried at amortised cost. The Company's maximum exposure to credit risk as at 31st March, 2023 is the carrying value of each class of financial assets as on that date.

#### (c) Market Risk

Market risk is the risk that changes in market prices – such as equity prices, interest rates and foreign exchange rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

##### Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee which is responsible for monitoring the overall risk process within the Company.

The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels.

The Chief Risk officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained.

# Notes to the financial statements for the year ended 31st MARCH 2023

## Note: 31 RELATED PARTY TRANSACTIONS:

### Names of Related Parties:

#### A) Subsidiary Companies

- 1) Reliance Commercial Finance Limited – Wholly owned subsidiary company – W.e.f. 14th October, 2022

#### B) Enterprises in which Key Managerial Personnel and their relatives exercise significant influence

- 1) Mentor Capital Limited
- 2) Berix Bearing Private Limited (Formally known as SRCT Globex Private Limited)
- 3) Bright Street Finserv Private Limited
- 4) Geetanjali Infosystems Private Limited
- 5) Rumi Grown Diamonds Private Limited
- 6) Swadesh Yarn

#### C) Key Managerial Personnel and their Relatives

- 1) Mr. Amit Dangi, Whole Time Director, w.e.f. 10th March, 2023
- 2) Mr. Amit Dangi, Chief Financial Officer, Resigned w.e.f. 10th March, 2023
- 3) Mr. Sanjay Dangi, Director
- 4) Mrs. Alpana Dangi, Promotor and Director
- 5) Mr. Divy Dangi, Relative of KMP
- 6) Mr. Deepak Dhingra, Chief Financial Officer, w.e.f. 10th March, 2023
- 7) Mr. Hitesh Vora, Company Secretary

#### D) Transaction with Related parties

(₹ In Crores)

Sl No	Name of the related party	Description of Transaction and amount during the year	Amount outstanding as on			
			For the year ended 31st March 2023	For the year ended 31st March 2022		
			31.03.2023	31.03.2022		
1	Mr. Amit Dangi	Remuneration	0.41	0.40	Nil	Nil
2	Mr. Divy Dangi	Salary	0.42	0.08	Nil	Nil
3	Mr. Hitesh Vora	Salary	0.13	0.12	Nil	Nil
4	Mr. Deepak Dhingra	Salary	0.03	-	Nil	Nil
5	Berix Bearing Pvt. Ltd.	Investment in Debentures	-	35.13	35.13	35.13
		Loan Given	5.50	-	4.50	-
		Loan Received back	1.00	-	-	-
		Interest Received on debentures	0.00	0.00	0.01	0.00
		Interest Accrued but not due	0.21	-	0.21	-
6	Mentor Capital Limited	Loan Taken	856.95	165.35	106.50	14.83
		Loan Repaid	772.20	225.87	-	-
		Interest Paid	7.69	5.67	-	-
		Office Rent Paid	0.10	0.09	-	-
7	Rumi Grown Diamonds Pvt. Ltd.	Loan Given	0.50	-	0.52	-
		Interest Received	0.03	-	-	-
8	Geetanjali Infosystems Pvt. Ltd.	Loan Given	0.08	-	10.84	10.12
		Interest Received	0.71	0.73	-	-
		Purchase of Immovable Property	-	1.65	-	-
9	Swadesh Yarn	Loan Given	1.50	-	-	-
		Loan Received back	1.50	-	-	-
		Interest Received	0.00	-	-	-

## Notes to the financial statements for the year ended 31st MARCH 2023

### Note: 31 RELATED PARTY TRANSACTIONS: (Contd.)

(₹ In Crores)

Sl No	Name of the related party	Description of Transaction and amount during the year	Amount outstanding as on			
			For the year ended 31st March 2023	For the year ended 31st March 2022		
10.	Brightstreet Finserv Pvt. Ltd.	Loan Repaid	-	225.87	-	-
		Loan Given	-	32.25	-	-
		Loan Received back	-	32.25	-	-
		Interest Received	-	0.51	-	-
11.	Reliance Commercial Finance Ltd.	Loan Given	165.00	-	-	-
		Loan Received back	165.00	-	-	-
		Loan Given	*	-	*	-
		Investment in Equity shares	1.00*	-	1.00*	-
		Investment in Preference Shares	*	-	*	-
		Investment in Non Convertible Debentures	191.47	-	191.47	-
		Investment in Compulsorily Convertible Debentures	38.61	-	38.61	-

\* On October 14th, 2022, Reliance Commercial Finance Ltd., Reliance Capital Ltd., and Authum Investment and Infrastructure Ltd. entered a Supplemental Resolution Implementation Memorandum. As per this memorandum, the company has successfully acquired entire 13,53,25,694 equity shares of ₹10/- each, 40,00,00,000 preference shares of ₹10/- each, and inter-corporate deposit ₹749.06 of Reliance Commercial Finance Ltd. from Reliance Capital Ltd. for ₹1.00 Crores.

### Note: 32 DETAILS OF CSR EXPENSES

(₹ In Crores)

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
a) Gross amount required to be spent by the Company during the year	6.45	0.70
b) Amount spent during the year	3.89	1.26
c) Shortfall/ (Excess) at the end of the year	2.27	(0.29)
d) Total of previous year shortfall /(Excess)	(0.29)	-

There is a shortfall of ₹2.27 Cr. (Previous year: Excess of ₹0.29 cr.) in the CSR amount required to be spent by the Company as per section 135(5) of the Act for the financial years ended March 31, 2023 and March 31, 2022. The company has deposited ₹2.50 Cr. in unspent CSR account u/s 135(5) of the Act.

CSR activities include Education, Preventive Healthcare, Contribution towards Primary, Secondary and Higher Education and other activities which are specified under Schedule VII of Companies Act, 2013.

The Company has neither made any CSR Contributions towards its related parties nor recorded any provision for CSR expenditure during the financial years ended March 31, 2023 and March 31, 2022.

### Note: 33 DISCLOSURE IN TERMS OF SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2016

#### 33(A): Capital

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
CRAR	69.04%	92.47%
CRAR - Tier I Capital (%)	77.87%	81.49%
CRAR-Tier II Capital (%)	8.83%	10.98%
Amount of Subordinated debt raised as tier –II capital	202.00	202.00
Amount raised by issue of perpetual Debt Instruments	--	--

## Notes to the financial statements for the year ended 31st MARCH 2023

**Note: 33** (Contd.)

### 33(B): Investment

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>(1) Value of Investments</b>		
(i) Gross value of investments	3593.40	3185.72
(a) In India	3593.40	3185.72
(b) Outside India	-	-
(ii) Provision for depreciation / impairment	-	-
(a) In India	-	-
(b) Outside India	-	-
(ii) Net value of investments	3593.40	3185.72
(a) In India	3593.40	3185.72
(b) Outside India	-	-
<b>2) Movement of provision held towards depreciation/impairment on Investments</b>		
(i) Opening balance	-	-
(ii) Add: Provision made during the year	-	-
(iii) Less: Write-off/wrote-back of excess provision during the year	-	-
(iv) Closing balance	-	-

### 33(C): Derivatives

The Company has derivatives exposure of ₹269.67 crores as on 31st March, 2023 and previous year 319.88 crores.

### 33(D): Disclosures relating to Securitization

The Company does not have any exposure in securitisation during the year, hence not applicable

### 33(E): Assets Liability management maturity pattern of certain items of Assets and Liabilities As at 31 March, 2023

(₹ in Crores)

Particulars	Deposits	Advances*	Investments	Borrowing	Foreign currency assets	Foreign currency liabilities
Within Twelve Months	-	78.40	3593.40	659.43	-	-
After 12 Months	-	13.08	-	108.38	-	-

### Assets Liability management maturity pattern of certain items of Assets and Liabilities As at 31 March, 2022

(₹ in Crores)

Particulars	Deposits	Advances*	Investments	Borrowing	Foreign currency assets	Foreign currency liabilities
Within Twelve Months	-	33.45	3185.72	669.27	-	-
After 12 Months	-	-	-	-	-	-

\* Net of impairment allowances.

Notes:

The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration structural liquidity guidelines for assets-liabilities management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the Assets-Liability Committee with regard to the timing of various cash flows, which has been relied upon by the auditor.

## Notes to the financial statements for the year ended 31st MARCH 2023

**Note: 33** (Contd.)

### 33(F): Exposures

#### i) Exposure to Real Estate Sector

Particulars	As at 31 March, 2023	As at 31 March, 2022
a) Direct Exposure		
1. i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:	--	--
- Individual housing loans up to ₹15 lakhs		
- Individual housing loans above ₹15 lakhs	--	--
2. ii) Commercial Real Estate -	--	--
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial buildings, multi-tenanted commercial premises, multi-family residential premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.		
3. iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -	--	--
1. Residential		
2. Commercial Real Estate		

#### ii) Exposure to Capital Market

(₹ in Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	3593.40	3185.72
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) Bridge loans to companies against expected equity flows	-	-
viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-

## Notes to the financial statements for the year ended 31st MARCH 2023

### Note: 33 (Contd.)

#### 33(G): Details of financing of parent company products

The Company does not have any Parent Company, hence not applicable.

#### 33(H): Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC

The Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL) / Group Borrower Limit (GBL).

#### 33(I): Unsecured Advances

The Company has outstanding unsecured advances of ₹91.48 Crores as on 31.03.2023.

#### 33(J): Registration / license / authorisation obtained from other financial sector regulators:

In addition to registration with RBI as NBFC-NDSI, the Company has not obtained any registration / license / authorisation, by whatever name called, from other financial sector regulators

#### 33(K): Ratings assigned by credit rating agencies and migration of ratings during the year:

The Company has not obtained credit ratings from credit rating agencies during the year.

#### 33(L): Disclosure of Penalties imposed by RBI or other regulators:

No penalties were imposed by RBI or SEBI (being the regulator for the Company) for the year ended 31st March, 2023 and 31st March, 2022.

#### 33(M): Related Party transactions:

Please refer to note no. 31

#### 33(N): Information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries:

Sr. No.	Name of joint venture and country of incorporation	Area / Country of operation
1	NIL	

The Company do not have overseas subsidiaries.

#### 33(O): Remuneration of directors:

(₹ in Crores)

Name of director	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Remuneration	Provident fund and others	Sitting fees	Remuneration	Provident fund and others	Sitting fees
Mr. Amit Dangi	0.41	-	-	0.40	-	-

### Note: 34 ADDITIONAL DISCLOSURES

#### (A): Provisions and Contingencies

(₹ In Crores)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account:	Year Ended 31 March, 2023	Year Ended 31 March, 2022
Provision for depreciation on Investments	-	-
Provision towards NPA	-	-
Provision made towards income tax	43.20	157.15
Other provision and Contingencies	-	-
Provision towards impairment of financial Instruments	-	-
Provision for contingency	-	-
Provision for gratuity	-	-
Provision for compensated absence	-	-
Provision for Standard Assets	-	-



## Notes to the financial statements for the year ended 31st MARCH 2023

### Note: 34 ADDITIONAL DISCLOSURES (Contd.)

#### (B): Draw Down from Reserves

The company has not made any drawdown from reserves during the year.

