RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LIMITED

12th Annual Report

2023-24

RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LIMITED (RSPF&FSCL)

12th Annual Report 2023-24

Save Power, Save Money

Rajasthan State Power Finance and Financial Services Corporation Limited

(RSPF&FSCL)
CIN: U65923RJ2012SGC041087

Board of Directors

(as on 31.03.2024)

Chairman

Sh. Akhil Arora

Managing Director

Sh. Naresh Kumar Thakral

Directors

Sh. Ajitabh Sharma
Sh. Krishna Kant Pathak
Sh. Ravi Kumar Surpur
Sh. Nakate Shivprasad Madan
Sh. Hari Mohan Meena
Sh. Narendra Gupta

Registered and Administrative Office:

RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LIMITED
(RSPF&FSCL)
CIN: U65923RJ2012SGC041087
I[st] Floor, Rajasthan State Textbook Board, 2-2A, Jhalana Dungri, Jaipur-302004
Phone: +91-141-2708611
Email: rspfcl@rajasthan.gov.in, Website: http://rspfcl.rajasthan.gov.in

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NOTICE
for
Adjourned 12th Annual General Meeting

Notice is hereby given that the Twelfth Annual General Meeting of the members of Rajasthan State Power Finance and Financial Services Corporation Limited, adjourned sine die from 30th December, 2024 is scheduled to be held on Monday, 24th March, 2025 at 12:30 p.m. at Chamber of ACS (Finance), GoR, Secretariat, Jaipur-302005 to transact the following remaining business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the year 2023-24 (Balance Sheet as on 31st March, 2024, and the Statement of Profit and Loss Account for the year ended on that date, Cash Flow Statement along with Notes on Accounts appended thereto) together with the Reports of Directors, Auditors thereon.

By order of the Board of Directors

Dated: 28.02.2025
Registered Office:
Ist Floor, Rajasthan State Textbook,
Board, 2-2A, Jhalana Dungri,
Jaipur (Rajasthan)

(Krati Joshi)
Company Secretary
M.No.A40057

Note regarding adjourned Annual General Meeting:

The Audited Financial Statements of the Company for the financial year 2023-24 could not be considered by the members at the 12th Annual General Meeting (12th AGM) originally held on 30th December, 2024, due to the non-receipt of supplementary audit comments/no comments certificate from the Comptroller and Auditor General of India (C&AG) as required under section 143(6) of the Companies Act, 2013.

During this meeting, after thorough deliberations, the members resolved to adjourn it sine die in accordance with the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI). The meeting was to be reconvened after receipt of the Supplementary Audit comments of C&AG.

The comments of C&AG on the audited financial statements for the year 2023-24 have now been received and a copy of the same along with the management reply thereon is enclosed along with Audited Financial Statements of the Company.

The adjourned 12th Annual General Meeting is now being reconvened to address the aforementioned agenda item in compliance with the provisions of standard no 15.2 of "Secretarial Standard on General Meeting (SS-2)" issued by the Institute of Company Secretaries of India (ICSI), a fresh notice in terms of provisions of Companies Act, 2013 is being issued for the adjourned meeting since the meeting of adjourned sine die.

Note:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON POLL INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HEREWITH AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 12TH ANNUAL GENERAL MEETING.
2. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. EVERY MEMBER ENTITLED TO VOTE AT THE MEETING, OR ON ANY RESOLUTION TO BE MOVED THEREAT, SHALL BE ENTITLED DURING THE PERIOD BEGINNING 24 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING AND ENDING WITH THE CONCLUSION OF THE MEETING, TO INSPECT THE PROXIES LODGED, AT ANY TIME DURING THE BUSINESS HOURS OF THE COMPANY, PROVIDED NOT LESS THAN THREE DAYS' NOTICE IN WRITING OF THE INTENTION TO INSPECT IS GIVEN TO THE COMPANY.
4. AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR 2023-24 TOGETHER WITH THE REPORT OF THE BOARD OF DIRECTORS, REPORTS & COMMENTS OF THE AUDITORS AND COMPTROLLER AND AUDITOR GENERAL OF INDIA THEREON ALONG WITH THE REPLY OF THE MANAGEMENT THERETO ARE ENCLOSED.

NOTICE

of the Annual General Meeting

Notice is hereby given that the Twelfth Annual General Meeting of the members of Rajasthan State Power Finance and Financial Services Corporation Limited is scheduled to be held on Monday, 30th December, 2024 at 12:30 p.m. at Chamber of ACS (Finance), GoR, Secretariat, Jaipur-302005 at shorter notice to transact the following business

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the year 2023-24 (Balance Sheet as on 31st March, 2024, and the Statement of Profit and Loss Account for the year ended on that date, Cash Flow Statement along with Notes on Accounts appended thereto) together with the Reports of Directors, Auditors thereon.
2. To confirm and approve the appointment and to fix remuneration of the Statutory Auditor of the Company for the Financial Year 2024-25.

SPECIAL BUSINESS:

3. TO INCREASE BORROWING POWER OF THE BOARD AND AUTHORISATION LIMIT TO SECURE THE BORROWINGS UNDER SECTION 180(1) (C) AND 180(1) (A) OF THE COMPANIES ACT,2013

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

   ***"RESOLVED THAT** in supersession of all the earlier resolutions passed in this regard and subject to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or any body corporate/ entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs. 5000 crores (Rupees Five Thousand Crores only) for the Company alone notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.*

   ***RESOLVED FURTHER THAT** in supersession of all the earlier resolutions passed in this regard and subject to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of Rs. 5000 crores (Rupees Five Thousand Crores only) for the Company alone.*

RESOLVED FURTHER THAT *the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."*

4. TO APPROVE INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY

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

   "RESOLVED THAT *pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder and in accordance with the applicable provisions of the Articles of Association of the Company approval of the shareholders be and is hereby accorded to increase the Authorized Share Capital of the Company from the present-*

   "Rs. 1000,000,00,00/- (Rupees One Thousand Crore only) consisting of 1,00,00,000 (One Crore) Equity Shares of Rs. 1000/- (Rupees Thousand only) each."

   To

   "Rs. 1500,000,00,00/- (Rupees One Thousand Five Hundred Crore only) consisting of 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 1000/- (Rupees Thousand only) each."

   RESOLVED FURTHER THAT *the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."*

5. ALTERATION IN MEMORANDUM OF ASSOCIATION OF THE COMPANY

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

   RESOLVED THAT *pursuant to the provisions of section 13 and all other provisions of the Companies Act,2013 and the relevant rules framed thereunder the existing Clause V of the Memorandum of Association of the Company as to share capital be and is hereby substituted with the following Clause V:*

   "Rs. 1500,000,00,00/- (Rupees One Thousand Five Hundred Crore only) consisting of 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 1000/- (Rupees Thousand only) each."

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

6. ALTERATION IN ARTICLE OF ASSOCIATION OF THE COMPANY

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

   RESOLVED THAT *pursuant to the provisions of section 14 of the Companies Act, 2013, the existing Article 4(CAPITAL) of the Articles of Association of the Company be and is hereby deleted and in its place the following Article 4(CAPITAL) be substituted:*

"The authorised share capital of the company is Rs. 1500,000,00,00/- (Rupees One Thousand Five Hundred Crore only) consisting of 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 1000/- (Rupees Thousand only) each."

RESOLVED FURTHER THAT *the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."*

By order of the Board of Directors

Dated: 19/12/2024
Registered Office:
I[st] Floor, Rajasthan State Textbook Board,
2-2A, Jhalana Dungri, Jaipur (Rajasthan)

Kratijoshi

(Krati Joshi)
Company Secretary
ACS 40057

Note:

1. AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING IN RESPECT OF ITEM NO 3, 4, 5 & 6 IS ANNEXED HERETO AND FORMS PART OF NOTICE.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON POLL INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HEREWITH AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 12TH ANNUAL GENERAL MEETING.

3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

4. EVERY MEMBER ENTITLED TO VOTE AT THE MEETING, OR ON ANY RESOLUTION TO BE MOVED THEREAT, SHALL BE ENTITLED DURING THE PERIOD BEGINNING 24 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING AND ENDING WITH THE CONCLUSION OF THE MEETING, TO INSPECT THE PROXIES LODGED, AT ANY TIME DURING THE BUSINESS HOURS OF THE COMPANY, PROVIDED NOT LESS THAN THREE DAYS' NOTICE IN WRITING OF THE INTENTION TO INSPECT IS GIVEN TO THE COMPANY.

5. THE MEETING TO WHICH NOTICE RELATES, IS BEING HELD AT A SHORTER NOTICE WITH CONSENT OF MEMBERS OF THE COMPANY.

EXPLANATORY STATEMENTS U/S. 102 OF THE COMPANIES ACT, 2013:

Statement with respect to item no. 3 under Special Business covered in the Notice of Meeting is given below:

Keeping in view the Corporation's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company will 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. 5000 Crores for the Company alone.

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.

Further, Section 180(1) (a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings subject to the approval of members in the General Meeting, which authorisation is also proposed to be increased to Rs. 5000 Crores for the Company alone.

Hence, the Special Resolution at Item No.3 of the Notice is being proposed, since the same exceeds the limits provided under Section 180(1) (a) & 180(1) (c) of the Act. The Directors recommend the Special Resolution as set out at Item No. 3 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, if any.

Statement with respect to items no. 4, 5 and 6 under Special Business covered in the Notice of Meeting is given below:

The present Authorised Share Capital of the Company is Rs. 100,000,00,00 /- (Rupees Thousand Crores only) consisting of 1,00,00,000 (One Crore) Equity Shares of Rs. 1000/- (Rupees Thousand only) each.

Considering the increased fund requirements of the Company and the concentration norms applicable on this NBFC under Clause 91 of 'Master Direction, RBI (NBFC scale based regulation) Directions, 2013 dealing with credit/investment concentration norms (except NBFC-UL), it is proposed to increase the Authorised Share Capital of the Company from Rs. 1000,000,00,00/- (Rupees One Thousand Crore only) to Rs. 1500,000,00,00/- (Rupees Fifteen Hundred Crore only) subject to shareholders' approval.

It is therefore proposed to increase the Authorised Share Capital of the Company from Rs. 1000,00,00,000 /- (Rupees One Thousand Crores only) consisting of 1,00,00,000 (One Crore) Equity Shares of Rs. 1000/- (Rupees One Thousand only) each to Rs. 1500,000,00,00/- (Rupees Fifteen Hundred Crore only) consisting of 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 1000/- (Rupees Thousand only) each ranking pari passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company.

Consequently clause V of the Memorandum of Association and existing Article 4(CAPITAL) of the Articles of Association of the Company would also require alteration so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum and Articles of Association of the Company requires approval of the members at a general meeting.

Hence, the Special Resolution at Item No.4,5 and 6 of the Notice is being proposed, The Directors recommend the Special Resolution as set out at Item No.4,5 and 6 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, if any.

DIRECTORS' REPORT

Dear Shareholders,

Board of Directors has great pleasure in presenting the12th Annual Report on the business and operation of the Company together with the Audited Financial Statements of the Company for the financial year ended on 31st March, 2024 and the Reports of Independent Auditors.

Financial Results

The financial results for the year are summarized below: **(₹ in Lakhs)**

PARTICULARS	2023-24	2022-23
Income	16923	5793.24
Expenses	15113.4	5641.42
Net profit/(loss) for the year before taxes & provisions	1809.62	151.81
Appropriation/adjustments	0.00	0.00
Previous year's adjustment (net)	0.00	0.00
Profit/(loss) for the year before tax	1809.62	151.81
Less: Provision for Taxation		
- Current Year	458.56	38.15
- Earlier Year	0.00	0.00
- Deferred tax	-0.13	-0.39
- MAT Credit entitlement	0.00	0.00
Profit/(loss) after tax	**1351.19**	**114.05**

Dividend

The Board of Directors has not recommended any dividend for the financial year ended on 31st March, 2024.

Reserves

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. Accordingly, RSPF & FSCL (the "Company") has transferred an amount of ₹270.24 lakh to its reserve fund during the financial year ended on 31st March, 2024.

Resources

The Company received share capital of ₹300.00 crore from Government of Rajasthan and ₹130.00 crore each from Rajasthan State Ganganagar Sugar Mills Limited (RSGSM) and Rajasthan State Beverages Corporation Limited (RSBCL). During the period under review the company received inter-corporate deposit of ₹ 1000.00 crore from RIICO and ₹ 400 crore from Rajasthan Housing Board.The Company is providing loans and advances to PSUs and has earned interest income of ₹16901.15 Lakhs.After Board accorded its approval, company availed loans of ₹ 100.00 crore from State Bank of India, Bhiwadi Branch at the starting of financial year and of ₹ 200.00 crore from Indian Bank. Jaipur, ₹ 50.00 crore from UCO Bank. Jaipur and term loan of ₹ 100 crore from Punjab National Bank, Jaipur during the financial year.

Net Worth

The Net Worth of the Company at the close of the current financial year (FY 2023-24) and the previous financial year (FY 2023-24) was ₹116.71crores and ₹1041.24 Crores respectively.

Details of Subsidiary, Joint Venture or Associate Companies

The Company does not have any Subsidiary, Joint Venture or Associate Company.

Brief description of the Company's working during the year

During the year under review the company did the following working:

Short-term Working Capital Loan:

The Company sanctioned short term working capital loan of ₹ 40 cr to Rajasthan State Road Transport Corporation. The Company also provided loan of ₹ 170.00 crore to ajmer Vidyut Vitran Nigam Limited and of ₹ 175.00 crore to each Vidyut Vitran Nigam Limited and Jodhpur Vidyut Vitran Nigam Limited for six months extendable upto three years to meet their need of short term funds for clearing dues. A loan of ₹ 73.00 crore to Rajasthan State Road Transport Corporation and ₹ 230.00 crore to Rajasthan Rajya Vidyut Prasaran Nigam Limited was also disbursed to meet their working capital needs.

Long Term Working Capital Loan:

The Company disbursed long term loan of ₹ 70.00 crore each to Jaipur Vidyut Vitran Nigam Limited, Ajmer Vidyut Vitran Nigam Limited and Jodhpur Vidyut Vitran Nigam Limited at the starting of year under review. The company also disbursed the loan of ₹ 140.00 crore to Jaipur Development Authority. The company also disbursed the funds available in the form of term loan of ₹ 191.00 crore to Rajasthan State Agricultural Board, ₹ 230.00 crore term loans and term loan of ₹ 90.00 crore was also disbursed to Rajasthan Tourism Development Corporation Limited.

The remaining balance fund is held in FDRs with scheduled Commercial Banks during the period.

Share Capital and Buy Back

During this financial year, the Company received share capital of ₹ 130.00 crore each from Rajasthan State Ganganagar Sugar Mills Limited (RSGSM) and Rajasthan State Beverages Corporation Limited (RSBCL) and ₹ 300.00 crore from Government of Rajasthan till 31.03.2023.

Directors

The Following changes have taken place in the Board of Directors of the Company since the date of last report till 31.03.2024:

S.No.	Name of Directors	Date of Appointment	Date of Cessation
1.	Sh. Akhil Arora	01.11.2020	Continuing
2.	Sh. Rohit Gupta	29.08.2022	05.12.2023
3.	Sh. Ajitabh Sharma	12.01.2024	Continuing
4.	Smt. Sushma Arora	14.02.2024	Continuing
5.	Sh. Nakate Shivprasad Madan	17.02.2024	Continuing
6.	Smt. Veenu Gupta	18.04.2022	12.01.2024
7.	Sh. Sudhir Kumar Sharma	17.05.2023	Continuing
8.	Sh. Ravi Kumar Surpur	14.04.2022	Continuing
9.	Sh. Shakti Singh Rathore	01.05.2021	15.05.2023
10.	Sh. Naresh Kumar Thakral	09.04.2021	Continuing
11.	Sh. Narendra Gupta	05.02.2024	Continuing
12.	Sh. Nakate Shivprasad Madan	06.07.2022	17.05.2023
13.	Sh. Bal Mukund Asawa	24.07.2023	07.01.2024
14.	Sh. Krishna Kant Pathak	01.08.2022	Continuing
15.	Sh. Rajesh Kumar Meena	15.05.2023	Continuing
16.	Sh.Vishwa Mohan Sharma	10.08.2022	17.05.2023
17.	Sh. Hari Mohan Meena	14.03.2024	Continuing
18.	Sh. Pradeep Kumar Borar	10.06.2021	21.12.2023
19.	Sh. L.D. Sharma	14.06.2021	22.12.2023

And following were ceased to be Directors from the Board of the Company:

S.No.	Name of Directors	Date of Cessation
1.	Sh. Shakti Singh Rathore	15.05.2023
2.	Sh. Vishwa Mohan Sharma	17.05.2023
3.	Sh. Rohit Gupta	05.12.2023
4.	Sh. Pradeep Kumar Borar	21.12.2023
5.	Sh. L.D. Sharma	22.12.2023
6.	Sh. Bal Mukund Asawa	07.01.2024
7.	Smt. Veenu Gupta	12.01.2024
8.	Smt. Sushma Arora	17.02.2024
9.	Sh. Rajesh Kumar Meena	14.03.2024

The Board places on record its sincere appreciation of the contribution made by the aforesaid outgoing Managing Director and other Directors during their tenure as members of the Board.

Meetings of the Board of Directors

A total of six Board Meetings were held during the financial year 2023-24-

S.No.	Name of Director	Date of Board Meeting
1.	41st Board Meeting	26.06.2023
2.	42nd Board Meeting	01.08.2023
3.	43rd Board Meeting	26.09.2023
4.	44th Board Meeting	06.10.2023
5.	45th Board Meeting	25.01.2024
6.	46th Board Meeting	28.03.2024

The names of members of the Board and their attendance at the Board Meetings are as under:

S.No.	Name of Director	Date of Board Meeting
1.	Sh. Akhil Arora	6/6
2.	Sh. Rohit Gupta	4/4
3.	Sh. Sudhir Kumar Sharma	4/5
4.	Sh.Ravi Kumar Surpur	1/6
5.	Sh. Naresh Kumar Thakral	6/6
6.	Smt. Veenu Gupta	1/4
7.	Sh. Krishna Kant Pathak	4/6
8.	Sh. Rajesh Kumar Meena	4/5
9.	Sh. Pradeep Kumar Borad	3/4
10.	Sh. L.D. Sharma	3/4
11.	Sh. Vishwa Mohan Sharma	0/0
12.	Sh. Bal Mukund Asawa	1/3
13.	Sh. Ajitabh Sharma	0/2
14.	Sh. Hari Mohan Meena	1/1

Audit Committee

The Company has an Audit Committee, formed pursuant to the section 177 of the Companies Act, 2013, reconstituted in 45th Board Meeting held on 25.01.2024 consisting of the following ex-officio Directors of the Company as members:

1.	Secretary Finance (Revenue) Dept., GoR	Chairman, Committee
3.	Secretary Finance (Expenditure) Dept., GoR	Member
4.	Commissioner Commercial Taxes Dept., GoR	Member

Nomination & Remuneration Committee

The Company has a Nomination & Remuneration Committee, formed pursuant to the section 178 of the Companies Act, 2013 reconstituted in 45thBoard Meeting held on 25.01.2024, consisting of the following ex-officio Directors of the Company as members:

1.	Secretary Finance (Revenue) Dept., GoR	Chairman, Committee
2.	Secretary(Expenditure), Finance Dept., GoR	Member
3.	Commissioner Commercial Taxes Dept., GoR	Member

Corporate Social Responsibility (CSR) Committee

The Company has a Corporate Social Responsibility (CSR) Committee, formed pursuant to the section 135 of the Companies Act, 2013 reconstituted in 45th Board Meeting held on 25.01.2024, consisting of the following ex-officio Directors of the Company as members:

1.	Managing Director, RSPF & FSCL	Chairman, Committee
2.	Secretary(Expenditure), Finance Dept., GoR	Member
3.	Managing Director, Rajasthan Financial Corporation(RFC)	Member

Finance Committee

The Company has a Finance Committee to examine and finalize the loan proposals, consisting of the following ex-officio Directors of the Company as members:

1.	Managing Director, RSPF & FSCL	Chairman, Committee
2.	Managing Director, Rajasthan Financial Corporation(RFC)	Member
3.	Secretary(Expenditure), Finance Dept., GoR	Member

CSR Policy

As per the requirement of section 135 and schedule VII of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, Company has approved its Corporate Social Responsibility (CSR) Policy on 27.07.2017. The Annual Report on CSR Activities is provided as **Addendum-1** to the Board's Report.

Details of Key Managerial Personnel

In pursuance of the section 203 of the Companies Act, 2013, following were designated as KMP's of the Company as on 31st March, 2024:

S.No.	Name	Designation
1.	Sh. Naresh Kumar Thakral	Managing Director
2.	Sh. Pawan Jaiman	Chief Financial Officer
3.	Ms. Krati Joshi	Company Secretary

Following ceased to be KMP of the Company during the financial year:

S.No.	Name	Designation
1.	Sh. Rohit Gupta	Managing Director

Declaration by Independent Director

The Department of Finance (W&M), GoR vide their Order no. F.5 (7) Vima/2001/Pt.II/RSPF & FSCL dated 04.05.2021 appointed following two independent directors in RSPF & FSCL-

S.No.	Name	Post held in Corporation
1.	Sh. Pradeep Kumar Borad (Retd.IAS)	Independent Director
2.	Sh. L.D. Sharma (CA,LLB, DISA (ISA))	Independent Director

The Company has received declarations under Section 149(7) of the Act, from all the Independent Directors of the Company confirming that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act 2013.

Sh. Pradeep Kumar Borad and Sh L.D. Sharma have resigned from their post of Independent Director as on 21.12.2023 and 22.12.2023 respectively.

Particulars of Employees

None of the employee of the Company falls under the purview of the provisions of receipt of remuneration in excess of the limits prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Conservation of Energy and Technology Absorption

Disclosure of particulars in respect to conservation of energy and technology absorption are not applicable in view of the nature of the business of the Company.

Foreign Exchange Earnings & Outgo

Company has not carried out any foreign exchange transaction during the year.

Disclosure under the sexual harassment of women at workplace(Prevention, Prohibition and Redressal Act,2013)

Company has Policy on Prevention of Sexual Harrassment at Workplace in place and during the financial year, no complaint were received under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013).

Sustainable Development

Your Company's aspirations of sustaining and enhancing its long term growth plans are well balanced by its conscious commitments to society and in its principles of conducting business in a fully compliant manner. Your Company partakes in letter and spirit its intention of being a responsible corporate citizen and is committed to contribute positively in all activities pertaining to environmental protection, health, safety, energy Conservation and societal commitments while at the same time continuing to protect and enhance all stakeholders' interests.

Particulars of Loans, Guarantees or Investment u/s 186

The Company has not given loans, guarantees and made investments in contravention of provisions of section 186 of the Companies Act, 2013.

Internal Financial Control System and their adequacy

The Company has adequate internal financial control system commensurate with the size of the Company.

Whistle Blower Policy/Vigil Mechanism

The Company has a Whistle Blower Policy encompassing vigil mechanism pursuant to the requirements of section 177(9) of the Act and the whistle blower framework has been introduced with an aim to provide employees, directors and value chain partners with a safe and confidential channel to share their inputs about such aspects which are adversely impacting their work environment. The policy/vigil mechanism enables directors, employees and value chain partners to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company"s Code of Conduct or ethics policy and leak or suspected leak of unpublished price sensitive information.The Whistle Blower Policy is uploaded on the website of the Company i.e. rspfcl@rajasthan.gov.in.

Risk Management Policy

Your Company has appropriate risk management system in place for identification and assessment of risks, measures to mitigate them and mechanisms for their proper and timely monitoring and reporting.

Secretarial Standards:

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and required by the section 205 of Companies Act, 2013.

Auditors & Auditors' Report

Statutory Auditor

The Comptroller & Auditor General of India, New Delhi, appointed M/s A R Bhansali & Co., Chartered Accountants, Jaipur as Auditors for auditing the accounts of the Company for the financial year ending on 31st March, 2024.

Secretarial Auditor

In compliance of the provisions of the section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Raj K Sharma & Associates, Practicing Company Secretaries, Jaipur, were appointed to conduct Secretarial Audit for the financial year ending on 31st March, 2024.

The Secretarial Audit Report for the financial year ended on 31st March, 2024 is annexed as **Addendum-2** to this Board Report.

Particulars of Contracts or Arrangements with Related Parties

Information pertaining to the disclosure of particulars of contracts/arrangements/transactions entered into by the Company with related parties referred to in sub-section(1) of section 188 of the Companies Act,2013 is annexed as **Addendum-3** to this Board Report.

Directors' Responsibility Statement

In pursuance to the requirement under section 134 (5) of the Companies Act, 2013, your Directors report that:

1. In the preparation of the annual accounts for the year ended March 31,2024 the applicable accounting standards have been followed along with proper explanation relating to the material departure for the year under review;
2. Accounting policies are applied consistently to give a true and fair view of the state of affairs of the Company as on 31st March, 2024 and of the profit for the year ended on that date;
3. Proper and sufficient care has been taken for maintenance of adequate accounting records, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. Accounts have been prepared on a going concern concept basis;
5. The Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
6. Proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under chapter V of the Companies Act;
2. Issue of Equity Shares with differential rights as to dividend, voting rights or otherwise;
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme;
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
5. There is no change in the nature of business of the Company;
6. There have been no material changes and commitments affecting the financial position of the Company; and
7. There have been no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgment

The Directors express their sincere appreciation for the co-operation and assistance received from various departments of the State and Central Government, members, the RBI and other regulators, banks, financial institutions and all the business constituents. The Directors also wish to place on record their deep sense of appreciation for the commitment put in by the Management and the employees of the Company, resulting in successful performance of the Company year after year. The Directors also express their gratitude to the Shareholders for the confidence reposed in the Management of the Company.

For and on behalf of Board of Directors

Debasish Prusty	**Ravi Kumar Surpur**
Managing Director	**Director**
DIN: 10655471	**DIN: 06695585**

Date: 29/10/2024
Place: Jaipur

Addendum-1

THE ANNUAL REPORT ON CSR ACTIVITIES

Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

1. A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs:

RSPF&FSCL's CSR Policy, encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large.

In alignment with the vision of the Company, RSPF&FSCL through its CSR initiatives and will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.

The CSR Policy consist the following activities for the CSR projects or programs to be undertaken:

(1) Activities as listed in schedule VII of the Companies Act 2013:

- (i) Eradicating hunger, poverty and malnutrition, ''promoting health care including preventive health care'' and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional art and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;
- (viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Govt.;
- (x) Rural development projects; and
- (xi) Slum area development.

  (For the purposes of this item, the term 'Slum Area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force)

(2)	Contribution to Chief Minister Relief Fund, GoR and in any other Scheme/ Fund / Programme initiated by the Government of Rajasthan (Subject to if such contribution is covered under the rules of the Scheme / Fund / Programme taken up by any Govt. Deptt. for the activities of schedule VII of the Companies Act, 2013). In accordance with requirements of the Companies Act, 2013, the Company has constituted a CSR Committee, the committee has recommended the CSR Policy to the Board and the approved policy is uploaded on the Company's website.
	The CSR Policy may be assessed on the Company's website as stated below:

S. 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.	Sh. Rohit Gupta	Managing Director	1	1
2.	Sh. Naresh Kumar Thakral	Director	1	1
3.	Sh. Rajesh Kumar Meena	Director	1	1
4.	Sh. Pradeep Kumar Borar	Independent Director	1	1
5.	Sh. L.D. Sharma	Independent Director	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://rspfcl.rajasthan.gov.in/
4.	**Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable(attach the report).**	Not Applicable
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**	

S.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)
1.	--------------------------------Not Applicable---		
	TOTAL		

6.	**Average net profit of the company as per section 135(5).**	₹30393199.67/-
7.	(a) Two percent of average net profit of the company as per section 135(5)	₹607864/-
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	--
	(c) Amount required to be set off for the financial year,	--
	(d) Total CSR obligation for the financial year (7a+7b- 7c).	₹607864/-

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
-	Nil	NA	Nil	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S.No	**Name of the Project.**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes /No).**	**Location of the project.**		**Project duration.**	**Amount allocated for the project (in Rs.).**	**Amount spent in the current financial Year (in Rs.).**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).**	**Mode of Implementation Direct (Yes/No).**	**Mode of Implementation - Through Implementing Agency**	
				State.	**District.**						**Name**	**CSR Registration number.**
	NIL											
	TOTAL											

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S.No.	**Name of the Project.**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/No).**	**Location of the project.**		**Amount spent for the project (in Rs.).**	**Mode of implementation - Direct (Yes/No).**	**Mode of implementation - Through implementing agency.**	
				State.	**District.**			**Name.**	**CSR Registration Number.**
1.	*District Badminton Association Jaipur*	1 (ii)	Yes	Rajasthan	Jaipur,	607864/-	Yes		
	TOTAL								

(d)Amount Spent in Administrative Overheads: -

(e) Amount Spent on impact assessment, if applicable: NA

(f)Total amount spent for the financial year (8(b)+ 8(c) +8 (d) + 8 (e)): ₹607864/-

(g)Excess amount for set off, if any

S.No.	**Particular**	**Amount (in Rs.)**
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**-----------------------Nil----------------------------**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	

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

S.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 years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.		Nil	Nil	Nil			Nil
2.							
3.							
	TOTAL						

(b) Details of the 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)
S.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	----------Not Applicable----------							
	TOTAL							

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).** **(a)** Date of creation or acquisition of capital asset(s). **(b)** Amount of CSR spent for creation or acquisition of capital asset. **(c)** Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. year, **(d)** Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	**---------------Not Applicable-----------------**
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).**	Not Applicable

For and on behalf of Board of Directors

Debasish Prusty
Managing Director
DIN: 10655471

Ravi Kumar Surpur
Director
DIN: 06695585

Date: 29/10/2024
Place: Jaipur

Addendum-2

Replies to Observation's of Secretarial Auditor for the F.Y. 2023-24		
Points	**Observation**	**Compliance**
1.	The Board of Company is not duly constituted due to absence of Independent Directors and Women Director in the board of the Company as required as per the provisions of the section 149 of the Companies Act,2013	As per provisions of section 149 of the Companies Act, 2013 the public companies having paid up share capital of ten crore rupees or more shall have at least two independent directors and public company having paid up share capital of one hundred crore rupees or more shall have at least one woman director on the Board of the Company. The paid up share capital of RSPF & FSCL is one thousand crore. Since, RSPF & FSCL is a State Government Company, the appointment of Independent director and woman director is to be made by the State Government. The Company has already initiated the process of appointment through its administrative department and the appointment is under process.
2.	The Audit Committee, Nomination and Remuneration Committee and the CSR Committee are not properly constituted according to the provisions of the Section 177,178 and 135 of Companies Act, 2013 respectively and rules made thereunder.	As soon as the appointment of Independent Director in the Board of company is done the Committees will also be reconstituted as per the provisions of the Companies Act, 2013.
3.	The Company has entered into an agreement with a practicing company secretary firm to appoint/hire a whole time Company Secretary for the Company. However, as per the provisions of the Companies Act, 2013," every whole-time key managerial personnel (i.e. whole time company secretary) of a company shall be appointed by means of a resolution of the board containing the terms and conditions of the appointment including the remuneration. As per the terms of agreement entered between the Company and the Practicing Company Secretary Firm; the Company is delegating its powers of appointment to the practicing company secretary firm.	The Company has appointed Company Secretary on whole time basis. As per the provisions of the Companies Act, 2013 the Board has been apprised about the appointment in its meeting. The Company has appointed the Company Secretary as per the requirement of the Company and has fulfilled all the formalities as per the act (filing of e-form DIR-12 and MGT-14) regarding the appointment and has not delegated the power to the practicing company secretary firm.

	As per our interpretation of law, the whole –time company secretary shall be appointed by the Company directly in its Board not through by delegation of its power to another person. Here the Company is delegating its power to a practicing company secretary firm.	
4.	The Company has appointed CFO on additional charge basis. However, as per the provisions of Section 203 of the Companies Act, 2013 and rules made thereunder CFO shall be appointed on whole time basis.	The GM (Finance) cum CFO of the Company has been appointed by the order of State Government on whole time basis only. The appointment as per section 203 of the Companies Act, 2013 and rules made thereunder of GM (Finance) cum CFO being key managerial personnel has been apprised to the Board and e-form regarding the same as required has also been filed.

For and on behalf of Board of Directors

Debasish Prusty
Managing Director
DIN: 10655471

Ravi Kumar Surpur
Director
DIN: 06695585

Date: 29/10/2024
Place: Jaipur

Raj K Sharma & Co.
Practicing Company Secretaries

P.No. 13 (E), Path No. 4, Laxmi Nagar III, Niwaru Road, Jhotwara, Jaipur-302012
Contact : +91-9529898047 Email : csrajsharma@outlook.com

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2024

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

To,
The Members,
RAJASTHAN STATE POWER FINANCE AND
FINANCIAL SERVICES CORPORATION LIMITED
(CIN: U65923RJ2012SGC041087)
1st FLOOR, 2/2A, JHALANA DUNGRI, JAIPUR 302004

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION 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 our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 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 there under; *(Not Applicable to the company as the company is unlisted public state government company, in which 100% shares are held by the Rajasthan State Government and there is no public shareholder)*

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; *(Not Applicable to the company as securities issued by the company are in physical form)*

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company as the company has not entered into such transaction during the period under review)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-**NOTAPPLICABLE**

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)

P.No. 13 (E), Path No. 4, Laxmi Nagar III, Niwaru Road, Jhotwara, Jaipur-302012
Contact : +91-9529898047 Email : csrajsharma@outlook.com

Regulations, 2011;**NOTAPPLICABLE**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**NOTAPPLICABLE**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **NOTAPPLICABLE**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **NOTAPPLICABLE**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **NOTAPPLICABLE**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;**NOTAPPLICABLE**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **NOTAPPLICABLE**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **NOTAPPLICABLE**

(i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and **NOTAPPLICABLE**

(j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **NOTAPPLICABLE**

(vi) Specific laws/regulations/guidelines applicable to the company as mentioned hereunder:

i. The guideline issued by the Reserve Bank of India (RBI) in respect of Non-Banking Financial Company (NBFC)

ii. Prevention of Money laundering Act, 2000 (PMLA)

We have also examined compliance with the applicable clauses of the following: -

i. Secretarial Standards issued by The Institute of Company Secretaries of India;

ii. The Listing Agreements entered into by the Company with Stock Exchanges. – **This clause is not applicable to the company as the company is an Unlisted Public Company.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to following observation:-

1. The Board of Company is not duly constituted due to absence of Independent Directors and Women Director in the board of the company as required as per the provisions of the section 149 of the Companies Act, 2013.
2. The Audit Committee, Nomination and Remuneration Committee and the CSR Committee are not properly constituted according to the provisions of the Section 177, 178 and 135 of Companies Act, 2013 respectively and rules made.
3. The Company had hold proper Board meeting in terms of section 173 of Companies Act, 2013 and rules made thereunder.
4. The Company had spent the amount on CSR activities till effective date in accordance of Section 135 (5) of Companies Act, 2013.
5. The Company has entered into an agreement with a practicing company secretary firm to appoint/hire

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a Whole Time Company Secretary for the Company. However, as per the provisions of the companies act, 2013, "every whole-time key managerial personnel (i.e. whole time Company Secretary) of a company shall be appointed by means of a resolution of the board containing the terms and conditions of the appointment including the remuneration.