#### (C): Concentration of Deposits, Advances, Exposures and NPA

##### (i): Concentration of Deposits (for deposit taking NBFCs)

The Company is non-deposit taking Systemically Important NBFC, hence does not applicable.

##### (ii): Concentration of Advances, Exposures and NPAs

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>Advances</b>		
Total Advances to twenty largest borrowers	91.48	33.45
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	100%	100%
<b>Exposure</b>		
Total Exposure to twenty largest borrowers / customers	91.48	33.45
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	100%	100%
<b>NPAs</b>		
Total exposure to NPA	-	-

##### (iii): Sector-wise NPAs

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Agriculture & allied activities	-	-
MSME	-	-
Corporates	-	-
Unsecured Personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

##### (iv): Movement of NPAs

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Net NPAs to Net Advances (%)		
<b>Movement of NPA</b>		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reduction during the year	-	-
d) Closing balance	-	-
<b>Movement of provision for NPA (Excluding provision on standard assets)</b>		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reduction during the year	-	-
d) Closing balance	-	-

# Notes to the financial statements for the year ended 31st MARCH 2023

## Note: 34 ADDITIONAL DISCLOSURES (Contd.)

### (D): Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The Company does not have any Joint Ventures or Subsidiaries abroad, hence not applicable.

### (E): Off-balance Sheet SPVs sponsored

Particulars	Domestic	Overseas
Name of the SPV sponsored	NA	NA

### (F): Disclosure of Customer Complaints

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	-	-
No. of complaints redressed during the year	-	-
No. of complaints pending at the end of the year	-	-

### (G): Instance of Fraud

Nature of Fraud (cash embezzlement)	Year Ended 31 March, 2023	Year Ended 31 March, 2022
Number of cases Amount of fraud Recovery Amount written off	Nil	Nil

35) The Company has given effect to a RBI Circular No. DNBS.PD.CC.No.207/ 03.02.002 / 2010-11 dated 17th January, 2011 and accordingly created Contingent Provision against Standard Assets in its Financial Statement.

## 36) LIQUIDITY RISK MANAGEMENT

Public Disclosure on Liquidity Risk for the year ended March 31, 2023 pursuant to RBI circular dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies:

### i) Funding concentration based on significant counterparty (both deposits and borrowings)

(₹ in Crores)

Particulars	No. of significant counterparties	Amount (₹ in Crores)	% of Total Deposits	% of Total Liabilities
As at 31st March,2023	5	767.81	NA	100%
As at 31st March,2022	5	669.27	NA	100%

### ii) Top 20 large deposits (amount in ₹ in Crores and % of total deposits)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Not Applicable		

### iii) Top 10 borrowings (amount in ₹ in Crores and % of total borrowings)

(₹ In Crores)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Total amount of top 10 borrowings	767.81	669.27
Percentage of amount of top 10 borrowings to total borrowings	100%	100%

### iv) Funding Concentration based on significant instrument / product (₹ In Crores)

S. No.	Particulars	As at 31 March, 2023		As at 31 March, 2022	
		Amount	% of Total Liabilities	Amount	% of Total Liabilities
1.	Loan against shares	659.00	85.83%	354.17	52.92%
2.	Inter Corporate Deposits	106.50	13.87%	315.10	47.08%
3.	Vehicle Loan	2.30	0.30%	-	-

## Notes to the financial statements for the year ended 31st MARCH 2023

### 37) TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY:

Details of the all the Immovable properties whose title deeds are not held in the name of the company are as below:

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter/director	Property held since Which date	Reason for not being held in the name of the company
Investment Property	Land & Building	132.66	Mentor Capital Limited	Promoter Group	03.01.2020	Note below

The company has created proper Escrow mechanism with bank and all sales are routed through proper channel and sale consideration is directly credited to the company's bank account on the same day and ensure that there is no loss to the company on these assets.

### 38) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC):

No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

### 39) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES:

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31,2022.

### 40) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS:

None of the Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

### 41) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:

The Company, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### 42) UNDISCLOSED INCOME:

There are no transactions not recorded in the books of accounts.

### 43) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY:

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

### 44) DETAILS OF BENAMI PROPERTY HELD:

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

## Notes to the financial statements for the year ended 31st MARCH 2023

### 45) WILFUL DEFAULTER:

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023 and March 31, 2022.

### 46) RELATIONSHIP WITH STRUCK OFF COMPANIES

The company did not have any transaction with any companies whose name have been struck off under section 248 of the Companies Act, 2013 in the financial years ended March 31, 2023 and March 31, 2022.

47) As required in terms of paragraph 19 of Master Direction - Non-Banking Financial Company - Systemically Important Non- Deposit taking company and Deposit taking Company (Reserve Bank) Directions, 2016

#### Schedule to the Balance Sheet

(₹ In Crores)

	Particulars	As at 31 March, 2023	
		Amount outstanding	Amount overdue
	<b>Liabilities Side</b>		
(1)	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>		
	(a) Debenture: Secured	-	-
	: Unsecured	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	2.30	-
	(d) Inter Corporate loans and borrowings	106.50	-
	(e) Commercial Paper	-	-
	(f) Public deposits	-	-
	(g) Other Loans: Subordinate debts	202.00	-
	(h) Other Loans: Loan against securities	659.00	-
(2)	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-

	Asset Side:	Amount outstanding
(3)	<b>Break-up of loans and advances including bills receivables (other than those included in (4) below ):</b>	
	(a) Secured	-
	(b) Unsecured	91.48
(4)	<b>Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>	
	<b>(i) Lease assets including lease rentals under sundry debtors:</b>	
	(a) Financial lease	-
	(b) Operating lease	-
	<b>(ii) Stock on hire including hire charges under sundry debtors:</b>	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	<b>(iii) Other loans counting towards asset financing activities:</b>	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-

## Notes to the financial statements for the year ended 31st MARCH 2023

### 47) (Contd.)

Asset Side:		Amount outstanding
(5)	<b>Break-up of Investments</b>	
	<b>Current Investments:</b>	
	1. Quoted	
	(i) Shares	
	(a) Equity	317.70
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. Unquoted	
	(i) Shares	-
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	<b>Long Term Investments:</b>	
	1. Quoted	
	(i) Shares	
	(a) Equity	2903.42
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. Unquoted	
	(i) Shares	
	(a) Equity	62.07
	(b) Preference	3.21
	(ii) Debentures and Bonds	265.70
	(iii) Units of mutual funds	40.40
	(iv) Government Securities	-
	(v) Others – Gold Bar	0.89

### (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
1. Related Parties		
(a) Subsidiaries	-	#1
(b) Companies in the same group	-	15.87
(c) Other related parties	-	-
2. Other than related parties	-	75.62
<b>Total</b>	<b>-</b>	<b>91.48</b>

# The company has acquired entire exposure worth ₹749.06 Crores of Reliance Commercial Finance Ltd. (RCFL) from Reliance Capital Limited for ₹1/- on 14th October, 2022 in pursuance to the Implementation of Resolution Plan of RCFL.

## Notes to the financial statements for the year ended 31st MARCH 2023

### 47) (Contd.)

<b>(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b> Please see Note 3 below		
<b>Category</b>	<b>Market Value / Break up or fair value or NAV*</b>	<b>Book Value (Net of Provisions)</b>
1. Related Parties **		
(a) Subsidiaries	231.09	231.09
(b) Companies in the same group	35.13	35.13
(c) Other related parties	-	-
2. Other than related parties	3327.19	2079.28
<b>Total</b>	<b>3593.40</b>	<b>2345.50</b>

\* Disclosure is made in respect of available information.

\*\* As per Indian Accounting Standard issued by MCA (Please see note 3)

<b>(8) Other Information</b>	
<b>Particulars</b>	<b>Amount</b>
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

#### Notes:

- As defined in point xxvii of paragraph 3 of Chapter II of Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
- All notified 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 shall be disclosed irrespective of whether they are classified as amortised cost or at fair value (5) above.

### 48) The previous year figures have been reclassified to confirm to current years classifications.

In term of our report of even date annexed herewith

#### For H.R. Agarwal & Associates

Chartered Accountants  
Firm Reg No: 323029E

#### Shyam Sunder Agarwal

Partner  
Membership No: 060033  
UDIN: 23060033BGUDFJ1343

Place: Mumbai

Date: 30th May, 2023

#### For and on behalf of the Board

#### Amit Dangi

Whole Time Director  
DIN: 06527044

#### Deepak Dhingra

Chief Financial Officer

#### Sanjay Dangi

Director  
DIN: 00012833

#### Hitesh Vora

Company Secretary

# INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF  
**AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **Authum Investment & Infrastructure Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the holding company and its subsidiary together referred to as "the Group") for the year ended March 31, 2023, which comprise the consolidated balance sheet as at March 31, 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and consolidated profit and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We did not determine any key audit matter to be communicated in our report.

## Responsibility of Management's for Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Holding Company and its Subsidiary in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Holding Company and its subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Holding Company and its subsidiary are responsible for assessing the ability of the Holding Company and its subsidiary 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Holding Company and its subsidiary are responsible for overseeing the financial reporting process of the Holding Company and its subsidiary.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Holding Company and its subsidiary

to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure – "A", a statement on the matters specified in paragraphs 3(xxi) of the Order.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- 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 and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors



of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Holding Company and its subsidiary company is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company, and the operating effectiveness of such controls, refer to our separate Report in Annexure “B” and
- g. With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary:
- i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its financial statements (Refer Note 39 to the consolidated financial statements).
  - ii. The Group 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 Group.
  - iv. a) The respective management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The respective management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances and the reports of the auditors of its subsidiary, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) contain any material mis-statement.
  - v. The Group has not declared or paid any dividend during the year.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail (edit log) in the accounting software used by the Group, is applicable to the Group only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is not applicable.

For **H.R. Agarwal & Associates**

Chartered Accountants  
Firm Reg. No: 323029E

**Shyam Sunder Agarwal**

Partner

Membership No: 060033

UDIN: 23060033BGUDFK5268

Place: Mumbai

Date: May 30, 2023

## Annexure – A to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the consolidated financial statements for the year ended 31st March 2023, we report that:

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditors of the subsidiary, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) Order, 2020 of the companies included in the consolidated financial statements.

For **H.R. Agarwal & Associates**  
Chartered Accountants  
Firm Reg. No: 323029E

**Shyam Sunder Agarwal**  
Partner

Membership No: 060033

UDIN: 23060033BGUDFK5268

Place: Mumbai  
Date: May 30, 2023

## Annexure - B to the Independent Auditors’ Report

### Report on the Internal Financial Controls 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 **Authum Investment & Infrastructure Limited** (hereinafter referred to as “the Holding Company”) as on 31st March 2023 in conjunction with our audit of the consolidated financial statements of the Holding Company and its subsidiary, for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The respective 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 (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed 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 Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

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 with reference to Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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 Holding Company have maintained in all material respects, adequate internal financial controls with

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

As per opinion of auditors of its subsidiary Company, the subsidiary Company except for the effects/possible effects of the material weaknesses on certain loans sanctioned by the subsidiary Company in the earlier years amounting to Rs. 4,979.89 crores, the subsidiary Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were prima facie operating effectively as of March 31, 2023, based on the internal control with reference to financial statements criteria established by the subsidiary Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. However, internal control system needs to be strengthened for credit evaluation and establishing customer credit limits for disbursement of loans to mitigate the risk of potentially result in the subsidiary Company recognising revenue without establishing reasonable certainty of ultimate collection. Further internal control mechanism for recovery in credit impaired loan assets and monetization of security required to be strengthened.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary is based on the corresponding reports of the auditors of such a company incorporated in India.