As per the terms of agreement entered between the Company and the Practicing Company Secretary Firm; the company is delegating the powers of appointment to the Practicing Company Secretary firm.

As per our interpretation of law, the Whole Time Company Secretary shall be appointed by the Company directly in its Board not through by delegation of its power to another person. Here the company is delegating its power to a practicing company secretary firm

6. The Company is appointed CFO on additional charge basis. However, as per the provisions of Section 203 of the Companies Act, 2013 and rules made thereunder CFO shall be appointed on whole time basis.
7. The company has followed properly the secretarial standards as issued by the Institute of Company Secretaries of India and as required by the section 205 of Companies Act, 2013

We further report that

- ✔ The changes in composition of board of directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013
- ✔ A system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- ✔ All decisions of the board and committee were carried with the requisite majority.

We further report that based on review of the records of the Company there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulation and guidelines.

We further report that during the Audit Report there were no specific events / actions having a major bearing on the Company's affairs.

For Deepak Aswani& Associates
(Practicing Company Secretaries)

RAJ K SHARMA & CO.
CS
M.No.43734
C.P.No. 18288
Practicing Company Secretary

Raj Kumar Sharma
(Proprietor)
M No - A43734
C P No. : 18288
UDIN: A043734F000683912

Place: Jaipur
Date: 06/07/2024

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Raj K Sharma & Co.
Practicing Company Secretaries

P.No. 13 (E), Path No. 4, Laxmi Nagar III, Niwaru Road, Jhotwara, Jaipur-302012
Contact : +91-9529898047 Email : csrajsharma@outlook.com

'ANNEXURE - A'

To,

The Members,

RAJASTHAN STATE POWER FINANCE AND

FINANCIAL SERVICES CORPORATION LIMITED

(CIN: U65923RJ2012SGC041087)

1st FLOOR, 2/2A, JHALANA DUNGRI, JAIPUR 302004

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

1. Maintenance of secretarial record is the responsibility of the management of the company. 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 provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever 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 test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Deepak Aswani& Associates
(Practicing Company Secretaries)

RAJ K SHARMA & CO.
CS
M.No.43734
C.P.No. 18288
Practicing Company Secretary

Raj Kumar Sharma
(Proprietor)
M No - A43734
C P No. : 18288
UDIN: A043734F000683912

Place: Jaipur
Date: 06/07/2024

Addendum-3

FORM No. AOC-2

Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 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: Nil
2. Details of contracts or arrangements or transactions at Arm's length basis:

	Particulars	Details
1.	Name(s) of the related party & nature of relationship	Rajasthan Financial Corporation. As the Chairman of this company and RFC is same and further, the Managing Director is also the director of this Company *(ex officio)*
2.	Nature of contracts/arrangements/transaction	Short Term Working Capital Loan.
3.	Duration of the contracts/arrangements/transaction	As per Agreement
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Loan Value- ₹25.00 Crore @ 9%. Interest Payable at quarterly rests.
5.	Date of approval by the Board	In the Normal Course of Business
6.	Amount paid as advances, if any	Nil

For and on behalf of Board of Directors

Debasish Prusty
Managing Director
DIN: 10655471

Ravi Kumar Surpur
Director
DIN: 06695585

Date: 29/10/2024
Place: Jaipur

A.R. Bhansali & Co.
Chartered Accountants
B/145-B, Navkar Apartments
Kalyan Path, Mangal Marg
Bapu Nagar, Jaipur
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INDEPENDENT AUDITOR'S REPORT

To the Members of

Rajasthan State Power Finance & Financial Services Corporation Limited

Report on the Financial Statements

1. Opinion

We have audited the accompanying Standalone Financial Statements of **Rajasthan State Power Finance and Financial Services Corporation Ltd** ("the Company"),which comprise the Balance Sheet as at 31.03.2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and Notes to the Standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the:

(a) 'State of Affairs'of the Company as at March 31, 2024 and

(b) Its 'Profit'(including Other Comprehensive Income)

(c) Its 'Cash Flows' and

(d) The 'Changes in Equity' for the year ended on that date.

2. Basis for Opinion

We conducted our audit of standalone Financial Statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, and as specified under Section 143(10) of the Act. Our responsibilities are under those standards are further described in the "Auditors 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 as issued by the ICAI together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the act and rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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.

3. 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 statement as a whole of the current period and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's response
1.	**Constitution of the Board of the Company** • The Board of Company is not duly constituted due to absence of Independent Directors and Women Director in the board of the Company as required as per the provisions of the Section 149 of the Companies Act, 2013 • The Audit committee, Nomination and Remuneration Committee and the CSR committee are not properly constituted according to the provisions of the Section 177, 178 and 135 of Companies Act, 2013 respectively and rules made thereunder.	**Our procedures included:** We have considered and relied upon the independent Secretarial Audit report and the replies given thereon by the Company which will be separately annexed by the Company in its Annual Report for compliances thereof.

4. Information other than the Standalone Financial Statements and Auditor's Report thereon

The company's management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report and Company's Annual Report but does not include the Standalone financial statements and our Auditors report thereon. The above referred information is expected to be made available to us after the date to this Auditor's report. 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with thest and alone financial statements or our knowledgeobtained in the audit or otherwise appears to bematerially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, if required.

5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors and Management are responsible for the matters stated under Section 134(5) of the Companies Act, 2013 with respect to preparation and presentation 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) prescribed under Section 133 of the Act read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

6. Auditors' Responsibility for the Audit of the Standalone Financial Statements

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

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

- 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 Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the standalone financial statements 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 and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of Standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in theStandalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence and Management representation 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.

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

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

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

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 year 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.

7. Other Matters

The Borrowers (Financial assets) of the company are generally regular in repaying their instalments of principal and interest due. However, in one case, i.e. M/s RSRTC, (State Govt PSU), there was a disagreement on a matter which resulted into a delay of payment of interest totaling to Rs 74 Lakhs, which has been duly recovered on 02.09.2024. The Company has considered this account as Regular Standard Asset, since M/s RSRTC was regular in making payments of all other instalments till the balance sheet date and the account was also not credit-impaired in any manner, which inter alia includes assumptions based on technical parameters. In respect to aforesaid facts, our opinion is not modified in respect of the above matter.

8. Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditors Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section143 of the Companies Act, 2013, and on the basis of such examination of the books and records of the Company as we considered appropriate and according to information and explanation given to us, we give in the **Annexure A,** a statement on the matters Specified in paragraphs 3 and 4 of the Order to the extent applicable.

II. 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 purpose of our audit;

(b) In our opinion, the Company has kept proper books of Accounts as required by the law so far as it appears from our examination of such books except for the matters stated in point (vi) of clause (h) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 ;

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

(d) In our opinion and to the best our information and explanation given to us, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) Pursuant to Notification no. GSR 463 (E) dated 05.06.2015 issued by MCA, Government of India, provision of sub section (2) of Section 164 of the Companies Act, 2013 regarding the disqualifications of Directors is not applicable to the company, since it is a Government Company;

(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**';

(g) As per notification number G.S.R. 463 (E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Section 197 of the Act regarding remuneration to Director is not applicable to the Company, since it is a Government Company;

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

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 has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. Hence, there was no delay for transfer of sums.

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

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

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

v. No Dividend has been declared or paid during the year by the company.

vi. Based on our examination which included test checks, the Company has not used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and therefore we are unable to comment in respect to this.

As proviso to Rule 3(1) of the Companies (Accounts) Rule 2014 is applicable from 01.04.2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended 31.03.2024.

III. As per the direction of Comptroller and Auditor General of India under sub section 5 of the section 143 of The Companies Act, 2013, we report as under:-

A. GENERAL DIRECTIONS:

S. No.	CAG Directions	Auditors Replics
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	**Yes. As per explanation and information furnished to us, all accounting transactions are routed through IT system, namely Tally Accounting Software.** **However, the Accounting Software used by the Company does not have a feature of recording and preserving audit trail (edit log) facility.**
2.	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	**According to information and explanations given to us, there is no restructuring of loan(s)or cases of waiver/ write off of debts/loans/interest etc.**
3.	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	**According to information and explanations given to us, there exists no such case.**

B. COMPANY/ SECTOR SPECIFIC DIRECTIONS (SUB-DIRECTIONS):		
1.	Whether the Company has complied with the directions issued by Reserve Bank of India for: • Non-Banking Finance Companies (NBFCs) • Classification of non-performing assets and • Capital accuracy norms for NBFCs	**According to information and explanations given to us, the Company has generally complied with the directions as issued by RBI for:** • **NBFC** • **Classification of NPA** • **Capital Accuracy norms**
2.	Comment in the confirmation of balance of trade receivable, trade payables, term deposit, bank accounts and cash obtained	**The Company is a NBFC and has trade receivable and trade payable in the form of Loans given to PSU's and Loans taken from Banks respectively. However, the Company has not taken balance confirmation in respect to Loans given to State PSU's. The confirmation of term deposits with Bank and Bank balances were obtained. There was no cash balance as at 31.03.2024.**
3.	Whether the bank guarantees have been revalidated in time?	**According to information and explanations given to us, there does not exist any such case.**

For A.R. Bhansali & Co.
CHARTERED ACCOUNTANTS
FRN: 001149C

Manoj Bhansali
Partner
M. No. 073671
UDIN: 24073671BKSQIM5074

Date: 29/10/2024
Place: Jaipur

Rajasthan State Power Finance and Financial Services Corporation Ltd

'Annexure A' to Independent Auditor's Report of even date on the Standalone financial statements of Rajasthan State Power Finance and Financial Services Corporation Ltd

Referred to in paragraph 8(I) under "Report on Other Legal and Regulatory matters" section of our report of even date to the Members of Rajasthan State Power Finance and Financial Services Corporation Ltd on the Standalone Financial Statements for the year ended 31.03.2024

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of use assets.

(B) The Company has maintained proper records showing full particulars, of intangible assets.

b) Based on the information and explanation given to us, the Company's management carries out the physical verification of Property, Plant and Equipment at reasonable intervals. As informed to us, no material discrepancies were noticed by the management on such physical verification.

c) Based on our examination of the records of the company and as informed to us, the company does not hold any immovable properties as at the balance sheet date.

d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use-Assets) and intangible assets during the year.

e) As informed to us, no proceedings have been initiated or are pending against the Company as at the date of Balance Sheet for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (asamended in 2016) and rules made thereunder.

ii. (a) The Company is a NBFC and does not hold any inventory during the year. Therefore, reporting under clause 3(ii)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(b) The Company has not been sanctioned working capital in excess of five crore rupees, during the year, in aggregate, from banks or financial institutions on the basis of security of current assets which are unsecured and does not require any filing of quarterly returns or statements with the banks by the Company.

iii. During the year, the company has granted loans / advances in the nature of loans, secured or unsecured to State PSU's. In this regard, we report hereunder:

a) The Company is a registered NBFC with Reserve Bank of India with principal business of giving loans hence clause 3(iii)(a) of the Order is not applicable.

b) In our opinion, the terms and conditions of the grant of all loans and advances in the nature of loans, during the year are, prima facie, not prejudicial to the Company's interest.

c) Being a registered Non-Banking Financial Company (NBFC), the Company grants its loans on stipulated terms and conditions for repayment of principal and interest. In respect of Loan assets, the repayments of principal amounts and receipts of interest are generally regular as per stipulation.

d) In respect of loans and advances in the nature of loan, no amount is overdue for more than ninety days subject to our comment in Point 7 "Other Matters" of this Audit report.

e) Reporting under clause 3(iii)(e) of the Order is not applicable, since the principal business of the Company is to give loans.

f) To the best of our knowledge and according to information and explanation given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to information and explanation given to us the Company has not given any loan or given any guarantee or provided any security during the year in contravention of Section 185 of the Companies Act, 2013 to the extent applicable to the Company.

Further in our opinion and according to information and explanation given to us, the Company being a Non-Banking Financial Company (NBFC), the Company is exempt from Section 186 of the Companies Act, 2013 and relevant rules in respect of loans & guarantees. The company has not made any investments and hence the provisions of Section 186(1) of the Companies Act, 2013 does not apply to the Company.

v. According to information and explanation given to us, the Company has not accepted any deposits from the publicto which directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of Companies Act, 2013 and rules made thereunder are applicable.

vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Companies (Auditor's Report) Order 2020 is not applicable to the Company.

vii. In respect of statutory dues, on the basis of information and explanations given to us and on the basis of our examination of the records of the Company, we report that:

a) The Company is regular in depositing with appropriate Authorities, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues as applicable to it and there is no undisputed amount payable in respect of aforesaid dues outstanding for a period of more than six months from the date they become payable as on31.03.2024, as per the accounts of the Company.

b) According to the information and explanations given to us and based on the records of the company furnished to us, there are no dues of Income Tax, Wealth Tax, Goods and Service Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.

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

ix. (a) According to information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowing or on the payment of interest thereon to any lender.

(b) According to the information and explanations given to us the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) As per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, no funds raised on short-term basis have beenused for long-term purposes by the Company other than temporary usage pending receipts from long term sources.

(e) According to the information and explanations given to us and on an overall examination of the 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 subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year.

xi. (a) According to the information and explanations given to us and our examination of the books and records of the company carried out in accordance with the generally accepted audited practices in India, no fraud by the company or on the Company by its officers or employees have been noticed or reported during the course of our audit.

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

(c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year, therefore reporting under this clause is not applicable.

xii. According to the information and explanations given to us, the Company is not a Nidhi company. Therefore, reporting under this clause is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are disclosed in the financial statements in compliance with section 177 and 188 of the act where applicable.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. 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 applicableto the Company.

xvi. (a) The Company is a Non-Banking Financial Company and has obtained registration under Section 45-IA of the Reserve Bank of India Act, 1934. The registration number issued to the Company is B-10.00226 dated 24.7.2013 which was further renewed on 24.11.2016.

(b) According to the information and explanations given to us, the Company has not conducted any non-banking financial or housing finance activities without a valid certificate of registration from the Reserve Bank of India as per 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 in the regulations made by the Reserve Bank of India, hence reporting under clause 3 (xvi) (c) of the order is not applicable.

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

xvii. Based on the standalone financial statements of the company, the company has not incurred anycash losses during the year and in the immediate previous year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, this clause of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There is no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project and hence no amount was required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, this clause of the Order is not applicable.

xxi. The clause 3 (xxi) of the order is not applicable to the Standalone Financial Statements, hence no comment is given.

For A.R. Bhansali & Co.
CHARTERED ACCOUNTANTS
FRN: 001149C

Manoj Bhansali
Partner
M. No. 073671
UDIN: 24073671BKSQIM5074

Date: 29/10/2024
Place: Jaipur

Annexure B to the Independent Auditors' Report of even date on the Standalone Financial Statements of Rajasthan State Power Finance and Financial Services Corporation Ltd

(Referred to in Para 8 (II)(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of Rajasthan Power Finance Corporation Limited on the Standalone Financial Statements for the year ended 31.03.2024)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‚the Act)

We have audited the internal financial controls over financial reporting of **M/s. Rajasthan State Power Finance and Financial Services Corporation Ltd**(‚the Company) as of March 31, 2024 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. 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 of sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; 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 authorizations of the Management and or directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31.03.2024, 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 ICAI.

For A.R. Bhansali & Co.
CHARTERED ACCOUNTANTS
FRN: 001149C

A.R. Bhansali & Company Chartered Accountants

Manoj Bhansali
Partner
M. No. 073671
UDIN: 24073671BKSQIM5074

Date: 29/10/2024
Place: Jaipur

Non-Banking Financial Companies Auditors' Report for the year ended 31.03.2024

To

The Board of Directors of

Rajasthan State Power Finance and Financial Services Corporation Limited

First Floor, Rajasthan State Text Book Board,

2-2A, JhalanaDungari, Jaipur

Rajasthan 302004

We have audited the accompanying Standalone Financial Statements of Power Finance Corporation Limited ('the Company'), which comprises the Balance Sheet as at 31.03.2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and Other Explanatory Information (hereinafter referred to as "the Standalone Financial Statements") and issued our audit report dated 29.10.2024. These financial statements are the responsibility of the Company's management. Our responsibility was to express an opinion on these financial statements based on our audit. Our audit was conducted in the manner specified under the section "Auditor's Responsibility for the Audit of the Financial Statements" of the said audit report. We also draw reference to the section Responsibilities of Management and "Those Charged with Governance for the Financial Statements" in the Audit Report which applies to this report.