For **H.R. Agarwal & Associates**  
Chartered Accountants  
Firm Reg. No: 323029E

**Shyam Sunder Agarwal**  
Partner

Place: Mumbai  
Date: May 30, 2023

Membership No: 060033  
UDIN: 23060033BGUDFK5268

# Consolidated Balance Sheet as at 31st MARCH 2023

(₹ In Crores)

S. No.	Particulars	Note No.	As at 31/03/2023
	<b>ASSETS</b>		
<b>1</b>	<b>Financial Assets</b>		
	(a) Cash and Cash Equivalents	2	350.09
	(b) Bank Balance other than (a) above	3	280.62
	(c) Receivables		
	(i) Trade Receivables	4	0.21
	(ii) Other Receivables		-
	(d) Loans	5	2,252.74
	(e) Investments	6	3,543.45
	(f) Other Financial Assets	7	94.27
<b>2</b>	<b>Non-Financial Assets</b>		
	(a) Current Tax Assets (Net)	8	10.81
	(b) Investment Property	9	179.93
	(c) Property, Plant and Equipment	10	135.00
	(d) Other Intangible Assets	11	1.94
	(e) Other Non-Financial Assets	12	51.00
	<b>Total Assets</b>		<b>6,900.06</b>
	<b>LIABILITIES AND EQUITY</b>		
	<b>LIABILITIES</b>		
<b>1</b>	<b>Financial Liabilities</b>		
	(a) Payables		
	(i) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises		-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	48.26
	(ii) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises		-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	1,301.28
	(b) Debt Securities	15	68.83
	(c) Borrowings (Other than Debt Securities)	16	1,433.09
	(d) Subordinated Liabilities	17	202.14
	(e) Other Financial Liabilities	18	149.07
<b>2</b>	<b>Non-Financial Liabilities</b>		
	(a) Provisions	19	11.52
	(b) Deferred tax liabilities (Net)	20	211.69
	(c) Other Non-Financial Liabilities	21	57.77
<b>3</b>	<b>EQUITY</b>		
	(a) Equity Share Capital	22	16.98
	(b) Other Equity	23	3,399.43
	<b>Total Liabilities and Equity</b>		<b>6,900.06</b>

The accompanying notes form an integral part of these financial statements.

Note: The consolidated figures for the corresponding year ended March 31, 2022 are not given since there was no subsidiary/Associates as of March 31, 2022 and Reliance Commercial Finance Limited has become a subsidiary of Authum w.e.f. 14th October, 2022.

In term of our report of even date annexed herewith

**For H.R. Agarwal & Associates**

Chartered Accountants

Firm Reg No: 323029E

**Shyam Sunder Agarwal**

Partner

Membership No: 060033

UDIN: 23060033BGUDFK5268

Place: Mumbai

Date: 30th May, 2023

**For and on behalf of the Board**

**Amit Dangi**

Whole Time Director

DIN: 06527044

**Deepak Dhangra**

Chief Financial Officer

**Sanjay Dangi**

Director

DIN: 00012833

**Hitesh Vora**

Company Secretary

## Consolidated Statement of Profit and Loss for the year ended 31st MARCH 2023

(₹ In Crores)

S. No.	Particulars	Note No.	For the Year ended 31.03.2023
<b>I.</b>	<b>Revenue from Operations</b>		
	Interest Income	24	106.83
	Fees & Commission	25	1.19
	Dividend Income		32.76
	Net Gain / (Loss) on Fair Value Changes	26	(134.69)
	Net Gain / (Loss) on Speculation in Shares & Securities		5.78
	Net Gain / (Loss) on Sale of Investments		466.17
	Income from Mutual Funds/Funds		1.47
	Other operating Income	27	59.25
	<b>Total Revenue from operations</b>		<b>538.76</b>
<b>II.</b>	Other Income		3.25
<b>III.</b>	<b>Total Income (I+II)</b>		<b>542.01</b>
<b>IV.</b>	<b>Expenses</b>		
	Finance Costs	28	280.78
	Fees & Commission Expenses	29	7.02
	Impairment on financial instruments	30	(85.90)
	Impairment on Goodwill		160.14
	Employee Benefits Expenses	31	14.54
	Depreciation, Amortization and Impairment	32	9.40
	Others Expenses	33	90.60
	<b>Total Expenses</b>		<b>476.58</b>
<b>V.</b>	<b>Profit / (Loss) Before Exceptional Items and Tax</b>		<b>65.43</b>
	Exceptional items (Net)		4,285.94
<b>VI.</b>	<b>Profit / (Loss) Before Tax</b>		<b>4,351.37</b>
	Tax Expense:		
	Current Tax		43.20
	Income tax for earlier years		4.15
<b>VII.</b>	<b>Profit / (Loss) for the period</b>		<b>4,304.02</b>
	Non controlling interest		-
	Share of Loss of Associates		-
<b>VIII.</b>	<b>Profit / (Loss) for the period</b>		<b>4,304.02</b>
	<b>Other Comprehensive Income</b>		
	Items that will not be reclassified to profit or loss		
	(i) Fair Valuation of Equity Instruments through Other Comprehensive Income		(370.49)
	(ii) Remeasurements of post-employment benefit obligation (net)		0.15
	(iii) Capital Reserve		841.02
	(iv) Income tax relating to items that will not be reclassified to profit or loss		(211.69)
	<b>Other Comprehensive Income</b>		<b>259.00</b>
	<b>Total Comprehensive Income for the period</b>		<b>4,563.01</b>
	<b>Earnings per equity share</b>		
	Basic (₹)		253.41
	Diluted (₹)		253.41

The accompanying notes form an integral part of these financial statements.

Note: The consolidated figures for the corresponding year ended March 31, 2022 are not given since there was no subsidiary/Associates as of March 31, 2022 and Reliance Commercial Finance Limited has become a subsidiary of Authum w.e.f. 14th October, 2022.

In term of our report of even date annexed herewith

**For H.R. Agarwal & Associates**

Chartered Accountants  
Firm Reg No: 323029E

**Shyam Sunder Agarwal**

Partner  
Membership No: 060033  
UDIN: 23060033BGUDFK5268

Place: Mumbai  
Date: 30th May, 2023

**For and on behalf of the Board**

**Amit Dangri**

Whole Time Director  
DIN: 06527044

**Deepak Dhangra**

Chief Financial Officer

**Sanjay Dangri**

Director  
DIN: 00012833

**Hitesh Vora**

Company Secretary

## Statement of Consolidated Cash Flow for the year ended 31st MARCH 2023

(₹ In Crores)

S. No.	Particulars	For the year ended 31.03.2023
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
	<b>Profit before tax</b>	4,351.37
	<b>Adjustment for:</b>	
	Interest Expenses	280.78
	Impairment on Financial instruments	85.38
	Net (gain) / loss on financial instruments at FVTPL	(11.14)
	Net (gain) / loss on Sale of financial instruments	(1.97)
	Depreciation, Amortization and Impairment	9.40
	Rent received	(3.24)
	Liability no longer payable written back	(4,285.94)
	Net (Gain)/ Loss on Sale of Investments	(466.17)
	Net (Gain)/ Loss on Investments Property Sold / Discarded	0.61
	<b>Operating Profit</b>	<b>(40.92)</b>
	<b>Adjustment for working capital changes</b>	
	Decrease/(Increase) in Receivables	6.29
	Decrease/(Increase) in Loans	303.50
	Decrease/(Increase) in Other Financial Assets	98.57
	Decrease/(Increase) in Other Non-Financial Assets	7.14
	Increase / (decrease) in Trade Payables	(56.17)
	Increase / (decrease) in Other Financial Liabilities	9.47
	Increase / (decrease) in Other Non-Financial Liabilities	1.46
	<b>Cash generated /(used) from operations</b>	<b>329.34</b>
	Income Tax Paid (net of refunds)	(84.66)
	<b>Net cash generated /(used) from operating activities (A)</b>	<b>244.68</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
	(Purchase)/Sale of Investments	(271.93)
	(Purchase)/Sale of Property, Plant and Equipment	(5.40)
	(Purchase)/Sale of Investments Property	(38.45)
	Rent received	3.24
	Movement in Other Bank Balances	324.83
	<b>Net cash generated /(used) from investing activities (B)</b>	<b>12.29</b>

## Statement of Consolidated Cash Flow for the year ended 31st MARCH 2023

(₹ In Crores)

S. No.	Particulars	For the year ended 31.03.2023
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
	Proceed/(Repayment) of Debt securities	(39.06)
	Proceed/(Repayment) of Commercial Papers	(47.53)
	Proceeds/(Repayment) of Borrowings	(587.56)
	<b>Net cash generated /(used) from financing activities (C)</b>	<b>(674.15)</b>
	<b>Net Increase/(decreased) in cash and cash equivalents during the year (A+B+C)</b>	<b>(417.17)</b>
	<b>Cash and cash equivalents at the beginning of the year</b>	<b>767.26</b>
	<b>Cash and cash equivalents at the end of the year</b>	<b>350.09</b>

### Notes:

- The above cash flow statement has been prepared under indirect method as set out in Ind AS 7: "Statement of Cash Flows" as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
- Figures in brackets indicate cash outflows.
- The consolidated figures for the corresponding year ended March 31, 2022 are not given since there was no subsidiary/ Associates as of March 31, 2022 and Reliance Commercial Finance Limited has become a subsidiary of Authum w.e.f. 14th October, 2022.

The accompanying notes form an integral part of the financial statements.

In term of our report of even date annexed herewith

### For H.R. Agarwal & Associates

Chartered Accountants  
 Firm Reg No: 323029E

### Shyam Sunder Agarwal

Partner  
 Membership No: 060033

Place: Mumbai  
 Date: 26th July, 2023

### For and on behalf of the Board

### Amit Dangi

Whole Time Director  
 DIN: 06527044

### Deepak Dhingra

Chief Financial Officer

### Sanjay Dangi

Director  
 DIN: 00012833

### Hitesh Vora

Company Secretary

# Statement of Changes in Equity for the year ended 31st MARCH 2023

## A) SHARE CAPITAL

### (1) Current Reporting Period

Balance at the beginning of the current reporting period (As at 1st April 2022)	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period (As at 31st March, 2023)
16.98	-	16.98	-	16.98

(₹ in Crores)

## B) OTHER EQUITY

### (1) Current Reporting Period

Particulars	Reserve & Surplus				Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	Statutory Reserve Fund	Amalgamation Reserve		
Balance at the beginning of the current reporting period (as at 01.04.2022)	-	661.89	174.09	10.56	1.50	3,104.33
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	661.89	174.09	10.56	1.50	3,104.33
Profit for the year	-	-	-	-	4,304.02	4,304.02
Other comprehensive income for the year	-	-	-	-	(370.34)	(370.34)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>1,248.06</b>	<b>3,933.68</b>
Dividend	-	-	-	-	-	-
<b>Any other changes:</b>	-	-	-	-	-	-
Additions on account of acquisition of subsidiary	-	-	100.86	-	-	(12,993.30)
Addition	9,354.72	-	-	-	-	9,354.72
Transfers to Reserve Fund	-	-	48.04	-	(48.04)	-
<b>Balance at the end of the current reporting period (as at March 31, 2023)</b>	<b>9354.72</b>	<b>661.89</b>	<b>322.99</b>	<b>10.56</b>	<b>1.50</b>	<b>3399.43</b>

(₹ in Crores)

The accompanying notes form an integral part of the financial statements.