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016" issued by the Reserve Bank of India (RBI), on the matters specified in Chapter – II of the said Directions to the extent applicable to the Company, based on our audit referred to the aforesaid paragraph and according to the information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that:

1. The Company is engaged in the business of Non-Banking Financial Institution, having valid certificate of registration issued by Reserve Bank of India vide No.B-10.00226 dated 24.07.2013 and further renewed on24.11.2016. Further, the Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2024.
2. The Company is meeting the requirement of net owned funds applicable as contained in Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
3. The Company is registered as Systemically Important Non-deposit accepting with RBI. The Boardof Directors has passed resolution in its meeting held on 29.03.2022 for non-acceptance of any public deposit in future without obtaining prior written permission of Reserve Bank of India.
4. The Company has not accepted any public deposits during the financial year 2023-24.
5. The Standalone Financial Statements of the Company for the year 2023-24 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder. Accordingly, the Company is following Board approved methodology for computation of Impairment Allowance towards provisioning for its loan assets and classification thereof keeping in view any other mitigating factors which reduces the perceived risk, such as additional collateral, Comfort letter

or Guarantee by State Government etc. In view of the regulatory compliance of the Act for adoption of a mechanism for preparation of Standalone Financial Statements, the Company is required to make provision of impairment loss as per Ind AS 109.In this regard, in compliance of RBI Notification No. DOR(NBFC). CC.PD.No.109/22.10.106/2019-20 dated 13.03.2020, the Company has also calculated provision required under IRACP Norms (including standard assets provisions) which is equal to the provision (Rs 944.80 Lakhs) calculated and provided for as per the ECL policy and hence no amount was required to be appropriated to "Impairment Reserve" as on 31.03.2024.

6. As per information and explanation given to us, the Statement of capital funds, risk assets / exposure and risk asset ratio (DNBS 03 Return) has been filed by the Company for all the quarters of FY 2023-24 based on their self-assessed unaudited provisional Standalone Financial Results, including CRAR of respective quarters, drawn on the date of filing, in compliance with RBI norms. Further, the CRAR based on audited Standalone Financial Statements for the year ended 31.03.2024 has been correctly arrived at and it is in compliance with minimum prescribed CRAR by RBI.

We have no responsibility to update this report for events occurring after the date of submission of signed copy of this report. Also, this report is issued solely for reference of the Company pursuant to the requirement as per the said Directions and is not to be used or distributed for any other purpose.

For A.R. Bhansali & Co.
CHARTERED ACCOUNTANTS
FRN: 001149C

A.R. Bhansali & Company Chartered Accountants

Manoj Bhansali
Partner
M. No. 073671
UDIN: 24073671BKSQIM5074

Date: 29/10/2024
Place: Jaipur

RAJASTHAN STATE POWER FINANCE & FINANCIAL SERVICES CORPORATION LIMITED
(Formerly known as Rajasthan State Power Finance Corporation Limited)
CIN: U65923RJ2012SGC041087

BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in Lacs)

Particulars	Note	As at 31.03.2024	As at 31.03.2023	As at 01.04.2022
I. ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	3	1,22,191.26	38,706.33	16,387.83
(b) Loans	4	2,35,255.20	82,668.00	50,373.75
(c) Other Financial Assets	5	143.79	150.41	111.15
		3,57,590.25	**1,21,524.73**	**66,872.73**
(2) Non-financial assets				
(a) Current tax assets (Net)				
(b) Deferred tax Assets (Net)	6	1.30	1.17	0.79
(c) Property, Plant and Equipment	7	4.48	6.06	8.23
(d) Other Intangible assets	8	0.03	0.03	0.03
(e) Other non-financial assets	9	1,088.92	647.15	149.60
		1,094.73	**654.41**	**158.64**
TOTAL ASSETS		**3,58,684.98**	**1,22,179.14**	**67,031.37**
II. LIABILITIES AND EQUITY				
(1) LIABILITIES				
(A) Financial Liabilities				
(a) Debt Securities				
(b) Borrowings (Other than Debt Securities)	10	1,07,999.85	75,000.00	50,000.00
(c) Inter Corporate Deposits	11	1,40,000.00	-	-
(d) Other financial liabilities	12	6,002.08	379.71	348.17
		2,54,001.93	**75,379.71**	**50,348.17**
(B) Non-Financial Liabilities				
(a) Current tax liabilities (Net)				
(b) Provisions	13			6.14
(c) Other non-financial liabilities	14	558.70	20.68	5.31
		558.70	**20.68**	**11.46**

(2) EQUITY				
(a) Equity Share capital	15	1,00,000.00	44,000.00	9,000.00
(b) Other Equity	16	4,124.36	2,778.76	7,671.74
		1,04,124.36	**46,778.76**	**16,671.74**
TOTAL LIABILITIES AND EQUITY		**3,58,684.98**	**1,22,179.14**	**67,031.37**

Material accounting policies 2

The accompanying notes 1 to 60 form integral part of the Financial Statements.

For and on behalf of the Board of Directors

Debasish Prusty	**Ravi Kumar Surpur**	**Pawan Jaiman**	**Krati Joshi**
Managing Director	**Director**	**Chief Financial Officer**	**Company Secretary**
DIN 10655471	**DIN 06695585**		**M.No.-A40057**

Signed in terms of our Report of even date attached
For M/s A R Bhansali & Co.
Chartered Accountants
FRN:001149C

(CA Manoj Bhansali)
M.No. 073671
Place: JAIPUR
Date: 29/10/2024
UDIN: 24073671BKSQIM5074

RAJASTHAN STATE POWER FINANCE & FINANCIAL SERVICES CORPORATION LIMITED
(Formerly known as Rajasthan State Power Finance Corporation Limited)
CIN: U65923RJ2012SGC041087

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2024

(₹ in Lacs)

Particulars	Note	For the year ended 31.03.2024	For the year ended 31.03.2023
I Revenue from Operations			
(i) Interest Income	17	16,901.15	5,792.27
Total Revenue from operations		**16,901.15**	**5,792.27**
II Other Income	18	21.84	0.96
III Total Income (I+II)		**16,922.99**	**5,793.24**
IV Expenses:			
(i) Finance Costs	19	14,344.60	5,211.38
(ii) Impairment on financial instruments	20	612.80	205.75
(iii) Employee Benefits Expense	21	100.08	97.02
(iv) Depreciation and amortisation	7	1.99	3.26
(v) Other Expenses	22	53.90	124.02
Total Expenses (IV)		**15,113.37**	**5,641.42**
V Profit before Exceptional Items & Tax (III-IV)		**1,809.62**	**151.81**
VI Exceptional Items			
VII Profit Before Tax (V-VI)		**1,809.62**	**151.81**
VIII Tax Expense:			
Current Tax		458.56	38.15
Deferred Tax		-0.13	-0.39
Income Tax for Earlier Year			
Total Tax Expenses (VIII)		**458.43**	**37.76**
IX **Profit for the year (VII-VIII)**		**1,351.19**	**114.05**
X **Other Comprehensive Income**			
-Items that will not be reclassified to profit or loss (net of tax)			

-Items that will be reclassified to profit or loss (net of tax)			
XI **Total Other Comprehensive Income for the year**			
XII **Total Comprehensive Income for the year (IX+XI)**		**1,351.19**	**114.05**
XIII **Earnings per Equity Share: (Face value per Equity Share of ₹ 1,000 each)**			
Basic (in ₹)	23	19.41	2.59
Diluted (in ₹)	22	19.41	2.59
Material Accounting Policies	2		

The accompanying notes 1 to 60 form integral part of the Financial Statements.
For and on behalf of the Board of Directors

Debasish Prusty	**Ravi Kumar Surpur**	**Pawan Jaiman**	**Krati Joshi**
Managing Director	**Director**	**Chief Financial Officer**	**Company Secretary**
DIN 10655471	**DIN 06695585**		**M.No.-A40057**

Signed in terms of our Report of even date attached
For M/s A R Bhansali & Co.
Chartered Accountants
FRN:001149C

(CA Manoj Bhansali)
M.No. 073671
Place: JAIPUR
Date: 29/10/2024
UDIN: 24073671BKSQIM5074

RAJASTHAN STATE POWER FINANCE & FINANCIAL SERVICES CORPORATION LIMITED
(Formerly known as Rajasthan State Power Finance Corporation Limited)
CIN: U65923RJ2012SGC041087

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

A. Equity Share Capital

As at 31 March 2024

(₹ in Lacs)

Balance as at 01st April 2023	Changes in equity share capital during current period	Balance as at 31st March 2024
44,000.00	**56,000.00**	**1,00,000.00**

As at 31 March 2023

Balance as at 01st April 2022	Changes in equity share capital during current period	Balance as at 31st March 2023
9,000.00	**35,000.00**	**44,000.00**

B. Other Equity

Year ended 31st March 2024

(₹ in Lacs)

Particulars	Share application money pending allotment	Reserves and Surplus		Total
		Statutory reserves as per section 45-IC of the RBI Act, 1934	Retained Earnings	
Balance As at 1st April, 2023		555.75	2,223.01	2,778.76
Profit for the year	-	-	1,351.19	1,351.19
Other Comprehensive Income (expense)(net of tax)	-	-	-	-
Total Comprehensive Income for the Year		**555.75**	**3,574.19**	**4,129.95**
Transfer to Statutory reserves as per Section 45-IC of the RBI Act, 1934	-	270.24	(270.24)	-
Shares issue Expenses during the year		-	(5.59)	-5.59
Shares Issued during the year	-	-	-	-
Balance as at 31st March, 2024	**-**	**825.99**	**3,298.37**	**4,124.36**

Year ended 31st March 2023

(₹ in Lacs)

Particulars	Share application money pending allotment	Reserves and Surplus		Total
		Statutory reserves as per section 45-IC of the RBI Act, 1934	Retained Earnings	
Balance As at 1st April, 2022	**5,000.00**	**534.35**	**2,137.40**	**7,671.74**
Profit for the year	**-**	**-**	**114.05**	**114.05**
Other Comprehensive Income (expense)(net of tax)	-	-		-
Total Comprehensive Income for the Year	**5,000.00**	**534.35**	**2,251.44**	**7,785.79**
Transfer to Statutory reserves as per Section 45-IC of the RBI Act, 1934		21.40	(21.40)	-
Shares issue Expenses during the year			(6.50)	(6.50)
Shares Issued during the year	(5,000.00)		-	(5,000.00)
Prior Period Expense Adjusted (Ind-AS)			(0.54)	(0.54)
Balance as at 31st March, 2023	**-**	**555.75**	**2,223.01**	**2,778.76**

The accompanying notes 1 to 60 form integral part of the Financial Statements.
For and on behalf of the Board of Directors

Debasish Prusty	**Ravi Kumar Surpur**	**Pawan Jaiman**	**Krati Joshi**
Managing Director	**Director**	**Chief Financial Officer**	**Company Secretary**
DIN 10655471	**DIN 06695585**		**M.No.-A40057**

Signed in terms of our Report of even date attached
For M/s A R Bhansali & Co.
Chartered Accountants

A.R. Bhansali & Company
Chartered Accountants

(CA Manoj Bhansali)
M.No. 073671
Place: JAIPUR
Date: 29/10/2024
UDIN: 24073671BKSQIM5074

RAJASTHAN STATE POWER FINANCE & FINANCIAL SERVICES CORPORATION LIMITED
(Formerly known as Rajasthan State Power Finance Corporation Limited)
CIN: U65923RJ2012SGC041087

Statement of Cashflows for the year ended 31st March, 2024

(₹ in Lacs)

Particulars	**Year ended 31.03.2024**		**Year ended 31.03.2023**	
A. Cash Flow from Operating Activities				
Profit before tax		**1,809.62**		**151.81**
Adjustments for:				
Depreciation & Amortisation expense	1.99		3.26	
Impairment of Financial Instruments	612.80		205.75	
Prior Period adjustment			(0.54)	
Deferred Tax Asset(-)/Liabilities(+)		**614.79**		**208.47**
Operating profit before working capital changes Adjustments for		**2,424.41**		**360.28**
Loans	(1,53,200.00)		(32,500.00)	
Other Financial Asset	6.62		(39.25)	
Other Non -Financial Asset	(441.77)		(497.55)	
Other financial liabilities	5,622.38		31.54	
Provisions	-		(6.14)	
Other non-financial liabilities	538.02		15.37	
		(1,47,474.76)		(32,996.05)
Cash from Operating Activities		**(1,45,050.35)**		**(32,635.76)**
Income Tax Paid		(458.56)		(38.15)
Net Cash from Operating Activities (A)		**(1,45,508.91)**		**(32,673.91)**
B. Cash Flow from Investing Activities				
Purchase of property, plant and equipment		(0.41)		(1.09)
Net Cash Flow from Investing Activities(B)		**(0.41)**		**(1.09)**

C.	Cash Flow from Financing Activities				
	Proceeds from Deposits		1,40,000.00		
	Proceeds from Borrowings (Other than Debt Securities)		32,999.85		25,000.00
	Proceeds from issues of Share Capital (net)		55,994.41		29,993.50
	Net cash used in Financing Activities (C)		**2,28,994.26**		**54,993.50**
	Net increase in cash and cash equivalents(A+B+C)		**83,484.93**		**22,318.50**
	Cash and cash equivalents at the beginning of the year		38,706.33		16,387.83
	Cash and cash equivalents at the close of the year		**1,22,191.26**		**38,706.33**

Cash and Cash Equivalent includes:-

Particulars	**Period ended 31st March 2024**	**Year ended 31st March 2023**	**As at 1st April 2022**
Cash on hand			
Balance with Banks - - in PD Account	1,05,562.31	34,670.64	5,118.37
Balance with Banks - in current accounts	6,864.38	246.64	589.45
Balance with Banks - Fixed Deposits	9,764.57	3,789.05	10,680.00
Total	**1,22,191.26**	**38,706.33**	**16,387.83**

The accompanying notes 1 to 60 form integral part of the Financial Statements.

For and on behalf of the Board of Directors

Debasish Prusty **Managing Director** **DIN 10655471**	**Ravi Kumar Surpur** **Director** **DIN 06695585**	**Pawan Jaiman** **Chief Financial Officer**	**Krati Joshi** **Company Secretary** **M.No.-A40057**

Signed in terms of our Report of even date attached
For M/s A R Bhansali & Co.
Chartered Accountants
FRN:001149C

(CA Manoj Bhansali)
M.No. 073671
Place: JAIPUR
Date: 29/10/2024
UDIN: 24073671BKSQIM5074

1. General Information

Rajasthan State Power Finance and Financial Services Corporation Limited (the “Company”) is a Company incorporated on 21 December 2012, under the Companies Act, 2013 with the Registrar of Companies, Jaipur bearing Registration No. 041087 and limited by shares (CIN: U65923RJ2012SGC041087). It is involved in providing financial assistance to the State-owned power companies. The main objective of the company is to support/augment the resources for financing the State-owned public sector undertakings in the State of Rajasthan and is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC).The Company had obtained its license from Reserve Bank of India (RBI) to operate as NBFC-MFI on 6th September,2013 vide registration No. RBI B-10.00226. The Company being a Government-owned NBFC is placed in the Middle layer under framework for Scale Based Regulation for NBFCs issued by RBI. The address of the Company’s registered office is First Floor, Rajasthan State Textbook Board, 2-2A Jhalana Doongri, Jaipur, Rajasthan, India, 302004.

2. Material Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of Companies Act, 2013 (the act) along with other relevant provisions of the Act and the Master Direction - Non-Banking-Financial Company Systemically Important Non-Deposit taking Company (Reserve bank) Directions, 2016 (‘the NBFC Master Directions’) issued by RBI. The financial statements have been prepared on a going concern basis.

The company uses accrual basis of accounting except in case of significant uncertainties. For all periods up to and including the year ended March 31, 2022, the company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the Master Directions- Non-Banking Financial Company Systemically Important Non-Deposit taking Company (hereinafter referred as 'previous GAAP'). These financial statements for the year ended March 31, 2024 are the first financials of the Company, which has been prepared in accordance with Ind AS. The Company has applied Ind AS101 First-time adoption of Indian Accounting Standards, for transition from previous GAAP to Ind AS. An explanation of how transition of Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in note no. 57.

The regulatory disclosures as required by the NBFC Master Directions to be included as a part of the Notes to Accounts are alsoprepared as per the Ind AS Financial Statements.

2.2 These Financial Statements have been approved for issue by Board of Directors (BoD) of the Company on 29.10.2024.

2.3 Basis of preparation

The financial statements have been prepared on going concern basis following the accrual system of accounting. The assets and liabilities have been measured on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on this basis.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III of the Companies Act, 2013. The company has disclosed regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) has been provided separately in the financial statements.