In term of our report of even date annexed herewith

**For H.R. Agarwal & Associates**

Chartered Accountants

Firm Reg No: 323029E

**Shyam Sunder Agarwal**

Partner

Membership No: 060033

UDIN: 23060033BGUDFK5268

Place: Mumbai

Date: 30th May, 2023

**For and on behalf of the Board**

**Amit Dangi**  
Whole Time Director  
DIN: 06527044

**Sanjay Dangi**  
Director  
DIN: 00012833

**Deepak Dhingra**  
Chief Financial Officer

**Hitesh Vora**  
Company Secretary



# Notes to the financial statements for the year ended 31st MARCH 2023

## 1. NOTES TO THE FINANCIAL STATEMENTS

### (a) CORPORATE INFORMATION

Authum Investment and Infrastructure Limited (“Authum” or ‘the Holding Company’) is a Public Limited Company incorporated in India with its registered office located at 707, Raheja Center, Nariman Point, Mumbai – 400021. The Holding Company is listed on Bombay Stock Exchange & The Calcutta Stock Exchange. The Holding Company and Subsidiary Company is a non-deposit taking Systemically Important Non-Banking Financial Company (“NBFC”) registered with the Reserve Bank of India (RBI) under Section 45-IA of the Reserve Bank of India Act, 1934.

Authum Investment and Infrastructure Limited and its subsidiary Reliance Commercial Finance Limited (Collectively, the Group) are primarily engaged in the business of providing loans and making investments in shares and securities.

The consolidated financial statements of the Company as on 31st March, 2023 were approved and authorised for issue by the Board of Directors on 30th May, 2023.

### (b) Compliance with Ind AS

The consolidated financial statements of the Group comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss and disclosures are presented in the format prescribed under Division III of Schedule III of the companies Act, as amended from time to time that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

### (c) Basis of Preparation of Financial Statements

The consolidated financial statements has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

#### Principles of Consolidation

Company’s consolidated financial statements are prepared in Indian Rupees, which is also its functional currency. The Consolidated Financial Statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period.

#### a. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which the control is transferred to the Group. They are deconsolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

#### b. Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

- Equity method

Under equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group’s share of the post-acquisition profits or losses of the investee in profit and loss, and the

## Notes to the financial statements for the year ended 31st MARCH 2023

Group's share of other comprehensive income of the investee and in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent the Group's interest in these entities. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

### c. Change in ownership interests

The Group considers transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in the other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

#### Information on Subsidiary and Associates Companies:

The following Subsidiary company and Associates are considered in the Consolidated Financial Statements:

S. No.	Name of the Company	Relationship	Country of Incorporation	% Holding as of 31.03.2023	% Holding as of 31.03.2022
1.	Reliance Commercial Finance Ltd.	Wholly Owned Subsidiary	India	100%	Nil

### d. Business Combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises of the:

- Fair values of assets transferred
- Liabilities incurred to the former owners of the acquired business
- Equity interests issued by the Group and
- Fair value of any assets and liabilities resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at acquisition date. The Group recognises any non-controlling interests in the acquired entity on acquisition-by-acquisition basis either at fair value or by non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of:

- Consideration transferred
- Any amount of non-controlling interest in the acquired entity and
- Acquisition date fair value of the previous entity interest in the acquired entity Over the fair value of identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of identifiable assets, the

## Notes to the financial statements for the year ended 31st MARCH 2023

difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reason for carrying the business combination as a bargain purchase. In other cases, bargain purchase gain are recognised directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

### e. Use of estimates

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Group to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of these Consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of: fair valuation of unquoted equity investments, impairment of financial instruments, provisions and contingent liabilities and long term retirement benefits.

## (d) SIGNIFICANT ACCOUNTING POLICIES

### Measurement of fair values

The Group's accounting policies and disclosures require the measurement of financial assets and liabilities at fair values. The Group has established policies and procedures with respect to measurement of fair values.

The Group classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

**Level 1** - The fair value of financial instruments traded in active markets is based on quoted (unadjusted) market prices at the end of the reporting period.

**Level 2** - The fair valuation of instruments not traded in active markets is determined based on observable market data and by using valuation techniques.

**Level 3** - Where one or more of the significant inputs are not from observable market data.

### Revenue Recognition:

- Profit or losses in respect of Investments / dealing in shares and securities are recognized on trade dates.
  - Profit /Loss on dealing in securities and derivatives comprises profit/loss on sale of securities, unrealized profit/loss on securities held as stock in trade and profit/loss on equity derivative instruments.
  - Profit/Loss on sale of securities is determined based on the FIFO method. Profit/loss on exchange traded equity derivatives transactions are accounted for based on the 'Guidance Note on Accounting for Equity Index and equity stock Futures and Options' issued by the Institute of Chartered Accountants of India.
  - Dividend income on units of shares/mutual fund is recognised on receipt basis and any gain/losses on mutual fund are recognized on the date of Sale.
  - Interest income is accounted on accrual basis except in respect of substandard assets where income is accounted on receipt basis.
  - In respect of other items of income, the company accounts the same on Accrual basis.
  - **Equity Index/Stock-Futures**
- a) Equity index/Stock Futures are marked-to-market. Debit or credit balance disclosed under loans and advances or current liabilities, respectively, in the Mark-to-Market-Equity Index/Stock futures account.

## Notes to the financial statements for the year ended 31st MARCH 2023

- b) As on the balance sheet date, the Profit/loss on open positions in index/stock futures is accounted for as follows:
- Credit balance in the “Mark-to-Market Margin-Equity Index/Stock Futures account “being anticipated profit, is ignored and no credit is taken to profit and loss account.
  - Debit balance in the “Mark-to-Market Margin-Equity Index/Stock Futures account “being anticipated loss, is recognized in the profit and loss account.
- c) On final settlement or squaring-up of contracts for Equity Index/stock Futures, the profit or loss is calculated as difference between settlement/ squaring-up price and contract price. Accordingly debit or credit balance pertaining to the settled/squared-up contract in “Mark-to-Market Margin-Equity Index/Stock Futures account “is recognized in the profit and loss account upon expiry of the Contracts. When more than one contract in respect of the relevant series of Equity Index/Stock Futures to which the squared-up contract pertains is outstanding at the time of the squaring-up of the Contract, the contract price of the contract so squared-up is determined using weighted average method for calculating profit/loss on squaring-up.

### Financial Assets Initial Recognition

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

### Subsequent Measurement

#### Financial Asset measured at Amortised Cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

#### Financial Assets at Fair Value through Other Comprehensive Income: (FVTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal and the interest on the principal outstanding.

#### Financial Assets at Fair Value through Profit or Loss: (FVTPL)

Any financial asset not subsequently measured at amortized cost or at fair value through other comprehensive income, is subsequently measured at fair value through profit or loss. Financial assets falling in this category are measured at fair value and all changes are recognized in the Statement of Profit and Loss.

### Investments in Associates

The Group has chosen to carry the Investments in associates at equity method..

All other equity investments are measured at fair value, with value changes on these instruments, excluding dividends, are recognized in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to profit and loss on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

### Financial Liabilities Initial Recognition

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

### Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### De-Recognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset.

## Notes to the financial statements for the year ended 31st MARCH 2023

A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

### Impairment of Financial Assets

The Group applies the Expected Credit Loss (ECL) model for recognizing impairment losses if any on financial assets.

12 months ECL represents the expected default events on the financial asset that are possible within 12 months after the reporting date.

Where the credit risk on the financial assets has not increased significantly since initial recognition, the loss is measured at an amount equal to 12 months ECL.

Where the credit risk on the financial assets has increased significantly since initial recognition, the loss is measured at an amount equal to the lifetime expected credit loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

### Leases

#### As a lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

### Employee Benefits

#### SHORT TERM EMPLOYEE BENEFITS

As per the employment policy of the Company, short term employee benefits for services rendered by employees are recognized during the period when the services are rendered.

### Defined benefit plans

#### Gratuity

The Group provides a lump sum payment to eligible employees, at retirement or resignation of employment based on the last drawn salary and years of employment with the Company as per the provisions of the Payment of Gratuity Act, 1972.

The liability or asset recognized in the Balance Sheet in respect of a defined gratuity plan is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets. Gratuity liability is a defined benefit obligation and is recorded based on actuarial valuation using the projected unit credit method made at the end of the year.

The present value of defined benefit obligation is determined by discounting the estimated future cash out flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The gratuity liability and net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on plan assets and increase in compensation levels.

### Recognition and Measurement of Defined Benefit Plans

Re-measurement gains or losses arising from Experience Adjustments and changes in actuarial assumptions are recognized in the period they occur, directly in the Other Comprehensive Income. They are included in the statement of changes in equity and in the Balance Sheet. Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to Statement of Profit or Loss in subsequent periods.

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss.

# Notes to the financial statements for the year ended 31st MARCH 2023

## Segment reporting

The Group is primarily engaged in the business of investment and lending activities. As such the Group's financial statements are largely reflective of the investment and lending business and there is no separate reportable segment.

Pursuant to Ind AS 108 – Operating Segments, no segment disclosure has been made in these consolidated financial statements, as the Group has only one geographical segment and no other separate reportable business segment.

## Income Taxes

Income-tax expense comprises current tax (amount of tax for the period determined in accordance with The Income Tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements). Taxes are recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in the Other Comprehensive Income.

## Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

## Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if the Company:

- a) has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

## Current and Deferred tax for the year - OCI

Current and deferred tax are recognised in profit or 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.

## Property, plant and equipment

The property plant and equipment are the assets held for the use in the supply of services.

Property, plant and equipment's are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses.

## Notes to the financial statements for the year ended 31st MARCH 2023

Cost of acquisition is inclusive of freight, non-refundable duties & taxes and other directly attributable cost of bringing the asset to its working condition for the intended use.

Freehold land is not depreciated.

An item is recognised as property plant and equipment if and only if it is probable that future economic benefits associated with the item will flow to the Company and its costs can be measured reliably.

Subsequent expenditure is added to the carrying amount or recognised as separate asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Depreciation commences when the assets are ready for their intended use. Where the property plant and equipment is not ready for its intended use as on the balance sheet date it is disclosed as capital work in progress

Depreciation is recognised to write off the cost of assets less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of the property plant equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of the item of property plant equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised in profit and loss.