2.4 Application of new and revised Ind AS

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized for issue have been considered in preparing these financial statements.

2.5 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 (“the Act”) applicable for Non-Banking Finance Companies (“NBFC”). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards.

2.6 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company’s functional currency and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to the nearest Lakhs (upto two decimals) as per the requirements of Schedule III, unless otherwise stated.

2.7 Property, Plant and Equipment

2.7.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

When parts of an Item of property, plant and equipment have different useful life's, they are recognized separately. Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost Includes expenditure that is directly attributable to bringing the asset. Inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. Income and Expenses, Incidental to the operations, not necessary in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in statement of profit and loss.

2.7.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

The costs of the day-to-day servicing ofproperty, plant and equipment are recognized in the statement of profit or loss as incurred.

Estimated useful life of assets is as below:	
Category of PPE	**Estimated useful life**
Furniture & Fixtures	10 Years
Office Equipment	5 Years
Office Equipment (Computers & Printers)	3 Years

2.7.3. De-recognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses on De recognition of item of Property, Plant and Equipment are determined by comparing net disposable proceeds with the carrying amount of Property, Plant and Equipment and are recognized in the statement of profit and loss.

2.7.4. Depreciation/amortization

Depreciation on assets is provided for original cost of the asset reduced by its residual value estimated from time to time, as per written down value method, over the useful life's of the assets as prescribed by Schedule II to the Companies Act, 2013. Depreciation is provided on pro-rata basis from the date of addition in which assets come into operation.

2.8 <u>Intangible assets</u>

2.8.1. Initial recognition and measurement

An intangible asset is recognised if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts, and rebates less accumulated amortization/depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs and any other cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditures incurred which are eligible for capitalizations under Intangible assets are carried as intangible assets (under development) that are ready for their intended use.

2.8.2. Subsequent costs

Subsequent costs are included in the assest's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

2.8.3. De-recognition

An intangible asset is derecognized when no future economic benefits are expected from its use or upon its disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

2.8.4. Amortization

Intangible assets having definite life are amortized on straight-line method over their useful life's. If life of any intangible asset is indefinite then it is not amortized and tested for Impairment at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

2.9 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets other than deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

2.10 Borrowing costs

General and specific borrowing cost that are attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset till such time asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for intended use. The Company considers a period of twelve months or more as a substantial period of time. All other borrowing costs are recognised as an expense in the period which they are incurred.

Borrowing costs consist of (a) interest expense calculated using the Effective Interest Rate method as described in Ind AS 109-'Financial Instruments (b) finance charges in respect of leases recognized in accordance with Ind AS 116 Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustment to interest costs. Investment Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization

2.11 <u>Cash and cash equivalents</u>

Cash and cash equivalents in the Balance Sheet comprise cash at the bank and in hand and short-term deposits with banks that are readily convertible into cash which is subject to an insignificant risk of changes in value and is held for the purpose of meeting short-term cash commitments and short-term investments with original maturity of less than three month.

2.12 <u>Provisions and contingent liabilities and Contingent Assets</u>

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the Liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expenses relating to a provision are presented in the statement of profit and loss net of any reimbursement

Provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimate. If It is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

Contingent Liabilities

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Contingent liabilities are reviewed at each balance sheet date.

Contingent Assets

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realized. A contingent asset is disclosed as required by Ind AS 37, where an inflow of economic benefits is probable.

2.13 <u>Revenue recognition</u>

2.13.1 Interest Income:

Interest income, for all financial instruments measured either at amortised cost or at fair value through other comprehensive Income, is recorded using the effective interest rate (EIR).

EIR is the rate that exactly discounts the estimated future receipts over the expected life of the financial Instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset. The calculation of the effective Interest rate takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes transaction costs and fees that are an Integral part of the contract but not future credit losses. Transaction costs include Incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment of the carrying amount of the asset in the balance sheet with an Increase or reduction in Interest Income. The adjustment is subsequently amortised through interest income in the Statement of profit and loss

The Company calculates Interest Income by applying the EIR to the gross carrying amount of financial assets, other than credit-Impaired assets under stage 3. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3, the Company recognises interest income on the net carrying amount (i.e., Gross carrying amount net of loss allowance)

2.14 Employee benefits

Short Term Benefits

Short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Post-Employment benefits

Employee benefits that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types.

(1) Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amount. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions

(2) Defined benefit plans:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's Gratuity Scheme is considered as a Defined benefit plan.

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is determined annually on the basis of Actuarial Valuation using the projected unit credit method.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period an government bonds.

Past service cost is recognized in the Statement of Profit and Loss in the period of a plan amendment. Net Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefits liability or asset

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and Net interest expense or income.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset celling are recognized in other comprehensive income. Remeasurement recognized in other comprehensive Income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

The defined benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

2.15 Income tax

Current Income Tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted and as applicable at the reporting date and any adjustment to tax payable in respect of previous years. Current tax expense is recognized in the profit or loss except to the extent that it relates to items recognized directly in Other Comprehensive Income (OCI) or Equity, in which case it is recognized in OCI or Equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

Deferred tax is recognized on all temporary differences at the reporting date between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amounts for financial reporting purposes, and are accounted for using the balance sheet approach.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to temporary differences when they are realised or settled, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or Equity, in whichcase it is recognized in OCI or Equity. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain, as the case may be, that sufficient future taxable income will be available.

2.16 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

2.17 Earnings per share

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

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or Income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

2.18 Statement of Cash Flows

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows' for operating, investing and financing activities.

2.19 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or Equity Instrument of another entity.

Initial Recognition and Measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities measured at FVTPL are recognized immediately in the statement of profit and loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognized in the statement of profit and loss on initial recognition.
- In all other cases, the fair value will be adjusted to bring it in line with the transaction price. After initial recognition, the deferred gain or loss will be recognized in the statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

The Company recognizes a financial asset and Financial Liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets, with the exception of loans and advances to customers, are initially recognized on the transaction date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognized when funds are disbursed.

The Company's financial assets include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, loans and advances, other financial assets and investments.

The Company's financial liabilities include loans and borrowings including trade& other payables.

2.19.1 Financial Assets

Subsequent measurement of financial assets

The Company classifies financial assets as subsequently measured at amortized cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

(i) The entity's business model for managing the financial assets and

(ii) The contractual cash flow characteristics of the financial asset.

Financial Assets at Amortized Cost

A financial asset is measured at the amortized cost if both the following conditions are met:

(a) It is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI)on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR)method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

EIR is determined at the initial recognition of financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.

Once the terms of financial instruments are negotiated other than market driven interest rate movements, any gain/loss measured using the previous EIR as calculated before modification, is recognised in the statement of profit and loss in period during which such renegotiation occur.

Financial Assets at fair value through other comprehensive income (FVTOCI)

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI)on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset,cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method. For equity instruments not held for trading, the Company has an irrevocable option to designate them as FVTOCI. The Company has not designated investments in any equity instruments as FVTOCI.

Financial Assets at fair value through the statement of profit and loss (FVTPL)

Any financial asset which is not classified in any of the above categories is subsequently measured at FVTPL. For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between the initial recognition and maturity of the financial asset. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the entity recalculate the gross carrying amount of the financial asset and recognise a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition. The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in ratio as agreed without material delay to a third party under a 'direct assignment' arrangement.

Direct Assignment arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows in agreed ratio to one or more entities ('eventual recipients'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay in the agreed ratio.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised is recognised in the statement of profit and loss.

Impairment of financial assets

The Company recognises loss allowances for Expected Credit Losses on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Other financial assets; and
- Loan commitments.

Equity instruments are measured at fair value and not subject to an impairment loss.

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. loss allowance on default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- Lifetime ECL, i.e. lifetime ECL that results from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

The Company presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Statement of Profit and Loss as "Impairment on financial instruments".

The impairment requirements for the recognition and measurement of ECL are equally applied to loan asset at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Balance Sheet.

A loss allowance for lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECL is measured at an amount equal to the 12-month ECL.

The Company has established a policy to perform an assessment at the end of each reporting period whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instruments.

When making the assessment of whether there has been a significant increase in credit risk (SICR) since initial recognition, the Company considers reasonable and supportable information, that is available without undue cost or effort. If the Company measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the company again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

Staging of Loan

Ind-AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition.For classification of its borrowers into various stages, the Company uses the following basis:

Stage 1

Includes loans for which the credit risk at the reporting date is in line with the credit risk at initial recognition (i.e. disbursement date). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 to Stage 1.

Stage 2

Includes loans for which the credit risk at reporting date is significantly higher than the risk at the initial recognition (Significant Increase in Credit Risk). Stage 2 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2.

Stage 3

Includes default loans. A loan is considered default if the obligor is past due more than 90 days on any material credit obligation to the company.

Definition of Default

In accordance with Ind AS 109, the Company considers the financial Instrument as in default, when the loan account is more than 90 days past due on any material credit obligation to the Company. Credit Impaired financial assets are aligned with the definition of default.

Measurement of Expected Credit Loss (ECL)

ECL is measured on either a 12 month or lifetime basis depending on whether there is significant increase in credit risk since initial recognition. ECL is the product of Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The Company has its own management approved policy, during the financial year for assessment of ECL in accordance with Ind AS 109. The ECL policy of the Company duly approved by the Board provides the minimum expected credit loss provisions.

Classification as debt or equity

Debt and Equity Instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.19.2 Equity Instruments

An Equity Instrument is any contract that evidences a residual Interest in the assets of an entity after deducting all of its liabilities. Equity Instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

2.19.3 Financial liabilities

Initial recognition and measurement

The Company recognises a financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement of financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.20 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company to make decisions for which discrete financial information is available. In the context of reporting business/ geographical segment as required by Ind AS 108 – 'Operating Segments', the Company's operations comprise of only one business segment – lending to public sector undertakings of the Government of Rajasthan. All activities revolve around the main business. Hence, there are no reportable segments as per Ind AS 108.

2.21 Fair value Measurement

The Company measures some of its financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participation at the measurement date. The fair value measurement assumes that transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the assets or liability, or

(b) In the absence of a principal market, in the most advantages market for the assets or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

2.22 Significant estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, expected credit loss on loan books, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

2.23 <u>Recent accounting pronouncements</u>

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendment to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

3. Cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Cash on hand	-	-	-
Balances with banks:			
- in PD Account	1,05,562.31	34,670.64	5,118.37
- in current accounts	6,864.38	246.64	589.45
- in fixed deposits with banks	9,764.57	3,789.05	10,680.00
Total	**1,22,191.26**	**38,706.33**	**16,387.83**

4. Loans

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Secured - Working Capital Loan	11,800.00	8,000.00	10,500.00
Secured - Term Loan	17,000.00	6,000.00	-
Unsecured - Working Capital Loan	94,100.00	-	-
Unsecured - Term Loan	1,13,300.00	69,000.00	40,000.00
Total Gross Loans	**2,36,200.00**	**83,000.00**	**50,500.00**
Less: Impairment Loss Allowance	944.80	332.00	126.25
Total Loans (net)	**2,35,255.20**	**82,668.00**	**50,373.75**
Loans in India:			
Public Sector	2,36,200.00	83,000.00	50,500.00
Others	-	-	-
Total Gross Loans	**2,36,200.00**	**83,000.00**	**50,500.00**
Less: Impairment Loss Allowance	944.80	332.00	126.25
Total Net Loans in India (a)	**2,35,255.20**	**82,668.00**	**50,373.75**
Loans Outside India (b)	-	-	-
Total Net Loans (a)+(b)	**2,35,255.20**	**82,668.00**	**50,373.75**

5. Other Fanatical Assets

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Interest accrued on loan portfolio	83.71	113.89	83.22
Interest accrued on bank deposits	53.89	30.32	27.93
Other Recoverable	6.20	6.20	-
Total	**143.79**	**150.41**	**111.15**

6. Deferred Tax Assets (Net)

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Deferred Tax Assets, on account of			
- Property Plant, and Equipment	1.30	1.17	0.79
Total	**1.30**	**1.17**	**0.79**

7. Property, Plant and Equipment

(₹ in Lacs)

Particulars	Furniture & Fixtures	Office Equipment	Office Equuipemt (Computer & Printers)	Total
Gross Carrying Value:				
Balance at April 1, 2022	**8.14**	**7.77**	**5.54**	**21.45**
Additions	0.01	1.08	0.00	1.09
Deductions/ disposals	-	-	-	-
Balance at March 31, 2023	**8.15**	**8.85**	**5.54**	**22.54**
Balance at April 1, 2023	**8.15**	**8.85**	**5.54**	**22.54**
Additions	0.00	0.09	0.32	0.41
Deductions/ disposals	-	-	-	-
Balance at March 31, 2024	**8.15**	**8.94**	**5.86**	**22.95**
Accumulated Depreciation:				
Balance at April 1, 2022	**4.23**	**3.96**	**5.03**	**13.23**
Depreciation for the year	1.02	2.07	0.17	3.26
Deductions/ disposals	-	-	-	-
Balance at March 31, 2023	5.25	6.04	5.20	16.48
Balance at April 1, 2023	**5.25**	**6.04**	**5.20**	**16.48**
Depreciation for the year	0.72	1.21	0.06	1.99
Deductions/ disposals	-	-	-	-
Balance at March 31, 2024	**5.97**	**7.25**	**5.26**	**18.47**
Net Carrying Value:				
Balance at March 31, 2024	**2.18**	**1.70**	**0.61**	**4.48**
Balance at March 31, 2023	**2.90**	**2.81**	**0.35**	**6.06**

8. Intangible Asset

(₹ in Lacs)

Particulars	Tallly Software	Total
Gross Carrying Value:		
Balance at April 1, 2022	**0.53**	**0.53**
Additions	-	-
Deductions/ disposals	-	-
Balance at March 31, 2023	**0.53**	**0.53**
Additions	-	-
Deductions/ disposals	-	-
Balance at March 31, 2024	**0.53**	**0.53**
Accumulated Depreciation:		
Balance at April 1, 2022	**0.50**	**0.50**
Depreciation for the year	-	-
Deductions/ disposals	-	-
Balance at March 31, 2023	**0.50**	**0.50**
Depreciation for the year	-	-
Deductions/ disposals	-	-
Balance at March 31, 2024	**0.50**	**0.50**
Net Carrying Value:		
Balance at March 31, 2024	**0.03**	**0.03**
Balance at March 31, 2023	**0.03**	**0.03**

9. Other non-financial assets

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Prepaid Interest	-	4.39	-
Income Tax Refundable (Prev. years)	129.77	143.34	53.26
Income Tax Refundable (Current Year)	959.15	499.42	96.34
Total	**1,088.92**	**647.15**	**149.60**

10. Borrowing (Other than Debt Securities)

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Secured Term Loans:			
Loan from AU Bank	25,000.00	25,000.00	-
Unsecured Term Loans:			
Loan from Bank of Maharashtra	47,999.85	50,000.00	50,000.00
Loan from Indian Bank	20,000.00	-	-
Loan from State Bank of India	10,000.00	-	-
Loan from UCO Bank	5,000.00	-	-
Total	**1,07,999.85**	**75,000.00**	**50,000.00**

Nature of Security

Term loans from banks carry a rate of interest in the range of 6.90% to 8.65%. The Loan has tenure of 2 to 5 Years from the date of disbursement and are repayable in both monthly and quarterly instalments. The secured term loans from banks and External Commercial Borrowings are secured by exclusive charges on receivables. There is no delay in the repayment of borrowings as at 31st March 2024 and as at 31st March 2023.

11. Inter Corporate Deposite

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Deposits from body corporate:			
RIICO Ltd.	1,00,000.00	-	-
Rajasthan Housing Board	40,000.00	-	-
Total	**1,40,000.00**	**-**	**-**

12. Other Financial Liabilities

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
MSME Creditors for Expense	1.27	1.94	1.22
Other Creditors for Expenses	0.64	1.44	1.87
Payables to Consultants	2.96	1.25	2.07
Payables for Salary & Reimbursements	7.65	5.76	4.61
Payables for:			
Internal Audit Fees	0.35	0.32	0.29
Secretarial Audit Fees	0.30	0.29	0.25
Statutory Audit Fees	1.06	-	-
Tax Audit Fees	0.32	-	-
Security Deposits	0.68	1.00	0.86
Corporate Deposit Interest Payable	4,947.89	-	-
Interest due on Long-term Loans	762.48	180.21	236.30
Financial Charges	275.90	187.50	100.70
Professionals	0.27	-	-
Other Payables	0.32	-	-
Total	**6,002.08**	**379.71**	**348.17**

13. Provisions

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Provision for CSR Expenses	-	-	6.14
Provision for Income Tax	458.56	38.15	120.57
Less: Advance tax and TDS as per Contra	(458.56)	(38.15)	(120.57)
Total	**-**	**-**	**6.14**

14. Other non-financial liabilities

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Statutory dues payables	558.39	20.40	5.03
Earnest Money	0.28	0.28	0.28
Duties & Taxes	0.03	-	-
Total	**558.70**	**20.68**	**5.31**

15. Equity Share Capital

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Authorised:			
1,00,00,000 (31st March 2023: 1,00,00,000; 1st April 2022: 25,00,000) Equity shares of ₹1,000/- each	100,000.00	100,000.00	25,000.00
Issued Subscribed and fully paid up:			
1,00,00,000 (31st March 2023: 44,00,000; 1st April 2022: 25,00,000) Equity shares of ₹ 1,000/- each	100,000.00	44,000.00	9,000.00
Total	**100,000.00**	**44,000.00**	**9,000.00**

a) The reconciliation of the Number of Equity Shares Outstanding:

Particulars	As at 31st March 2024	As at 31st March 2023
	No. of Shares	**No. of Shares**
Shares outstanding at the beginning of the year	44,00,000	9,00,000
Shares issued during the year	56,00,000	35,00,000
Shares outstanding at the end of the year	**100,00,000**	**44,00,000**

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of 1,000/- per share. Each shareholder is entitled to one vote per equity share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

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 shareholder.