### Investment Property

Properties held to earn rental income or for capital appreciation or both and that is not occupied by the Company is classified as Investment Property.

It is measured initially at cost of acquisition including transaction costs, borrowing cost and other directly attributable cost in bringing the asset to its working condition for its intended use.

Subsequent expenditure is capitalized to the asset carrying amount only when it is probable that the future economic benefit associated with the expenditure will flow to the company.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined by property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

### Intangible assets

Intangible assets are identified non-monetary assets without physical existence. Intangible assets represent Computer software whose cost is amortised over their expected useful life on a straight-line basis.

Intangible assets with finite useful lives that are acquired separately are capitalised and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life of the asset.

Intangible assets are recognised in books only when it is probable that future economic benefits associated with the asset will flow to the company and the cost can be measured reliably.

The cost of the intangible asset shall include the purchase price, including non-refundable duties and taxes, all the directly attributable costs to bring the intangible to the present location, working condition and intended use.

### Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.



## Notes to the financial statements for the year ended 31st MARCH 2023

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### Foreign Currency Transactions

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

### Dividend

The final Dividend on shares is recorded as a liability on the date of approval by the Shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### Cash Flow Statement

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

### Provisions and Contingent Liabilities

Provisions are recognized when the Company, as a result of a past event, has a present obligation and it is probable that the Company will be required to settle the obligation for which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when

- (i) there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)
- (ii) there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### Earnings Per Share

The basic earnings per share has been computed by dividing the net income attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

The diluted earnings per share has been computed using weighted average number of shares adjusted for effects of all potentially dilutive equity shares.

## i. Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The estimates and associated assumptions are based on historical experience and other factors that are



## Notes to the financial statements for the year ended 31st MARCH 2023

considered to be relevant. The actual results may differ from these estimates. The Company's management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively in the current and future periods.

### Useful lives of Property Plant and Equipment / Intangible Assets

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

### Impairment of Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

# Notes to the financial statements for the year ended 31st MARCH 2023

## NOTE: 2 CASH AND CASH EQUIVALENTS

(₹ In Crores)

Particulars	As at 31 March, 2023
Cash on hand	0.55
<b>Balances with banks</b>	
- In current accounts	319.20
- In term deposit accounts (including interest accrued)	30.33
<b>Total</b>	<b>350.09</b>

## NOTE: 3 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ In Crores)

Particulars	As at 31 March, 2023	
(i) Balances with banks in term deposit account (including interest accrued)		-
(ii) Earmarked balances with banks (including interest accrued)		15.61
(iii) Balances with banks held as margin money or security against the borrowings, guarantee or other commitments etc. (including interest accrued)		
a) Credit enhancement towards securitisation	541.29	
Less :- Impairment loss allowance towards pass through certificate book	(463.34)	77.95
b) for others		187.07
<b>Total</b>		<b>280.62</b>

## NOTE: 4 RECEIVABLES

(₹ In Crores)

Particulars	As at 31 March, 2023	
<b>Trade Receivables</b>		-
Receivables considered good - Secured		-
Receivables considered good - Unsecured		
(a) Receivables - credit impaired	33.28	
Less: Impairment loss allowance	(33.07)	0.21
<b>Total</b>		<b>0.21</b>

### 1) Ageing of Trade Receivables

As at 31st March, 2023	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	More than 3 years	
Undisputed Trade receivables – considered good	0.21	-	-	-	-	0.21
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	14.65	18.42	33.07
<b>Total</b>	<b>0.21</b>	<b>-</b>	<b>-</b>	<b>14.65</b>	<b>18.42</b>	<b>33.28</b>

There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member.

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 5 LOANS

(₹ In Crores)

Particulars	As at 31 March, 2023
<b>Amortised Cost</b>	
<b>(A)</b>	
<b>Loans repayable on Demand</b>	
Loans to Related Parties	15.87
Loan to other entities	9,650.88
<b>Total (A)-Gross</b>	<b>9,666.75</b>
Less: Impairment loss	(7,414.01)
<b>Total (A)-Net</b>	<b>2,252.74</b>
<b>(B)</b>	
Secured by tangible Assets	9,366.56
Unsecured	300.19
<b>Total (B)-Gross</b>	<b>9,666.75</b>
Less: Impairment loss	(7,414.01)
<b>Total (B)-Net</b>	<b>2,252.74</b>
<b>(C)</b>	
Loans in India	
(i) Public sector	-
(ii) Others	9,666.75
<b>Total (C) Gross</b>	<b>9,666.75</b>
Less: Impairment loss	(7,414.01)
<b>Total (C)-Net</b>	<b>2,252.74</b>

There are no loans measured at FVOCI or FVTPL or designated at FVTPL.

# Notes to the financial statements for the year ended 31st MARCH 2023

## NOTE: 6 INVESTMENTS

(₹ in Crores)

Particulars	As At 31 March, 2023							
	Amortised Cost	At Fair value			Designated at fair value through P&L	Subtotal	Others *	Total
		Through Other Comprehensive Income	Through profit or loss					
<b>(A)</b>								
Mutual Funds/Other Funds	-	-	-	-	-	141.63	141.63	141.63
Equity Instruments - Listed	-	2,903.42	317.70	-	3,221.12	-	3,221.12	3,221.12
Equity Instruments - Unlisted	-	-	-	-	-	61.07	61.07	61.07
Investments in Preference Shares	-	-	-	-	-	3.21	3.21	3.21
Investments in Debentures	-	-	-	-	-	47.23	47.23	47.23
Investment in Gold Bar	-	-	-	-	-	0.89	0.89	0.89
Investment in Security Receipts	-	-	-	-	-	68.29	68.29	68.29
<b>Total (A) Gross</b>	-	<b>2,903.42</b>	<b>317.70</b>	-	<b>3,221.12</b>	<b>322.33</b>	<b>3,543.45</b>	<b>3,543.45</b>
* Others Valued at cost								
<b>(B)</b>								
(i) Investment outside India	-	-	-	-	-	-	-	-
(ii) Investment in India	-	2,903.42	317.70	-	3,221.12	322.33	3,543.45	3,543.45
<b>Total (B) Gross</b>	-	<b>2,903.42</b>	<b>317.70</b>	-	<b>3,221.12</b>	<b>322.33</b>	<b>3,543.45</b>	<b>3,543.45</b>
<b>(C)</b>								
Less:								
Allowance for impairment loss (C)	-	-	-	-	-	-	-	-
<b>Total Net D=(A-C)</b>	-	<b>2,903.42</b>	<b>317.70</b>	-	<b>3,221.12</b>	<b>322.33</b>	<b>3,543.45</b>	<b>3,543.45</b>

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 7 OTHER FINANCIAL ASSETS

(₹ In Crores)

Particulars	As at 31 March, 2023	
(i) Security deposits, Unsecured, considered good	10.88	
Less : Impairment loss allowance	(9.38)	1.50
(ii) Excess interest spread receivable		19.23
(iii) Receivable against securitisation / assignment (net)	139.78	
Less : Impairment loss allowance	(116.08)	23.70
(iv) Interest accrued on fixed deposits with banks		7.78
(v) Sundry receivables/advances - Considered good		42.07
<b>Total</b>		<b>94.27</b>

### NOTE: 8 CURRENT TAX ASSETS

(₹ In Crores)

Particulars	As at 31 March, 2023	
Taxes Paid (TDS & advance Income Tax)		10.81
<b>Total</b>		<b>10.81</b>

### NOTE: 9 INVESTMENT PROPERTY

(₹ In Crores)

Particulars	As at 31 March, 2023	
Investment in Immovable Property		-
Opening Balance		141.58
Add:Additions During the year		45.93
Less: Disposals		7.58
<b>Total</b>		<b>179.93</b>

(i) Amount recognised in the Statement of Profit and Loss for Investment property is ₹0.11 Crores (Previous Year ₹0.10 Crores) pertaining to loss on sale of investment property.

### NOTE: 10 PROPERTY, PLANT AND EQUIPMENTS

(₹ In Crores)

Particulars	Freehold land	Buildings	Computer	Office Equipments	Furniture & Fixtures	Plant & Machinery	Motor Vehicle	Total
Gross Block								
Balance as at April 1, 2022	84.42	64.11	21.79	1.78	3.01	4.23	3.08	182.42
Additions	-	-	0.04	0.01	0.02	-	5.31	5.38
Additions on account of business combination	-	-	0.30	0.04	0.14	-	-	0.48
Disposals	-	-	17.71	0.92	1.24	-	-	19.87
Adjustment	-	(0.00)	0.00	0.00	0.00	0.00	0.00	0.01
<b>Balance as at March 31, 2023</b>	<b>84.42</b>	<b>64.11</b>	<b>4.42</b>	<b>0.91</b>	<b>1.93</b>	<b>4.23</b>	<b>8.40</b>	<b>168.43</b>
Accumulated Depreciation and Impairment								
Balance as at April 01, 2022	-	16.55	21.66	1.77	2.08	3.87	1.86	47.79
Charge for the year	-	3.31	0.09	0.01	0.15	0.17	1.24	4.98
Disposals	-	-	17.69	0.92	0.74	-	-	19.35
Adjustment	-	0.02	0.00	0.00	(0.00)	0.00	(0.01)	0.01
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>19.88</b>	<b>4.07</b>	<b>0.86</b>	<b>1.48</b>	<b>4.05</b>	<b>3.09</b>	<b>33.43</b>
Net carrying amount as at April 1, 2022	84.42	47.56	0.13	0.01	0.93	0.36	1.22	134.63
<b>Net carrying amount as at March 31, 2023</b>	<b>84.42</b>	<b>44.22</b>	<b>0.35</b>	<b>0.05</b>	<b>0.45</b>	<b>0.19</b>	<b>5.31</b>	<b>135.00</b>

# Notes to the financial statements for the year ended 31st MARCH 2023

## Note 11. INTANGIBLE ASSETS

(₹ In Crores)

Particulars	Computer Software	Total
Gross Block		
Balance as at April 01, 2022	-	-
Additions	-	-
Disposals	-	-
Adjustment	0.00	0.00
Additions on accounts of Business Combination	71.68	71.68
<b>Balance as at March 31, 2023</b>	<b>71.68</b>	<b>71.68</b>
Accumulated Depreciation and Impairment		
Balance as at April 01, 2022	-	-
Charge for the year	4.42	4.42
Additions on accounts of Business Combination	65.32	65.32
Disposals	-	-
<b>Balance as at March 31, 2023</b>	<b>69.74</b>	<b>69.74</b>
Net carrying amount as at April 01, 2022	-	-
<b>Net carrying amount as at March 31, 2023</b>	<b>1.94</b>	<b>1.94</b>

## NOTE: 12 OTHER NON-FINANCIAL ASSETS

(₹ In Crores)

Particulars	As at 31 March, 2023	
Repossessed assets held for sale -Secured	7.19	
Less : Impairment loss allowance	(5.34)	1.85
Security Deposits		3.16
Balance With Government Authorities		40.33
Prepaid Expenses		3.19
Other Receivables		2.46
<b>Total</b>		<b>51.00</b>

## NOTE: 13 TRADE PAYABLES

(₹ In Crores)

Particulars	As at 31 March, 2023	
Total outstanding dues of Micro, Small and Medium Enterprise		-
Total outstanding dues of creditors other than Micro, Small and Medium Enterprise		
Goods		-
Services		48.26
<b>Total</b>		<b>48.26</b>

### a) Ageing of Trade Payables

#### i) Undisputed Trade Payables

Particulars	As at 31 March, 2023	
	MSME	Others
Outstanding for following periods from due date of payment		
Less than 1 year	-	48.26
1 year to 2 years	-	-
2 year to 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>48.26</b>

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 13 TRADE PAYABLES (Contd.)