No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien. The Company has not allotted any share pursuant to contracts without payment being received in cash or as bonus shares nor has it bought back any shares during the preceding period of 5 financial years.

c) Details of Shareholders holding more than 5% shares in the Company:

Name of Shareholder	Equity Shares					
	As at 31st March, 2024		As at 31st March, 2023		As at 1st April, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Principal Secretary, Finance on behalf of H.E. The Governor of Rajasthan	7,399,930	73.999%	4,399,930	99.99%	899,930	99.99%
Rajasthan State Ganganagar Sugar Mills (RSGSM)	1,300,000	13.00%	-	-	-	-
Rajasthan State Beverages Corp. Ltd. (RSBCL)	1,300,000	13.00%	-	-	-	-
Total	**9,999,930**	**100.00%**	**4,399,930**	**99.99%**	**899,930**	**99.99%**

d) Shareholdings of Promoters

Promoter name	Shares held by promoters at the beginning of the year		Shares held by promoters at the end of the year		% Change during the Year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Principal Secretary, Finance on behalf of H.E. The Governor of Rajasthan	4,399,930	99.99%	7,399,930	74.00%	-26.00%

16. Other Equity

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Share application money pending allotment	-	-	5,000.00
Retained Earnings	3,303.96	2,223.01	2,137.40
Statutory Reserve u/s 45-IC of RBI Act, 1934	825.99	555.75	534.35
Total	**4,129.95**	**2,778.76**	**7,671.74**

Nature, Purpose and Movement of Each Reserve

i. Retained Earnings

Retained earnings or accumulated surplus represents total of all profits retained since the Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, or any such other appropriations to specific reserves.

Particulars	As at 31st March 2024	As at 31st March 2023
At the beginning of the year	2,223.01	2,137.40
Add: Profit/(Loss) for the year	1,351.19	114.05
Add: Other Comprehensive Income	-	-
Less: Transfer to Statutory Reserve u/s 45-IC of RBI Act, 1934	(270.24)	(21.40)
Less: Share issue Expenses	(5.59)	(6.50)
Less: Prior Period Item Adjustment (Ind-AS)	-	(0.54)
At the end of the year	**3,303.96**	**2,223.01**

ii. Statutory Reserve u/s 45-IC of RBI Act, 1934

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023
At the beginning of the year	555.75	534.35
Add: Additions during the year	270.24	21.40
At the end of the Year	**825.99**	**555.75**

17. Revenue From Operations

(₹ in Lacs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest Income:		
- On Loans	15,449.83	5,411.01
- On Deposits	1,451.32	381.26
Total	**16,901.15**	**5,792.27**

18. Other Income

(₹ in Lacs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest on Income Tax Refund	22.45	0.45
Other Income	0.02	0.02
Provisions Written Back	(0.63)	0.49
Total	**21.84**	**0.96**

19. Finance Costs

(₹ in Lacs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest on financial liabilities (measured at amortized cost)		
Interest On Loan From BOM (100Cr)	828.34	731.75
Interest On Loan From BOM (400Cr)	3,312.55	2,937.46
Interest On Loan From AU Bank (250Cr)	2,220.31	897.19
Interest On Loan From Indian Bank (200Cr)	616.99	-
Interest On Loan From UCO Bank (50Cr)	217.79	-
Interest On Loan From SBI Bank (100Cr)	638.47	-
Interest On Inter Corporate Deposits	5,497.65	-
Financial Charges	20.07	19.99
Guarantee Commission	982.50	625.00
Processing Fees	9.94	-
Total	**14,344.60**	**5,211.38**

20. Impairment on Financial instruments

(₹ in Lacs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
On financial instruments measured at amortized cost:		
Impairment on loans		
Provision for expected credit loss	612.80	205.75
Total	**612.80**	**205.75**

21. Employee Benefits Expense

(₹ in Lacs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Salaries	95.66	94.01
Leave Encashment	3.21	3.02
Other Benefits	1.21	-
Total	**100.08**	**97.02**

22. Other Expenses

(₹ in Lacs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Consultancy charges	18.21	24.67
Advertisement expenses	0.01	0.04
Printing and stationery	1.22	1.39
Rent expenses	4.23	4.23
Telephone & internet expenses	0.74	0.31
Charges of contract personnel	9.44	8.48
General office expenses	2.20	1.84
Internal audit fees	0.39	0.35
Secretarial audit fees	0.34	0.32
Hiring of vehicle expenses	3.86	5.73
Entertainment expenses	1.37	1.04
Board meeting expenses	0.10	0.12
Bank charges	0.04	0.01
Electricity and water charges	0.74	0.91
ROC Fees	0.30	66.55
Other professional fees	0.45	0.06
Travelling Expense	1.09	0.39
Director Sitting Fees	0.59	0.89
Interest on Old Demand	0.86	-
Payment to Statutory Auditor		
Statutory audit fees	1.18	1.06
Tax audit fees	0.35	0.35
Certificate Expense	0.12	-
CSR expenses (refer note 22.1)	6.08	5.27
Total	**53.90**	**124.02**

22.1 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education. Funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in Lacs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
a) Amount required to be spent by the Company during the year	6.08	5.27
b) Amount of expenditure incurred	6.08	5.27
c) Shortfall at the end of the year	0.00	0.00
d) Total of previous year shortfall	0.00	0.00
e) Nature of CSR activities	District Jaipur Badmintion Association	Rajasthan Netraheen Kalyan Sangh

23. Earning Per Share

(₹ in Lacs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Net Profit after tax available for equity shareholders (a)	1,351.19	114.05
Weighted Average number of equity shares (b)	69.62	44.00
Basic & Diluted Earning per share (a/b)	19.41	2.59
Nominal Value per share (Rs.)	1,000.00	1,000.00

24. Maturity Analysis as at March 31, 2024, March 31, 2023 &April 01, 2022

(₹ in Lacs)

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at 31st March 2024			As at 31st March 2023			As at 1st April 2022		
	Amount	within 12 month	after 12 month	Amount	within 12 month	after 12 month	Amount	within 12 month	after 12 month
I. ASSETS									
(1)Financia1 Assets									
(a) Cash and Cash Equivalents	122,191.26	122,191.26	-	38,706.33	38,706.33	-	16,387.83	16,387.83	-
(b) Loans	235,255.20	12,450.00	222,805.20	82,668.00	7,000.00	75,668.00	50,373.75	45,500.00	4,873.75
(c) Other Financial Asset	143.79	143.79	-	150.41	150.41		111.15	111.15	-
Total Financial Asset	**357,590.25**	**134,785.05**	**222,805.20**	**121,524.73**	**45,856.73**	**75,668.00**	**66,872.73**	**61,998.98**	**4,873.75**

(2)Non-financial Assets									
(a) Current tax assets (Net)	-	-	-	-	-	-	-	-	-
(b) Deferred tax Assets (Net)	1.30	-	1.30	1.17	-	1.17	0.79	-	0.79
(c) Property, Plant and Equipment	4.48	-	4.48	6.06	-	6.06	8.23	-	8.23
(d) Other Intangible Assets	0.03	-	0.03	0.03	-	0.03	0.03	-	0.03
(e) Other non-financial assets	1,088.92	1,088.92	-	647.15	647.15	-	149.60	149.60	-
Total Non-financial Assets	**1,094.73**	**1,088.92**	**5.81**	**654.41**	**647.15**	**7.26**	**158.64**	**149.60**	**9.04**
Total Assets	**358,684.98**	**135,873.97**	**222,811.01**	**122,179.14**	**46,503.88**	**75,675.26**	**67,031.37**	**62,148.58**	**4,882.79**
II. LIABILITIES									
Liabilities									
(1) Financial liabi1ities									
(a) Debt Securities	-	-	-	-	-	-	-	-	-
(b)Borrowings (other than debt securities)	107,999.85	16,437.50	91,562.35	75,000.00	2,000.00	73,000.00	50,000.00	-	50,000.00
(c) Inter Corporate Deposits	140,000.00	140,000.00	-	-	-	-	-	-	-
(d) Other financial	6,002.08	6,002.08	-	379.71	379.71	-	348.17	348.17	-
Total Financial Liabilities	**254,001.93**	**162,439.58**	**91,562.35**	**75,379.71**	**2,379.71**	**73,000.00**	**50,348.17**	**348.17**	**50,000.00**
(2)Non-Financial Liabilities									
(a) Provisions	-	-	-	-	-	-	6.14	6.14	-
(b) Other non-financial liabilities	558.70	558.70	-	20.68	20.68	-	5.31	5.31	-
Total Non-Financial Liabilities	**558.70**	**558.70**	**-**	**20.68**	**20.68**	**-**	**11.46**	**11.46**	**-**
Total Liabilities	**254,560.63**	**162,998.28**	**91,562.35**	**75,400.39**	**2,400.39**	**73,000.00**	**50,359.63**	**359.63**	**50,000.00**

25. Disclosure as per Ind AS 7 "Cash Flow Statement"

(₹ in Lacs)

Cash and non-cash changes in liabilities arising from financing activities:

Year ended 31st March 2024

Particulars	Secured Term Loan	Total
As at 1st April 2023	**75,000.00**	**75,000.00**
Cash Flows		
Receipts/Payments	32,999.85	32,999.85
Non-Cash Changes		
Receipts/Payments	-	-
As at 31st March 2024	**107,999.85**	**107,999.85**

Year ended 31st March 2023

Particulars	Secured Term Loan	Total
As at 1st April 2022	**50,000.00**	**50,000.00**
Cash Flows		
Receipts/Payments	25,000.00	25,000.00
Non-Cash Changes		
Receipts/Payments	-	-
As at 31st March 2023	**75,000.00**	**75,000.00**

26. Disclosure as per Ind AS 12: Income Taxes

Income Tax Expense

(i) Income Tax recognized in the statement of profit and loss

(₹ in Lacs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Current Tax Expense		
Current Income Tax	458.56	38.15
Adjustment for earlier year	-	-
Total current tax expenses	**458.56**	**38.15**
Deferred Tax		
Deferred Tax expenses	(0.13)	(0.39)
Total Deferred Tax Expenses	**(0.13)**	**(0.39)**
Income Tax for earlier year	**-**	**-**
Total Income Tax Expenses	**458.43**	**37.76**

ii) Income Tax recognized in other comprehensive income (OCI) **(₹ in Lacs)**

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Net actuarial gains/(losses) on defined benefit plans		
Before Tax	-	-
Tax expense / (benefit) recognized in OCI	-	-
Net of Tax	**-**	**-**

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate **(₹ in Lacs)**

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Profit before tax	1,809.62	151.81
Applicable Tax Rate	25.17%	25.17%
Computed tax expense	455.45	38.21
Earlier Year tax	-	-
Effect on tax of Disallowances	1.71	-
Effect on tax of Deductions	-	-
Tax on other comprehensive income	-	-
Others	1.41	0.45
Tax as per Statement of Profit & Loss	**459.00**	**37.76**

(b) Deferred Tax Liabilities

The majority of the deferred tax balance represents effects of fair valuation of investments, differential rates of depreciation for property plant and equipment under income tax act and disallowance of certain expenditure under assets/liabilities recognized in the financial statements are as follows

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Deferred Tax Asset:			
Depreciation and Amortization	1.30	1.17	0.79
(A)	1.30	1.17	0.79
Deferred Tax Liability:			
Impact of EIR adjustments on financial liabilities	-	-	-
(B)			
Net Deferred Tax (Assets)/Liabilities (B) - (A)	**1.30**	**1.17**	**0.79**

(₹ in Lacs)

Deferred tax balance (Asset)/Liability in relation to	As at 31st March 2024	Movement during the period	As at 31st March 2023	Movement during the period	As at 1st April 2022
Depreciation and Amortization	1.30	0.13	1.17	0.39	0.79
Total	1.30	0.13	1.17	0.39	0.79
Recognized through:					
Profit & Loss	-	0.13	-	0.39	-
OCI	-	-	-	-	-
Total	**1.30**	**0.13**	**1.17**	**0.39**	**0.79**

27. Disclosure as per Ind AS 37: Provisions, Contingent Liabilities, Contingent Assets

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
A. Contingent Liabilities	NA	NA	NA
Claims against the company not acknowledged as debt			
B. Capital and other Commitments			
Others	NA	NA	NA

28. Disclosure as per Ind AS 24: Related Parties

(A) Name of Related parties and nature of relationship

Name of Related Party	Relation
(a) Directors and Key Management Personnel	
1. Sh. Akhil Arora, IAS	Chairman
2. Sh. Sudhir Kumar Sharma, IAS	Managing Director (From 27.01.2022 to 06.09.2022)
3. Sh. Rohit Gupta, IAS	Managing Director (From 06.09.2022 to 05.12.2023)
4. Sh. Naresh Kumar Thakral, IAS	Managing Director (From 05.12.2023 to 29.05.2024)
5. Sh. Debasish Prusty	Managing Director (From 29.05.2024 to till date)
6. Dr. Manish Shukla	GM (Finance) & Chief Financial Officer (from 13.05.2020 to 31.05.2022)
7. Sh. Pawan Jaiman	GM (Finance) & Chief Financial Officer (from 15.06.2022 to till date)
8. Ms. Krati Joshi	Company Secretary (15.02.2019 to till date)
(b) Relatives of Key Management Personnel	
1. Rajasthan Financial Corporation	Related party as the chairman of this company and RFC is same and further, the Managing Director, RFC is also the director of this company.

(B) Transactions with above related party

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Loan To			
Rajasthan Financial Corporation (RFC)	-	-	2,000.00
Interest on Loan (Income)			
Rajasthan Financial Corporation (RFC)	22.50	361.34	267.10

(C) Outstanding Balances of the above related parties - Receivable/(Payable)

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Loan To			
Rajasthan Financial Corporation (RFC)	-	2,500.00	5,000.00

(D) Compensation of KMP

(₹ in Lacs)

Particulars	Nature of Transction	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
1. Sh. Sudhir Kumar Sharma, IAS	Remuneration	-	0.26	0.11
2. Dr. Manish Shukla	Remuneration	-	2.70	16.64
3. Sh. Rohit Gupta, IAS	Remuneration	0.66	-	-
4. Sh. Pawan Jaiman	Remuneration	0.46	-	-
5. Ms. Krati Joshi	Remuneration	7.80	6.00	5.29

(E) Terms and Conditions of transactions with related parties

All the transactions with these related parties are priced on an arm lengths basis

29. Disclosure as per Ind AS-107 'Financial Instruments'

Financial Risk Management

The Company's Principal financial liabilities comprise borrowings and Inter Corporate Deposits. The main purpose of these financial liabilities is to finance the Company's operations. At the other hand company's Principal financial assets include loans and cash and cash equivalents that derive directly from its operations.

As a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Company 's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. The Company's risk governance structure operates with a robust board and Finance committee with a clearly laid profile of the company directly as well as through its sub committees including the Audit Committee, and senior management direction and oversight. The Board oversees the key risks faced by the Company, i.e. liquidity risk, credit risk, concentration risk, market risk, interest rate risk and operational risk.

(i) Credit risk

Credit risk arises when a borrower is unable to meet financial obligations under the loan agreement to the Company. This could be either because of wrong assessment of the borrower's repayment capabilities or due to uncertainties in future. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

Loan Asset:

The company has comprehensive and well-defined credit policies across all products and segments, which are backed by analytics and technology for mitigating the risks associated with them. Company has developed "Credit scoring model" which uses quantitative measures of the performance and characteristics of past loans to predict the future performance of loans with similar characteristics. It is a statistical method of assessing the credit risk associated with new loan applications. Various Parameters or risk identifiers of this function are empirically designed; that is, they are developed entirely from information and experience gained through prior experience. It is the set of decision models and their underlying techniques that aid the company in determining to ascertain the credit worthiness of a potential customer and also fairly price credit risks. It is an objective risk assessment/identification tool, as opposed to subjective methods that rely on a credit underwriter's opinion. It helps the company in taking credit decisions in a consistent manner.

Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, cash flow analysis, physical verifications of a customer's business and residence and field visits and required term cover for insurance.

The company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals.

There are no Loans that have been granted to Promoter, Director, KMP or other Related Parties (as defined in Companies Act 2013).

Cash & Cash Equivalents, Bank Deposits & Other Financial assets:

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/ financial institutions who have been assigned high credit rating by international and domestic rating agencies.

The Company held cash and cash equivalents of ₹ 1,22,191.26 lacs, ₹38,706.33 lacs and ₹16387.83 lacs on 31st March 2024, 31st March 2023 and 1st April 2022 respectively.