#### ii) Disputed Trade Payables

Particulars	As at 31 March, 2023	
	MSME	Others
Outstanding for following periods from due date of payment	-	-
Less than 1 year	-	-
1 year to 2 years	-	-
2 year to 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### NOTE: 14 OTHER PAYABLES

(₹ In Crores)

Particulars	As at 31 March, 2023	
Collateral deposit from customers		20.46
Interest on Collateral		7.71
Liabilities towards Securitisation transactions		1,273.10
<b>Total</b>		<b>1,301.28</b>

### NOTE: 15 DEBT SECURITIES

(₹ In Crores)

Particulars	As at 31 March, 2023	
a) Non Convertible Debentures (At amortised cost)		
- Secured	63.80	
- Unsecured	-	63.80
b) Market Link Debentures (At fair value through profit & loss)		
- Secured		5.03
<b>Total</b>		<b>68.83</b>
Debt securities in India		68.83
Debt securities outside India		-
<b>Total</b>		<b>68.83</b>

#### Details of Non-convertible Debentures

Particulars	As at 31 March, 2023	
	Interest range rate	Amount
Overdue	9.10% - 14.00%	30.40
<b>Repayable on maturity</b>		
Maturing within 1 year	9.10% - 12.78%	30.40
Maturing between 1 year to 3 years	-	-
Maturing between 3 year to 5 years	8.66% - 12.98%	3.00
Maturing beyond 5 years	-	-
<b>Total</b>		<b>63.80</b>

#### Details of Non-convertible Debentures

Particulars	As at 31 March, 2023	
	Interest range rate	Amount
Overdue		5.03
<b>Total</b>		<b>5.03</b>

#### a) Security clause in respect to debentures

Non convertible debentures including market linked debentures (Dissenting Debenture holders), amount has been set aside as per the Resolution plan in the form of Fixed deposit.

# Notes to the financial statements for the year ended 31st MARCH 2023

## NOTE: 16 BORROWINGS

(₹ In Crores)

Particulars	As at 31 March, 2023
<b>At Amortised Cost</b>	
In India	
<b>(a) Term Loans</b>	
- from Banks/Financial Institutions (Secured)	440.09
<b>(b) Loans repayable on demand</b>	
- from Financial Institutions (Secured)	659.00
- from Related Parties (Unsecured)	106.50
- from Other Parties (Unsecured)	-
<b>(c) Cash Credit Facilities</b>	227.50
Outside India	-
<b>Total</b>	<b>1,433.09</b>

The borrowings have not been guaranteed by directors or others.

The Group has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Group has borrowed funds from financial institutions on the basis of security against shares and securities.

### Details of Term Loan

Particulars	As at 31 March, 2023	
	Interest range rate	Amount
Overdue	8.75% To 11.95%	437.79
Repayable on maturity		
Maturing within 1 year	7.70%	0.43
Maturing between 1 year to 3 years	7.70%	0.96
Maturing between 3 year to 5 years	7.70%	0.92
<b>Total</b>		<b>440.09</b>

### Details of Cash Credit

Particulars	As at 31 March, 2023	
	Interest range rate	Amount
Overdue	9.25% To 17.00%	227.50
<b>Total</b>		<b>227.50</b>

#### a) Security clause of term loans from banks / financial institutions:

- The Company has taken vehicle loan from bank against hypothecation of motor vehicle for a tenure of 60 months at a rate of interest 7.70% p.a. payable in equated Monthly installment. Maturity date is 07th November, 2027.
- The Company has borrowed funds from financial institutions on the basis of security against shares and securities.
- Out of the Overdue amount of ₹437.79 Crores, ₹323.75 Crores represents the unsustainable balance debts of lenders which were not converted to Compulsory convertible Debentures (CCD) as at March 31, 2023. However, the same has been converted in the 1st quarter of FY 2023-24.
- As per the approved Resolution plan, the total entitlement for the Term loan of NABARD stands at ₹114.04 Crores. The Company has set aside the same amount in the form of Fixed Deposit.

#### b) Security clause of cash credit from banks / financial institutions:

The entire amount of ₹227.50 Crores represents the unsustainable balance debts of lenders which were not converted to Compulsory convertible Debentures (CCD's) as at March 31, 2023. However, the same has been converted in the 1st quarter of FY 2023-24.



## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 17 SUBORDINATED LIABILITIES

(₹ In Crores)

Particulars	As at 31 March, 2023
<b>At Amortised Cost</b>	
<b>(A) In India</b>	
7% Redeemable Preference Shares other than those that qualify as Equity #	202.00
Preference Share Capital (13,80,851 Preference share of ₹1 Each )	0.14
<b>Total</b>	<b>202.14</b>

# The Company has borrowed funds from related entity by issue of 7% Redeemable Preference shares.

### NOTE: 18 OTHER FINANCIAL LIABILITIES

(₹ In Crores)

Particulars	As at 31 March, 2023
Interest Accrued but not due	139.60
Others	9.47
<b>Total</b>	<b>149.07</b>

### NOTE: 19 PROVISIONS

(₹ In Crores)

Particulars	As at 31 March, 2023
Contingent Provision Against Standard Asset	0.42
Employee benefits	0.09
Provision for expenses	11.01
<b>Total</b>	<b>11.52</b>

### NOTE: 20 DEFERRED TAX LIABILITIES (NET)

(₹ In Crores)

Particulars	As at 31 March, 2023
<b>Deferred tax liabilities</b>	
(i) on account of Business Combination	211.69
<b>Total</b>	<b>211.69</b>

### Movement of Deferred tax liabilities

- For the year ended March 31st, 2023

(₹ in Crores)

Particulars	Opening Balance as at April 1st, 2022	Recognised in statement in profit & loss	Recognised in statement in Other Comprehensive Income	Closing Balance as at March 31, 2023
Deferred tax liabilities in relation to on account of Business Combination	-	-	211.69	211.69

As a matter of prudence, the Company has decided not to recognise any deferred tax assets / (liabilities) in the books of accounts. In future, it is to be recognised only to the extent of the probable future profits available against which the deductible temporary difference can be utilised.

However, the Company has taken over all the identified assets & assumed liabilities of Reliance Home Finance Limited as part of Business Transfer Agreement (BTA) dated March 29, 2023 at fair value as on the closing date i.e March 31, 2023. The transaction falls under Business Combination (Ind AS 103) & accordingly deferred tax liability has been recognised on such transaction.

# Notes to the financial statements for the year ended 31st MARCH 2023

## NOTE: 21 OTHER NON-FINANCIAL LIABILITIES

(₹ In Crores)

Particulars	As at 31 March, 2023
Statutory Dues Payable	3.55
Security Deposits	1.00
Advance against properties	0.73
Excess amount received from borrowers	48.64
Others	3.84
<b>Total</b>	<b>57.77</b>

## NOTE: 22 EQUITY SHARE CAPITAL

(₹ In Crores)

Particulars	31.03.2023	
	No. of Shares	Value
<b>AUTHORISED:</b>		
Equity Shares of ₹1/- each	58,00,00,000	58.00
Preference Shares of ₹10/- each	4,20,00,000	42.00
	<b>62,20,00,000</b>	<b>100.00</b>
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP:</b>		
Equity Shares of ₹1/- each	16,98,45,100	16.98
	<b>16,98,45,100</b>	<b>16.98</b>

### (a) Reconciliation of shares outstanding at the beginning and at the end of the year:

(₹ In Crores)

Equity Shares	31.03.2023	
	No. of Shares	Value ₹
Shares outstanding at the beginning of the year	16,98,45,100	16.98
Add: Issued during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>16,98,45,100</b>	<b>16.98</b>

### (b) Terms and rights attached to equity shares

The Company has only one class of equity shares having face value of ₹1 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (c) Details of shareholders holding more than 5% shares in the company.

Name of Shareholder	31.03.2023	
	No. of Shares	Percentage holding
Mrs. Alpana Dangri	11,09,09,060	65.30%
Mentor Capital Limited	1,04,82,075	6.17%
Cosmos Heights & Developers LLP	97,99,000	5.77%

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 22 EQUITY SHARE CAPITAL (Contd.)

#### (d) Shares held by promoters and promoter group at the end of the year:

Name of Shareholder	31.03.2023	
	No. of Shares	Percentage holding
<b>Promoters:</b>		
Mrs. Alpana Dangî	11,09,09,060	65.30%
<b>Promoter Group:</b>		
Mentor Capital Limited	1,04,82,075	6.17%

### NOTE: 23 OTHER EQUITY

(₹ In Crores)

Reserves & Surplus	Statutory Reserve Fund	Amalgamation Reserve	Capital Redemption Reserve	Capital Reserve	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
<b>Balance as on 01/04/2022</b>	<b>174.09</b>	<b>10.56</b>	<b>1.50</b>	-	<b>661.89</b>	<b>637.89</b>	<b>1,618.40</b>	<b>3,104.33</b>
Profit for the year	-	-	-	-	-	4,304.02	-	4,304.02
Other comprehensive Income	-	-	-	-	-	-	(370.34)	(370.34)
Additions	-	-	-	9,354.72	-	-	-	9,354.72
Additions on account of acquisition of subsidiary	100.86	-	-	-	-	(13,091.78)	(2.38)	(12,993.30)
Transfers to Reserve Fund	48.04	-	-	-	-	(48.04)	-	-
<b>Total for the year</b>	<b>148.90</b>	-	-	<b>9,354.72</b>	-	<b>(8,835.80)</b>	<b>(372.72)</b>	<b>295.10</b>
Dividends	-	-	-	-	-	-	-	-
Tax on Dividends	-	-	-	-	-	-	-	-
<b>Balance as on 31/03/2023</b>	<b>322.99</b>	<b>10.56</b>	<b>1.50</b>	<b>9,354.72</b>	<b>661.89</b>	<b>(8,197.91)</b>	<b>1,245.68</b>	<b>3,399.43</b>

#### Other Comprehensive Income

This represents the cumulative gains and losses arising on the revaluation of equity financial instruments measured at fair value through other comprehensive income.

#### Capital Reserve

Capital reserve is the excess of net assets taken over the cost of consideration paid during the Business Transfer Agreement and consideration paid to subsidiary.