(ii) Concentration of Risk/Exposure

Concentration of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in same geographical area or industry sector so that collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Concentration of risk is managed by company for each product by customer base.

Carrying amount of maximum credit risk as on reporting date **(₹ in Lacs)**

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Financial assets for which loss allowance is measured using 12 month Expected Credit Loss			
Loans	236,200.00	83,000.00	50,500.00
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss			
Loans	-	-	-
Total	**236,200.00**	**83,000.00**	**50,500.00**

(iii) 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 objective of Liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per the requirement. Liquidity risk may arise because of the possibility that the company might be unable to meet its payment obligations differences in the maturity profile of Company assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances caused by a portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The company manages liquidity risk by maintaining adequate cash and bank balances and access to undrawn committed borrowing facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarizes the maturity profile of the Company's financial liabilities:

(₹ in Lacs)

Particulars	On Demand	0-1 year	1-5 years	More than 5 years	Total
As at 31st March 2024					
Borrowings	-	16,437.50	91562.35	-	107,999.85
Other Financial Liabilities	-	6,002.08	-	-	6,002.08
Inter Corporate Deposit	-	140,000.00	-	-	140,000.00
Total	**-**	**160,002.08**	**93,999.85**	**-**	**254,001.93**

As at 31st March 2023					
Borrowings	-	2,000.00	73,000.00	-	75,000.00
Other Financial Liabilities	-	379.71	-	-	379.71
Total	**-**	**2379.71**	**73,000.00**	**-**	**75,379.71**
As at 1st April 2022					
Borrowings		-	50,000.00	-	50,000.00
Other Financial Liabilities		348.17	-	-	348.17
Total		**348.17**	**50,000.00**	-	**50,348.17**

(iv) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.The Company's exposure to market risk is primarily on account of interest rate risk and liquidity risk. The objective of the company is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(v) Interest Rate Risk

The Company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity years that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk,the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Finance Committee supervise periodically for assessment of interest rate risks.

Change in interest rate affects Company's earnings (measured by NII or NIM) and corresponding net worth, hence it is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced mix of borrowings. The Company lends at fixed rate of interest thus, the company is not exposed to interest rate risk on loans.

Interest Rate Exposure:

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
A. Fixed Rate Borrowings	140,000.00	-	-
B. Floating Rate Borrowings	107,999.85	75,000.00	50,000.00
Total Borrowings	**247,999.85**	**75,000.00**	**50,000.00**

Fair Value Sensitivity analysis for Fixed rate –Instrument

The Company does not account for any Fixed rate -Financial Asset and Financial Liabilities at Fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash Flow Sensitivity analysis for Variable rate -Instrument

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amount shown below

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss:

(₹ in Lacs.)

Particulars	Year Ended 31st March 2024		Year Ended 31st March 2023	
	Carrying value	Fair Value	Carrying value	Fair Value
Borrowings (Floating)	247,999.85	247,999.85	75,000.00	75,000.00
Increase in basis points (+/- 1%)	2,480.00	2,480.00	750.00	750.00
Decrease in basis points (+/- 1%)	(2,480.00)	(2,480.00)	(750.00)	(750.00)

(vi) Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses.

The Company recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

30. Capital Management

The Company actively manages its capital base to cover risks inherent to its business and meets the capital adequacy requirement of RBI. For the purpose of Company's Capital Management, Capital includes issued equity share capital & Borrowings. The primary objective of Company's Capital Management is to maximize shareholder's value and to maintain an appropriate capital structure of debt and equity. The company manages it's capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants. The company manages it's capital using Debt to Equity Ratio which is Net Debt/Total Equity. Net Debt is total borrowing (non-current and current) less cash and cash equivalent.

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Borrowings	247,999.85	75,000.00	50,000.00
Less: Cash and Cash Equivalents	122,191.26	38,706.33	16,387.83
Net Debt	**125,808.59**	**36,293.67**	**33,612.17**
Total Equity	**104,124.36**	**46,778.76**	**16,671.74**
Net Debt to Equity Ratio	1.21	0.78	2.02

31. Disclosureas per Ind AS 108: Operating Segments

(a) The Company has only one reportable business segment, i.e. lending to borrowers, which have similar nature of products and services, type/class of customers and the nature of the regulatory environment, risks and returns for the purpose of Ind AS 108 on 'Segment Reporting'. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

(b) Geographical Information: -

The Company operates in a single geographical area - India (country of domicile). All of the Company's assets are located in India.

(c) Information about major customers

During the year ended 31st march 2024, two customer (2023: two customer) contributes 10% or more to the Company's revenue.

32. Disclosure as per Ind AS-113 'Fair Value Measurements'

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Level 1- Level 1 hierarchy includes financial instruments measured using quoted prices. This Includes listed equity instruments that have quoted price. Listed and actively traded equity instruments are stated at the last quoted closing price on the National Stock Exchange of India Limited (NSE).

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

Level 3- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of the financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

Valuation Techniques: The management assessed that cash and cash equivalents, bank balances other than cash & cash equivalents, other financial assets, trade payables, lease liability and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The loans are subsequently measured at amortised cost.

Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosure fair value measurement hierarchy of assets & liabilities:

Particulars	31 st March 2024	31 st March 2023	1st April 2022
Financial Assets			
Loans			
Level 1	-	-	-
Level 2	-	-	-
Level 3	235,255.20	82,668.00	50,373.75
Total	**235,255.20**	**82,668.00**	**50,373.75**

Financial Liabilities			
Borrowings (Other than Debt Securities)			
Level 1	-	-	-
Level 2	-	-	-
Level 3	247,999.85	75,000.00	50,000.00
Total	**247,999.85**	**75,000.00**	**50,000.00**

(a) **Financial Instruments by category** **(₹ in Lacs)**

Particulars	As at 31st March 2024		
	Level	Carrying Value	Fair Value
Financial Assets at Amortised Cost			
Loans	3	235,255.20	235,255.20
Financial Liabilities at Amortised Cost			
Inter Corporate Deposits	3	140,000.00	140,000.00
Borrowings	3	107,999.85	107,999.85

(₹ in Lacs)

Particulars	As at 31st March 2023		
	Level	Carrying Value	Fair Value
Financial Assets at Amortised Cost			
Loans	3	82,668.00	82,668.00
Financial Liabilities at Amortised Cost			
Borrowings	3	75,000.00	75,000.00

(₹ in Lacs)

Particulars	As at 1st April 2022		
	Level	Carrying Value	Fair Value
Financial Assets at Amortised Cost			
Loans	3	50,373.75	50,373.75
Financial Liabilities at Amortised Cost			
Borrowings	3	50,000.00	50,000.00

The carrying amounts of trade receivables, trade payables, other financial assets/liabilities and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

33. Details of dues to Micro and Small Enterprises as per MSMED Act 2006

(₹ in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
i) Principal amount due to micro and small enterprise	1.27	1.94	1.22
ii) Interest due on above	-	-	-
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Ad 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-

iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
vi) The amount of further interest remain ing due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-	-

34. Detail of Impairment Loss Allowance Reserve

(A) As at 31st March, 2024:

(₹ in Lacs.)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage I	236,200.00	944.80	235,255.20	944.80	-
	Stage II	-	-	-	-	-
Subtotal		**236,200.00**	**944.80**	**235,255.20**	**944.80**	**-**
Non-Performing Assets (NPA)						
Substandard	Stage III	-	-	-	-	-
Doubtful	Stage III	-	-	-	-	-
Subtotal for NPA		**-**	**-**	**-**	**-**	**-**
Total		**236,200.00**	**944.80**	**235,255.20**	**944.80**	**-**

(B) As at 31st March, 2023:

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage I	83,000.00	332.00	82,668.00	332.00	-
	Stage II	-	-	-	-	-
Subtotal		**83,000.00**	**332.00**	**82,668.00**	**332.00**	**-**
Non-Performing Assets (NPA)						
Substandard	Stage III	-	-	-	-	-
Doubtful	Stage III	-	-	-	-	-
Subtotal for NPA		**-**	**-**	**-**	**-**	**-**
Total		**83,000.00**	**332.00**	**82,668.00**	**332.00**	**-**

(C) As at 1st April, 2022:

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage I	50,500.00	126.25	50,373.75	126.25	-
	Stage II	-	-	-	-	-
Subtotal		**50,500.00**	**126.25**	**50,373.75**	**126.25**	**-**
Non-Performing Assets (NPA)						
Substandard	Stage III	-	-	-	-	-
Doubtful	Stage III	-	-	-	-	-
Subtotal for NPA		**-**	**-**	**-**	**-**	**-**
Total		**50,500.00**	**126.25**	**50,373.75**	**-**	**126.25**

As per para 2(b) of RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, Where impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) (including standard asset provisioning), NBFCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. As the total IND AS 109 impairment allowance is equal to IRACP, hence appropriation to impairment reserve is not required ot be made during the respective financial year.

35. DetailsOf Ratings Assigned By Credit Rating Agencies and Migration Of Ratings During The Year

Particulars	Rating Agencies	Date of Rating Agencies	2023-24	2022-23
Term Loan rating	Acuite Ratings	01/02/2024	**A-**	**A-**

36. Disclosure on Liquidity Risk:

1. Funding Concentration based on significant counterparty (both deposits and borrowings)

Particulars	Number of Significant Counterparties	Amount (In Lakhs)	% of Total deposits	% of Total Liabilities
As at March 31, 2024	**NA**	**NA**	**NA**	**NA**
As at March 31, 2023	**NA**	**NA**	**NA**	**NA**

2. Top 20 large deposits (amount in lakhs and % of total deposits)-Not applicable
3. Top 10 borrowings (amount in lakhs and % of total borrowings)

Particulars	Amount (₹ in Lakh)	%
As at March 31, 2024	107,999.85	100%
As at March 31, 2023	75,000.00	100%

4. Funding Concentration based on significant instrument/product:

Name of the instrument's product	As at March 31, 2024		As at March 31, 2023	
	Amount (₹ lakh)	% of Total Liabilities	Amount (₹ lakh)	% of Total Liabilities
a) Term Loan	107,999.85	42%	75,000.00	99.46%
b) Inter Corporate Deposits	1,40,000.00	55%	-	
c) Other Financial liabilities	6002.08	2.36%	379.71	0.50%
Total Financial Liabilities	**2,54,001.93**	0.42	**75,379.71**	99.46%

5. Stock Ratios:

Particulars	As at March 31, 2024			As at March 31, 2023		
	% of total public funds	% of total liabilities	% of total assets	% of total public funds	% of total liabilities	% of total assets
a) Commercial papers	NA	NA	NA	NA	NA	NA
b) Non-convertible debentures (original maturity of less than one year)	NA	NA	NA	NA	NA	NA
c) Other short-term liabilities, if any	NA	NA	NA	NA	NA	NA

37. Capital Adequacy Ratio

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Tangible Net worth(1)	104,124.36	46,778.76
Less: Deferred Tax Asset, Intangible Assets	1.33	1.20
Tier 1 Capital (1-2)= (3)	**104,123.03**	**46,777.56**
Tier 2 Capital (General provisions and loss reserves) (4)	944.80	332.00
Total Capital Fund (3+4)= (5)	**105,067.83**	**47,109.56**
Adjusted value of funded risk assets (on balance sheet item) (6)	**236,348.27**	**83,160.86**
Adjusted value of non-funded risk assets (off Balance sheet item) (7)	-	-
Total Risk Weighted assets (6+7)= (8)	**236,348.27**	**83,160.86**
CRAR/CAR(5/8)	**0.44**	**0.57**

38. Provision and Contengencies (Show under the head expenditure in statement of Profit and Loss)

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Tax	458.56	38.15
Provision for Expenses		
Provision for Standard Assets	944.80	332.00

39. NPA Movement

Particulars	As at 31st March, 2024	As at 31st March, 2023
Net NPA's to Net Advance %	NIL	NIL
Movement of NPAs (Gross)	NIL	NIL
Opening Balances	NIL	NIL

Add: Additions during year and change in existing	NIL	NIL
Less: Reductions during year	NIL	NIL
Closing Balance	NIL	NIL
Movement of NPAs (Net)	NIL	NIL
Opening Balances	NIL	NIL
Add: Additions during year	NIL	NIL
Add: Reductions during year	NIL	NIL
Closing Balance	NIL	NIL
Movement of provision for NPAs	NIL	NIL
Opening Balances	NIL	NIL
Provision made during the year	NIL	NIL
Write-off/Write back of excess	NIL	NIL
Closing Balance	NIL	NIL

40. Disclosure in the notes to accounts in respect of securitisation transactions as required under revised guidelines on securitisation transactions issued by RBI vide circular no. DNBS.PD.No.301/3.10.01/2012-13 dated 21.08.2012.

There are no securitisation transactions during the year (previous year: Nil), hence relevant disclosure is not applicable.

41. Disclosures pursuant to RBI Notification - RBl /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

There are no assignment transactions during the year (previous year: Nil), hence relevant disclosure is not applicable.

42. Concentrationof Advances

(₹ in Lacs)

Particulars	**As at 31 st March 2024**	**As at 31 st March 2023**
Total Advances to twenty largest borrowers	236,200.00	83,000.00
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	100%	100%

43. Concentration of Exposures

(₹ in Lacs)

Particulars	**As at 31 st March 2024**	**As at 31 st March 2023**
Total Exposure to twenty largest borrowers / customers	236,200.00	83,000.00
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers / customers	100%	100%

44. Concentration OF NPAs

Particulars	As at 31 st March 2024	As at 31 st March 2023
Total Exposure to top four NPA accounts	NIL	NIL

45. Sector-wise NPAs

Particulars	As at 31 st March 2024	As at 31 st March 2023
Agriculture & allied activities	NIL	NIL
MSME	NIL	NIL
Corporate borrowers	NIL	NIL
Services	NIL	NIL
Unsecured personal loans	NIL	NIL
Auto loans	NIL	NIL
Other - Social Infrastructure	NIL	NIL

46. Disclosure as required under RBI notification no. RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6,2020 on "Micro, Small and Medium Enterprises

No. of accounts restructured	Amount in Rs.
-	NA

47. Exposure to Capital Market

The Company has no exposure to capital market as on March 31, 2024 and March 31, 2023

48. Exposure to Real Estate Sector

The Company has no exposure to real estate sector as on March 31, 2024 and March 31, 2023.

49. Details of penalties imposed by RBI and other regulators:

No penalties have been imposed by RBI and other regulators on the Company during the current and previous year.

50. Intra-group Exposures

The Company has no Intra-group exposure as on March 31, 2024 and March 31, 2023.

51. Unhedged foreign currency exposure

The Company has no Unhedged foreign currency exposure as on March 31, 2024 and March 31, 2023.

52. Additional notes

a) Earnings in foreign currency during the year ended March 31, 2024: Nil (year ended March 31, 2023 - Nil)

b) Expenditure in foreign currency on account of professional fees during the year ended March 31, 2024: Nil (year ended March 31, 2023 - Nil)

c) Expenditure in foreign currency on account of payment of interest during the year ended March 31, 2024:Nil (year ended March 31, 2023 - Nil)

d) The Company does not have any exposure to gold loans, and it is not involved in gold auctions.

e) The Company is registered as a non-deposit accepting NBFC, and as a result, it has not accepted any deposits. Therefore, there is no requirement for disclosure regarding deposits in the financial statements.

f) The Company has not Pledge its any Equity Share against any Loan.

g) The Company has not purchased and sold any non-performing financial assets during the financial year ended March 31, 2024 and March 31, 2023.

53. General Disclosures

a. The company is not declared willful defaulter by any bank or financial institution or other lender.

b. The company has no transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956,]

c. Company has registered all the charges or satisfaction thereof with ROC within the statutory period.

d. 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

e. There is no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

f. No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(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

g. No funds (which are material either individually or in the aggregate) 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.

h. The Company has not entered into any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme.

i. The Company has not traded nor invested in Crypto currency or Virtual Currency during the financial year.

j. During the financial years ended 31st March 2024 and 31st March 2023, the Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.

k. The Company has not done any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

l. There is no Benami Property held by the Company and there are no proceedings, which 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.

54. Ratios

Particulars	Numerator	Denominator	As at 31st March 2024	As at 31st March 2023	% Variance	Reason for variance (if above 25%)
(a) Capital to risk weighted asset ratio (CRAR)	Tier I capital + Tier II capital	Risk weighted asset	44.45%	56.65%	-21.54%	-
(b) Tier I CRAR	Tier I capital	Risk weighted asset	44.05%	56.25%	-21.54%	-
(c) Tier II CRAR	Tier II capital	Risk weighted asset	0.40%	0.40%	-	-
(d) Liquidity Coverage Ratio	Total Asset matured within 12 months	Total Liability matured within 12 months	0.83	19.37	-88.40%	Increase in ICDs of Rs. 1,40,000 lacks

The Liquidity Coverage Ratio (LCR) is disclosed herewith as per the applicability of Schedule III of the Companies Act, 2013.However, The Reserve Bank of India (RBI) has also issued a circular regarding Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies ref. no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 4.11.2019, introducing guidelines on liquidity risk management for non-banking financial companies (NBFCs). Henceforth, the Company does not meet the criteria for LCR applicability, and therefore, the disclosure provisions related to LCR are not applicable to the Company.