### NOTE: 24 INTEREST INCOME

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
<b>On Financial Assets measured at amortised cost</b>	
Interest on Loans	73.43
Interest on Deposits with Banks	31.35
Other Interest	2.04
<b>Total</b>	<b>106.83</b>

### NOTE: 25 FEES & COMMISSION INCOME

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
Brokerage & Commission	0.11
Servicing Fee income	1.08
<b>Total</b>	<b>1.19</b>

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE 25 FEES & COMMISSION INCOME (Contd.)

#### Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the statement of profit and loss;

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
<b>Type of services or service</b>	
Brokerage & Commission	0.11
Servicing fees & other charges	1.08
<b>Total revenue from contract with customers</b>	<b>1.19</b>
Geographical markets	
- India	1.19
- Outside India	-
<b>Total revenue from contract with customers</b>	<b>1.19</b>
Timing of revenue recognition	
Services transferred at a point in time	1.19
Services transferred over time	-
<b>Total revenue from contracts with customers</b>	<b>1.19</b>

### NOTE: 26 NET GAIN/(LOSS) ON FAIR VALUE CHANGES

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
<b>(A) At amortised cost</b>	
(i) Foreclosure & Other Operating Charges	4.94
(ii) Profit on Sale of Investments (Net)	
- Current	1.97
- Long Term	-
<b>(B) Net gain/(loss) on financial instruments at fair value through profit or loss</b>	
(i) On trading portfolio	
- Investments	(126.03)
- Derivatives	(15.56)
<b>Total Net gain/(loss) on fair value changes (C)</b>	<b>(134.69)</b>
<b>(D) Fair Value Changes :</b>	
- Realised	(155.76)
- Unrealised	21.07
<b>Total Net gain/(loss) on fair value changes(D) to tally with (C)</b>	<b>(134.69)</b>

### NOTE: 27 OTHER OPERATING INCOME

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
Bad Debts Recovered	59.25
<b>Total</b>	<b>59.25</b>

### NOTE: 28 FINANCE COST

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
On Financial liabilities measured at Amortised Cost	
Interest on Borrowings	280.78
Other Borrowing Cost	-
<b>Total</b>	<b>280.78</b>

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 29 FEES & COMMISSION EXPENSES

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
Credit Cost	0.16
Collection Cost	6.86
<b>Total</b>	<b>7.02</b>

### NOTE: 30 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	Year Ended 31 March, 2023	
<b>Impairment loss on financial instruments measured at amortised cost:</b>		
<b>- Loans</b>		
(i) Bad Debts Written Off	1,050.16	
(ii) Provision/(Reversal) for Expected Credit Loss	(1,106.61)	
(iii) Reversal of Contingent provision against standard assets	(22.28)	
(iv) Shortfall in Credit Enhancement on Securitisation	2.74	(75.97)
<b>- Others</b>		
(i) Provision for Expected Credit Loss	0.11	
(ii) (Profit)/ Loss on Sale of Repossessed Assets	1.09	1.21
<b>At Fair value through Profit &amp; Loss</b>		
(i) Net (gain) / loss on MLD at fair value through profit or loss	(13.49)	
(ii) Net (gain) / loss on Investments at fair value through profit or loss	2.35	(11.14)
<b>Total</b>		<b>(85.90)</b>

### NOTE: 31 EMPLOYEE BENEFITS

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
Salaries and Bonus	12.97
Director's Remuneration	0.41
Contribution to Provident fund and other Funds	0.86
Staff Welfare Expenses	0.30
<b>Total</b>	<b>14.54</b>

### NOTE: 32 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
Depreciation on Property, Plant and Equipment (Refer Note 10 & 11)	9.40
<b>Total</b>	<b>9.40</b>

## Notes to the financial statements for the year ended 31st MARCH 2023

### NOTE: 33 OTHER EXPENSES

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
Rent, Taxes and Energy Costs	3.80
Repair & Maintenance	11.11
Director Sitting Fees	0.27
Donation	27.59
Corporate Social Responsibility Expenses	2.03
Auditors Remuneration:	
For Audit Fees	0.16
For Other Services	0.01
Professional & Consultancy Charges	24.50
Securities Transaction Tax	4.81
Other Expenditure	16.33
<b>Total</b>	<b>90.60</b>

### Note :34 TAX EXPENSE

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
Current Tax	43.20
Income Tax for Earlier Years	4.15
<b>Total</b>	<b>47.35</b>

### Note :35 EARNINGS PER SHARE

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
Net Profit attributable to equity share holders	4,304.02
Nominal Value of equity shares (₹)	1
Weighted Average of number of Equity shares	16,98,45,100
Basic Earnings Per Share (₹)	253.41
Diluted Earnings Per share (₹)	253.41

### Note: 36 CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

As on 31st March 2023

#### Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)

(₹ in Crores)

Particulars	Carrying Amount	Level 1	Level II	Level III
Equity Shares	2,903.42	2,903.42	-	-
Equity Shares Unlisted	61.07	-	61.07	-

## Notes to the financial statements for the year ended 31st MARCH 2023

### Note: 36 CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS (Contd.)

#### Financial Assets measured at Amortised Cost/ Cost

Cash and Cash Equivalents	350.09
Bank balances other than above	280.62
Trade Receivables	0.21
Loans	2,252.74
Mutual Fund	141.63
Investment in Preference Shares	3.21
Investment in Debentures	47.23
Investment in Gold Bar	0.89
Investment in Security Receipts	68.29

#### Financial Liabilities measured at Amortised Cost/ Cost

Trade payables	48.26
Other payables	1,301.28
Borrowings	1,433.09
Subordinated Liabilities	202.14
Other Financial Liabilities	149.07

1. In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

#### Fair Value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 hierarchy - Includes Financial Instruments measured using quoted prices in the active market.

Level 2 hierarchy - The Fair value of Financial Instruments that are not traded in an active market, is determined using valuation techniques which maximize the use of observable market data.

Level 3 hierarchy - Inputs are not based on observable market data. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

#### B. Measurement of fair values

Financial instruments fair valued under Level 3 hierarchy are measured using Market multiples method.

The carrying amount of trade receivables, cash and cash equivalents, other financial assets, trade payables and other financial liabilities are considered to be the fair value due to short term nature.

There are no transfers between level 1, level 2 and level 3 during the year.

### Note: 37 CAPITAL MANAGEMENT

The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence to sustain future development of the business. For the purpose of the Company's capital management, capital includes issued capital and other equity reserves.

# Notes to the financial statements for the year ended 31st MARCH 2023

## Note: 38 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

Credit risk;  
Liquidity risk ; and  
Market risk

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

### (a) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company regularly monitors the rolling forecasts and the actual cash flows to service the financial liabilities on a day-to-day basis through cash generation from business and by having adequate banking facilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance sheet date.

Particulars	Note No.	Contractual Cash Flows				
		Carrying Amount	Less than 1 year	1- 3 Years	3-5 Years	After 5 years
Trade Payables	13	48.26	48.26	-	-	-
Other Payables	14	1,301.28	42.83	100.75	-	1,157.70
Borrowings	15	1,433.09	1,433.09	-	-	-
Subordinated Liabilities	16	202.14	0.14	-	202.00	-
Other Financial Liabilities	17	149.07	149.07	-	-	-

### (b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

#### (i) Trade receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Concentration of credit risk with respect to trade receivables are limited as the customers are reviewed, assessed and monitored regularly on a monthly basis with pre-determined credit limits assessed based on their payment capacity. Our historical experience of collecting receivables demonstrates that credit risk is low.

The following table sets out the information about the credit quality of financial assets measured at amortised cost.

(₹ In Crores)

Particulars	31st March 2023
<b>Trade receivables</b>	33.28
Less: allowance Carrying amount	(33.07)
<b>Net</b>	<b>0.21</b>

#### (ii) Other financial assets:

The Company has exposure in Cash and cash equivalents, loans and investment carried at amortised cost. The Company's maximum exposure to credit risk as at 31st March, 2023 is the carrying value of each class of financial assets as on that date.



## Notes to the financial statements for the year ended 31st MARCH 2023

### Note: 38 Financial Risk Management (Contd.)

#### (c) Market Risk

Market risk is the risk that changes in market prices – such as equity prices, interest rates and foreign exchange rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee which is responsible for monitoring the overall risk process within the Company.

The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels.

The Chief Risk officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained.

### Note: 39 CONTINGENT LIABILITIES & CAPITAL COMMITMENTS

(₹ In Crores)

Particulars	Year Ended 31 March, 2023
<b>a. Contingent liabilities</b>	
1. Guarantees to banks and financial institutions	0.65
2. Claims against the Company not acknowledged as debt	14.69
<b>b. Capital commitments</b>	-

Future cash outflows in respect of above are determinable only on receipt of judgements /decisions pending with various forums/authorities. It is not practicable for the Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursement in respect of the above contingent liabilities. The Company is of the opinion that above demands are not sustainable and expects to succeed in its appeals. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

### Note: 40 TRANSFER OF FINANCIAL ASSETS

#### 1) Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	As at March 31, 2023
<b>Securitisations</b>	
Carrying amount of transferred assets measured at amortised cost	1,253.87
Carrying amount of associated liabilities (other payable - measured at amortised cost)	1,273.10
Fair value of assets	1,253.87
Fair value of associated liabilities	1,273.10

During the year ending March 31, 2023, the Subsidiary Company has taken over all indentified assets & assumed liabilities of Reliance Home Finance Limited via Business Transfere Agreement dated March 29, 2023. The Identified assets includes Pass through certificate (Loan) amounting to ₹1,021.12 crores & Pass through certificate( other payable) amounting to ₹1,040.35 crores.

# Notes to the financial statements for the year ended 31st MARCH 2023

## Note: 40 TRANSFER OF FINANCIAL ASSETS (Contd.)

### 2) Assignment Deal:

During the year ended March 31, 2023, there were no Assignment deals are undertaken by the subsidiary Company. However, During the year, the Subsidiary Company has taken over all indentified assets & assumed liabilities of Reliance Home Finance Limited via Business Transfere Agreement dated March 29, 2023. The Identified assets includes Assignment deal (Loan) amounting to ₹99.47 crores.

### 3) Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Subsidiary Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

## Note 41: IMPLEMENTATION OF RESOLUTION PLAN OF SUBSIDIARY COMPANY

In respect of Implementation of the approved Resolution plan of Reliance Commercial Finance Ltd. ("Subsidiary company") submitted by Authum Investment and Infrastructure Limited ("Holding Company"), most of the lenders have converted their unsustainable balance debt into Compulsorily Convertible Debentures (CCD) and transferred to the holding company as per the condition set out in the implementation memorandum dated September 30, 2022.

Accordingly, a sum of ₹2,314.12/- crore being the amount of balance unsustainable debt of the ICA lenders after considering the CCD issuances and payment made, has been written back in the Statement of Profit and Loss as an Exceptional Item. The subsidiary company has approached the remaining lenders for extension of time till 15th February for conversion of unsustainable debt into CCDs in terms of the resolution plan. The CCD issued till 31st March 2023 have been treated as compound financial instrument and presented as per IND-AS 109 in the financial statement. Allotment of CCDs to one of the lender is pending for allotment as on 31st March 2023, however the same has been allotted in the month May 2023. Also, confirmation is awaited from one of the ICA lender on the subscription of CCDs. The liability of both the lenders is continued in financial statement as on March 31, 2023.

NABARD being one of the participating creditor in Inter Creditors Agreement (ICA) has given its conditional "no dues and release letter" to the subsidiary company for accepting the liquidation value amount set aside with the lead banker of ₹114.04 crores in terms of the Resolution Plan. Considering the above ₹1172.41 crores, being liability (i.e Principal plus Accrued Interest Less Amount Distributed/set aside) over and above the liquidation value, has been written back and shown as exceptional item in the statement of profit and loss. The liquidation value, kep aside with Lead ICA banker, is continued to be shown as liability. This is part of written back amount as mentioned above through staement of Profit and loss as an exceptional item.

Also, during the year one of the bank has adjusted the liability of the subsidiary company to NIL, which has been confirmed in their bank statement. This is considered unpayable by the ICA lenders as the liability is not confirmed by such lender. Accordingly, the new management has decided to write back the entire exposure of ₹318.76/- crore, in the books of accounts of the company and shown as exceptional item.

Inter corporate deposits (ICD) of ₹363.19/- crore for which Holding Company has approached to the lending companies about the implementation of the resolution plan and communicating about non admissibility of their claims for which the acceptance has been given by the lending company. Accordingly a sum of ₹527.60/- crore for such deposits along with interest thereon has been written back and shown in the exceptional item."

In furtherance, all unsustainable debt of debenture holders and CP holders after considering payment made has been written back to the extent of ₹1,125.87/- crore (including interest accrued) as exceptional item through statement of Profit and Loss.

For dissenting debenture holders of Reliance Commercial Finance Ltd., the consideration set out in the implementation memorandum have been kept aside separately with the Bank of Baroda (being lead ICA banker).

## Notes to the financial statements for the year ended 31st MARCH 2023

### Note 42: BUSINESS COMBINATION

Pursuant to the implementation of approved Resolution Plan in terms of Reserve Bank of India framework for resolution of stressed assets namely "RBI (Prudential Framework for Resolution of Stressed Assets) Directions 2019", in respect of Reliance Home Finance Ltd (RHFL), RHFL entered in to the agreement to sale its business through Business transfer Agreement (BTA) dated March 29, 2023 by way of slump sale, to Authum Investment and Infrastructure Limited (Authum) through Authum's wholly owned subsidiary company i.e. Reliance Commercial Finance Ltd. Accordingly, identified assets and liabilities of RHFL has been acquired by the Subsidiary Company. The BTA was implemented on March 31, 2023 which is also closing date of transfer of business.

Assets and liabilities are recorded at fair value based on independent valuation report from BDO India.

The assets acquired has not resulted in any revenue or profit for the year. Gain on acquisition of the business of ₹629.34 Crore has been recognised as Capital Reserve (Net of tax effect thereon) in other equity through Other Comprehensive Income.

Nevertheless, in respect of transfer of business certain formalities were underway as at closing date e.g. transfer of investment to the company, satisfaction of charge of lenders/debenture holders, transfer of bank balances/deposits etc. Accordingly, transferred assets such as Investments, loan book, bank balances are yet to be transferred in the name of RCFL as on closing date i.e. March 31, 2023.

- The fair value of assets and liabilities recognised as a result of the acquisition are as follows:

(₹ In Crores)

Particulars	Amounts
<b>Assets</b>	
(a) Cash & cash equivalents	208.02
(b) Bank balance other than cash & cash equivalents	68.96
(c) Loans	1,653.58
(d) Investments	106.29
(e) Other financial assets	59.77
(f) Property, plant and equipment	0.48
(g) Other intangible assets	0.44
(h) Other non - financial assets	13.42
Total Assets	2,110.95
<b>Liabilities</b>	
(a) Payables	3.16
(b) Borrowings (other than debt securities)	1,040.35
(c) Other financial liabilities	7.73
(d) Other non-financial liabilities	38.69
Total Liabilities	1,089.93
<b>Net identifiable assets acquired</b>	<b>1,021.02</b>

#### 2. Calculation of Capital Reserve / Bargain Purchase Gain

The difference between the purchase consideration and amount attributable to identified intangible assets /assets and liabilities represents Capital Reserve / Bargain Purchase Gain.

Particulars	Amounts
Net identifiable assets acquired	1,021.02
Less: Deferred tax liability on net identifiable assets acquired	(211.69)
<b>Net identifiable assets acquired ( after Deferred tax liability)</b>	<b>809.34</b>
Less: Consideration	(180.00)
<b>Capital Reserve</b>	<b>629.34</b>

## Notes to the financial statements for the year ended 31st MARCH 2023

### Note: 43 PRINCIPLES AND ASSUMPTIONS USED FOR CONSOLIDATED FINANCIAL STATEMENTS AND PROFORMA ADJUSTMENTS:

The Consolidated Financial Statements have been prepared by applying the principles laid in the Indian Accounting Standard (Ind AS) - 110 "Consolidated Financial Statements" and (Ind AS) - 28 "Investments in Associates and Joint Ventures" issued by the Institute of Chartered Accountants of India for the purposes of these Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and Summary of significant accounting policies and other explanatory information to the consolidated financial statements, together referred to in as 'Consolidated Financial Statements.

The list of subsidiaries and associates in the consolidated financial statement are as under :-

Authum Investment and Infrastructure Limited ('the Company' or 'the holding company') shareholding in the following companies as on 31 March 2023 are as under:

Name of entities	Country of Incorporation	Proportion of ownership interest
<b>1. Name of Subsidiaries</b>		
Reliance Commercial Finance Limited	India	100%

### Note: 44 ADDITIONAL DISCLOSURE PERTAINING TO SUBSIDIARIES/ASSOCIATE AS PER DIVISION III OF COMPANIES ACT, 2013

Name of the entity	Net Assets (i.e. Total Assets - Total Liabilities)		Share in Profit & (Loss)		Share in other comprehensive income		Share in total comprehensive income	
<b>Parent</b>								
Authum Investment and Infrastructure Limited	2,771.13	81.11%	240.20	5.58%	-370.49	-143.05%	-130.29	-2.86%
<b>Subsidiaries</b>								
Reliance Commercial Finance Limited	645.28	18.89%	4,063.82	94.42%	629.49	243.05%	4693.31	102.86%

### Note: 45 RELATED PARTY TRANSACTIONS:

#### Names of Related Parties:

#### A) Enterprises in which Key Managerial Personnel and their relatives exercise significant influence

- 1) Mentor Capital Limited
- 2) Berix Bearing Private Limited (Formally known as SRCT Globex Private Limited)
- 3) Geetanjali Infosystems Private Limited
- 4) Rumi Grown Diamonds Private Limited
- 5) Swadesh Yarn
- 6) Gullfoss Enterprises Private Limited

#### B) Key Managerial Personnel and their Relatives

- 1) Mr. Amit Dangi, Whole Time Director, w.e.f. 10th March, 2023
- 2) Mr. Amit Dangi, Chief Financial Officer, Resigned w.e.f. 10th March, 2023
- 3) Mr. Sanjay Dangi, Director
- 4) Mrs. Alpana Dangi, Promotor and Director
- 5) Mr. Divy Dangi, Relative of KMP
- 6) Mr. Deepak Dhingra, Chief Financial Officer, w.e.f. 10th March, 2023
- 7) Mr. Hitesh Vora, Company Secretary

## Notes to the financial statements for the year ended 31st MARCH 2023

### Note: 45 RELATED PARTY TRANSACTIONS: (Contd.)

#### C) Transaction with Related parties

(₹ In Crores)

Sl No	Name of the related party	Description of Transaction and amount during the year		Amount outstanding as on 31.03.2023
			For the year ended 31st March 2023	
1.	Mr. Amit Dangi	Remuneration	0.41	Nil
2.	Mr. Divy Dangi	Salary	0.42	Nil
3.	Mr. Hitesh Vora	Salary	0.13	Nil
4.	Mr. Deepak Dhingra	Salary	0.03	Nil
5.	Berix Bearing Pvt. Ltd.	Investment in Debentures	-	35.13
		Loan Given	5.50	4.50
		Loan Received back	1.00	-
		Interest Received on debentures	0.00	0.01
		Interest Accrued but not due	0.21	0.21
6.	Mentor Capital Limited	Loan Taken	856.95	106.50
		Loan Repaid	772.20	-
		Interest Paid	7.69	-
		Office Rent Paid	0.10	-
7.	Rumi Grown Diamonds Pvt. Ltd.	Loan Given	0.50	0.52
		Interest Received	0.03	-
8.	Geetanjali Infosystems Pvt. Ltd.	Loan Given	0.08	10.84
		Interest Received	0.71	-
9.	Swadesh Yarn	Loan Given	1.50	-
		Loan Received back	1.50	-
		Interest Received	0.00	-
10.	Gullfoss Enterprises Private Limited	Investments in equity shares (*₹49,990/-)	-	*
		Loan Given	-	0.33
		Interest Receivable	-	0.17
		Interest Received	0.04	-

#### Additional Disclosures

#### 46) VALUATION OF PROPERTY, PLANT AND EQUIPMENT:

The Group has not revalued its Property, Plant and Equipment during the year.

#### 47) CAPITAL WORK IN PROGRESS (CWIP) AND INTANGIBLE ASSET:

The Group does not have any CWIP and Intangible asset under development.

#### 48) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC):

No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

#### 49) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES:

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023.

#### 50) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS:

None of the Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

# Notes to the financial statements for the year ended 31st MARCH 2023

## 51) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:

The Group, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## 52) UNDISCLOSED INCOME:

There are no transactions not recorded in the books of accounts.

## 53) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY:

The Group has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023.

## 54) DETAILS OF BENAMI PROPERTY HELD:

No proceedings have been initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023.

## 55) WILFUL DEFAULTER:

The Holding Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023.

Nevertheless, before acquiring Reliance Commercial Finance Limited ("Subsidiary Company"), few of the banks had classified the Subsidiary Company as a Wilful defaulter. However, post successful implementation of the debt resolution plan, the lenders had signed the lenders implementation memorandum which had specific clause for removal of the wilful defaulter classification.

## 56) RELATIONSHIP WITH STRUCK OFF COMPANIES

The group did not have any transaction with any companies whose name have been struck off under section 248 of the Companies Act, 2013 in the financial years ended March 31, 2023.

**57)** The consolidated figures for the corresponding year ended March 31, 2022 are not given since there was no subsidiary/ Associates as of March 31,2022 and Reliance Commercial Finance Limited has become a subsidiary of Authum w.e.f. 14th October, 2022.

The accompanying notes form an integral part of the financial statements.

In term of our report of even date annexed herewith

### For H.R. Agarwal & Associates

Chartered Accountants  
Firm Reg No: 323029E

### Shyam Sunder Agarwal

Partner  
Membership No: 060033  
UDIN: 23060033BGUDFJ1343

Place: Mumbai

Date: 30th May, 2023

### For and on behalf of the Board

### Amit Dangi

Whole Time Director  
DIN: 06527044

### Deepak Dhingra

Chief Financial Officer

### Sanjay Dangi

Director  
DIN: 00012833

### Hitesh Vora

Company Secretary



**AUTHUM**