55. The Reserve Bank of India (RBI) has introduced the Scale Based Regulation (SBR):

Revised Regulatory Framework for NBFCs ('the Framework') through Circular No. RBI/2021- 22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 issued in October 2021. Under this Framework, NBFCs are categorized into different layers, namely Base Layer (NBFC-BL), Middle Layer (NBFC-ML), Upper Layer (NBFC-UL), and Top Layer (NBFC-TL). The Company has been classified as a "Middle Layer" NBFC in accordance with the Framework.

56 Asset Liability Management Maturity Pattern(ALM)

Particulars	1 To 7 days	8 To 14 days	15 To 31 days	Over 1 To 2 Months	Over 2 To 3 Months	Over 3 To 6 Months	Over 6 Months To 1 Year	Over 1 Year 3 Years	3 to 5 years	Over 5 years
Asset										
Advances (Loans)	8964.00	0.00	0.00		4980.00	53086.80	92528.40	75696.00		
Fixed Asset/ Intangible asset										4.48
Investments										
Cash & bank	112426.69	0.00	0.00	9764.57	0.00	0.00	0.00			
Other financial assets						137.59	0.00	6.19		
Other non-financial assets						1088.92	0.00	0.00	1.30	
Total	**121390.69**	**0.00**	**0.00**	**9764.57**	**4980.00**	**54313.31**	**92528.40**	**75702.19**	**1.30**	**4.48**
Liabilities										
Borrowings			0.00	0.00	10000.00	0.00	25000.00	72999.85	0.00	
Inter Corporate Deposit						140000.00				
Statutory dues			558.25							
Other Liabilities	1389.30	0.00	4281.19	0.00	0.00	205.75	0.00	126.25		
Total	**1389.30**	**0.00**	**4839.44**	**0.00**	**10000.00**	**140205.75**	**25000.00**	**73126.10**	**0.00**	**0.00**
Difference	**120001.39**	**0.00**	**-4839.44**	**9764.57**	**-5020.00**	**-85892.44**	**67528.40**	**2576.09**	**1.30**	**4.48**
Cumulative Mix	**120001.39**	**0.00**	**115161.95**	**124926.52**	**119906.52**	**34014.08**	**101542.48**	**104118.57**	**104119.87**	**104124.35**
									Equity	**104,124.35**

57 First Time Adoption of Ind AS(Ind AS 101)

I. Basis of Preparation

These are the Company's first financial statements in accordance with Ind AS. For periods up to and including the year ended 31 March 2023, the Company prepared its financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS Opening Balance Sheet is 1 April 2022 (the date of transition to Ind AS).

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31st March 2024, the comparative information presented in these financial statements for the year ended 31 March 2023 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2022 (date of transition). According to Ind AS 101, the first Ind AS financial statements must use recognition and measurement principles that are based on standards and interpretations that are effective at 31 March 2024, the date of first-time preparation of financial statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS financial statements. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 01, 2022 and the financial statements as at and for the year ended March 31, 2023 and how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

II. Optional exemptions availed and mandatory exceptions

In the Ind AS Opening Balance Sheet as at 1 April 2022, the carrying amounts of assets and liabilities from the previous GAAP as at 31 March 2022 are generally recognized and measured according to Ind AS in effect as on 31 March 2024. However, for certain individual cases, Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS. The Company has made use of the following exemptions and exceptions in preparing its Ind AS Opening Balance Sheet:Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS.

A. Optional Exemptions

Deemed cost for property, plant and equipment and intangible assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, if any. The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as recognised as of April 01, 2022 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

B. Mandatory Exceptions

(1) Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the fact and circumstances that existed on the date of transition to Ind AS.

(2) Fair Value of Financial Assets and Liabilities

As per Ind AS exemption, the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

(3) Derecognition of financial assets and financial liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109. Financial Instrument prospectively for transactions occurring on or after the date of transition to Ind ASs .However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to Financial Asset and Financial Liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The company has elected to apply the derecognition Principal of IND AS 109 from date of transition to Ind AS.

(4) Impairment of financial assets

The Company has applied the exception related impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognized and compared that to the credit risk as at April 1, 2022 to determine the impairment loss allowance as at the transition date.

(5) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2022 are consistent with the estimates as at the same date made in conformity with previous GAAP.

The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required/made under previous GAAP:

- Impairment of financial assets based on expected credit loss model.
- Fair valuation of financials instruments carried at FVTPL
- Determination of discounted value for financial instruments carried at amortized cost

III. Reconciliation of Balance Sheet as at 31st March, 2023 and 1 April, 2022 (₹ in Lacs)

Particulars	Note	As per Previous GAAP 1 April, 2022	Ind AS Adjustments	As per Ind AS 1 April, 2022	As per Previous GAAP 31 March, 2023	Ind AS Adjustments	As per Ind AS 31 March, 2023
I. ASSETS							
(1) Financial assets							
(a) Cash and cash equivalents		5,707.83	10,680.00	16,387.83	34,917.28	3,789.05	38,706.33
		-	-	-	-	-	-
(b) Loans		50,500.00	(126.25)	50,373.75	83,000.00	(332.00)	82,668.00
(c) Other Financial Assets		10,791.15	(10,680.00)	111.15	3,939.46	(3,789.05)	150.41
		66,998.98	**(126.25)**	**66,872.73**	**121,856.73**	(332.00)	**121,524.73**
(2) Non-financial assets							
(a) Current tax assets (Net)							
(b) Deferred tax Assets (Net)		0.79		0.79	1.17		1.17
(c) Property, Plant and Equipment		8.23		8.23	6.06		6.06
(d) Other Intangible assets		0.03		0.03	0.03		0.03
(e) Other non-financial assets		149.60		149.60	647.15		647.15
		158.64	**-**	**158.64**	**654.41**	**-**	**654.41**
TOTAL ASSETS		**67,157.62**	**(126.25)**	**67,031.37**	**122,511.14**	**(332.00)**	**122,179.14**
II. LIABILITIES AND EQUITY							
(1) LIABILITIES							
(A) Financial Liabilities							
(a) Debt Securities		-		-			-
(b) Borrowings (Other than Debt Securities)		50,000.00	-	50,000.00	75,000.00	-	75,000.00
(c) Other financial liabilities		347.31	0.86	348.17	378.70	1.00	379.71
		50,347.31	**0.86**	**50,348.17**	**75,378.70**	**1.00**	**75,379.71**
(A) Non-Financial Liabilities							
(a) Current tax liabilities (Net)							
(b) Provisions		132.39	(126.25)	6.14	332.00	(332.00)	-
(c) Deferred tax liabilities (Net)		-	-	-	-	-	-
(d) Other non-financial liabilities		6.17	(0.86)	5.31	21.68	(1.00)	20.68
		138.57	**(127.11)**	**11.46**	**353.68**	**(333.00)**	**20.68**
(2) EQUITY							
(a) Equity Share capital		9,000.00		9,000.00	44,000.00		44,000.00
(b) Other Equity		7,671.74		7,671.74	2,778.76	-	2,778.76
		16,671.74	**-**	**16,671.74**	**46,778.76**	**-**	**46,778.76**
Total Liabilities and Equity		**67,157.62**	**(126.25)**	**67,031.37**	**122,511.14**	**(332.00)**	**122,179.14**

*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification.

IV. Reconciliation of Total Comprehensive Income for the period ended 31st March 2023

(₹ in Lacs)

Particulars	Note	As per Previous GAAP	Ind As Adjustments	As Per Ind AS
I. Revenue from operations				
(i) Interest Income		5,792.27		5,792.27
Total Revenue from operations		**5,792.27**		**5,792.27**
II. Other Income		0.96		0.96
III. Total Income (I+II)		**5,793.24**		**5,793.24**
IV. Expenses:				
(i) Finance Costs		5,217.88	(6.50)	5,211.38
(ii) Employee Benefits Expense		97.02		97.02
(iii) Depreciation and amortisation		3.26		3.26
(iv) Other Expenses		124.02		124.02
Provisions against Advances		205.75		205.75
Prior Period Adjustments:		0.54	**(0.54)**	-
Total Expenses (IV)		**5,648.46**	**(7.04)**	**5,641.42**
V. Profit/(Loss) before Exceptional Items & Tax (III-IV)		**144.78**	**(7.04)**	**151.81**
VI. Exceptional Items				
VII. Profit/(Loss) Before Tax (V-VI)		**144.78**	**(7.04)**	**151.81**
VIII. Tax Expense:				
Current Tax		38.15		38.15
Deferred Tax		(0.39)		(0.39)
Income Tax for Earlier Year				-
Total Tax Expenses (VIII)		**37.76**		**37.76**
IX. Profit/(loss) for the year (VII-VIII)		**107.01**	**(7.04)**	**114.05**
X. Other Comprehensive Income		**-**	**-**	
Items that will not be reclassified to profit or loss		**-**		
- Remeasurement Gains/(Losses) on Defined Benefit Plans		-		
- Income tax on above		-		
XI. Total Other Comprehensive Income for the year		-		
XII. Total Comprehensive Income for the year (IX+XI)		**107.01**	**(7.04)**	**114.05**

*The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

V. Reconciliation of total Equity as at 31 March, 2023 and 1 April, 2022 **(₹ in Lacs)**

Particulars	As at 31 st March 2023	As at 1st April 2022
Total Equity (shareholder's fund) as per previous GAAP	**46,778.76**	**16,671.74**
Adjustments:		
Share issue Expenses	6.50	-
Prior Period	0.54	-
Ind AS adjustments by reserves/OCI	(7.04)	-
	-	-
Total Equity as per Ind AS	**46,778.76**	**16,671.74**

*The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

VI. Reconciliation of Total Comprehensive Income for the year ended 31 March, 2023 **(₹ in Lacs)**

Particulars	Note	Year ended 31st March 2023
Net Profit under Previous GAAP (After Tax)		**107.01**
Add/(less) adjustments for Ind AS:		
Share issue expenses		**6.50**
Prior Period Expense		**0.54**
		114.05
Other Comprehensive Income		
Actuarial Gain/(Loss) on Defined Benefit Plan recognised in OCI (Net of Tax)		**-**
Total Comprehensive Income as per Ind AS		**114.05**

*The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

VII. Reconciliation of Total Comprehensive Income for the year ended 31 March, 2023 **(₹ in Lacs)**

Particulars	As per Previous GAAP*	Ind AS Adjustments	As per Ind AS
Net cash Flow from operating activity	(25,789.46)	(6,884.45)	(32,673.91)
Net cash Flow from investing activity	(1.09)	-	(1.09)
Net cash Flow from financing activity	55,000.00	(6.50)	54,993.50
Net increase/(decrease) in cash and cash equivalents during the year	**29,209.45**	**(6,890.95)**	**22,318.50**
Cash and cash equivalents at the beginning of the year	**5,707.83**	**10,680**	**16,387.83**
Cash and cash equivalents at end of the year	**34,917.28**	**3,789.05**	**38,706.33**

*The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

VIII. Notes to First time adoption

a) Loans and Advances

Under Indian GAAP, transaction costs incurred in connection with loans and advances was amortised upfront and was charged to profit or loss for the year. Under Ind AS, transaction costs was included in the initial recognition amount of financial asset measured at amortised cost and was charged to profit or loss using the effective interest method.

b) Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised over the period and charged to statement of profit and loss. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and additional interest was charged to statement of profit and loss using the effective interest method.

c) Deferred Tax

Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP. In addition, the various transitional adjustments discussed above lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss respectively.

d) Recording of impairment as per Expected Credit Loss ("ECL")

(i) Under Indian GAAP, Non-performing Assets ("NPA") provisioning was computed based on the RBI guidelines. Under Ind AS, the impairment is computed based on ECL model.

(ii) Under Indian GAAP, NPA provision along with Standard asset provision has been disclosed under Provisions. Under Ind AS the ECL provision has been adjusted against loan balance.

58 Details of The Code On Social Security, 2020 ('Code') Relating To Employee Benefits

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

59. The accounting software used by the Company to maintain its Books of account have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software as also in data base maintained with respect thereto.

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

The accompanying notes 1 to 60 form integral part of the Financial Statements.

For and on behalf of the Board of Directors

Debasish Prusty **Managing Director** **DIN 10655471**	**Ravi Kumar Surpur** **Director** **DIN 06695585**	**Pawan Jaiman** **Chief Financial Officer**	**Krati Joshi** **Company Secretary** **M.No.-A40057**

Signed in terms of our Report of even date attached
For M/s A R Bhansali & Co.
Chartered Accountants
FRN:001149C

(CA Manoj Bhansali)
M.No. 073671
Place: JAIPUR
Date: 29/10/2024
UDIN: 24073671BKSQIM5074

संख्या / No. क्रमांक AMG-IV/F-V/JPR/RSPF&FSCL/k-79 /AA/2023-24/vol-III/ 291

भारतीय लेखापरीक्षा और लेखा विभाग

कार्यालय प्रधान महालेखाकार (लेखापरीक्षा-I) राजस्थान
जयपुर-302 005

INDIAN AUDIT AND ACCOUNTS DEPARTMENT

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-I) RAJASTHAN
Jaipur-302 005

दिनांक / Date 06-02-2025

प्रबन्ध निदेशक,
राजस्थान स्टेट पॉवर फाइनेन्स एवं
फाइनेन्शियल सर्विसेज कॉर्परिशन लिमिटेड,
1st फ्लोर, राजस्थान स्टेट टेक्स्टबुक बोर्ड,
2-2A, झालाना डूंगरी, जयपुर-302004

विषयः- राजस्थान स्टेट पॉवर फाइनेन्स एवं फाइनेन्शियल सर्विसेज कॉर्परिशन लिमिटेड, जयपुर के 31 मार्च 2024 को समाप्त वर्ष के लेखों पर भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियां ।

महोदय,

मुझे इस पत्र के साथ कम्पनी अधिनियम की धारा 143(6)(b) के अंतर्गत 31 मार्च 2024 को समाप्त वर्ष के लिए राजस्थान स्टेट पॉवर फाइनेन्स एवं फाइनेन्शियल सर्विसेज कॉर्परिशन लिमिटेड, जयपुर के वित्तीय विवरणों पर भारत के नियंत्रक महालेखापरीक्षक की टिप्पणियाँ वार्षिक आम सभा के समक्ष कंपनी अधिनियम की धारा 143(6) के अधीन प्रस्तुत करने हेतु जारी करने का आदेश प्राप्त हुआ है ।

उपरोक्त अवधि के वित्तीय विवरणों एवं लेखापरीक्षकों की रिपोर्ट की तीन प्रतियां जो साधारण सभा में रखी जावें तथा स्वीकृत की जावें, कृपया इस कार्यालय को शीघ्र भिजवाने का श्रम करें ।

भवदीय,
Aryam
उपमहालेखाकार
ए.एम.जी.-IV

संलग्नः- उपरोक्तानुसार ।

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क्रमांकः- AMG-IV/F-V/JPR/RSPF&FSCL/k-79 /AA/2023-24/ vol-III/ 292 दिनांकः- 06-02-2025

प्रतिलिपि- महानिदेशक, (पश्चिमी क्षेत्र), भारत के नियंत्रक महालेखापरीक्षक का कार्यालय, 10 बहादुर शाह जफर मार्ग, नई दिल्ली-110124 को उनके पत्र संख्या:38/पश्चिमी क्षेत्र /PSU/Raj/172-2018 दिनांक- 31.01.2025 के संदर्भ में कंपनी को जारी की गयी टिप्पणियां सूचनार्थ प्रेषित है ।

यह प्रधान महालेखाकार(लेखापरीक्षा-प्रथम) से अनुमोदित है ।

संलग्नः-उपरोक्तानुसार ।

Shyam

उपमहालेखाकार

ए.एम.जी.-IV

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LTD., JAIPUR FOR THE YEAR ENDED 31st MARCH 2024.

The preparation of Financial Statements of Rajasthan State Power Finance and Financial Services Corporation Limited for the year ended 31st March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the Financial Statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29th October 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Financial Statements of Rajasthan State Power Finance and Financial Services corporation Limited for the year ended 31 March 2024 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the Financial Statements and the related Audit Report.

(A) Comments on Profitability

Balance Sheet
Assets (Financial Assets)
Balances with banks: (Note No. 03)
In PD Account: ₹ 1,05,562.31 lakh
In Current Account: ₹ 6,864.38 lakh
In fixed deposit with banks: ₹ 9,764.57 lakh

1. Statement of Profit & Loss A/c
Revenue from operations
Interest Income (Note No. 17): ₹ 16901.15 lakh

The company has balances with banks of ₹ 105562.31 lakh in Personal Deposit Account maintained with State Government. There are two Personal Deposit Accounts: a) non-interest-bearing deposit of ₹ 61,025.30 lakh and b) interest bearing deposit of

₹ 44,537.01 lakh. As per classification mentioned in Division-III of Schedule-III under the Companies Act, 2013 which clearly mentioned that cash and cash equivalents shall be classified as: (i) cash on hand (ii) Balances with Banks (of the nature of cash and cash equivalents); (iii) Cheques, drafts on hand; and (iv) Others (Specify nature).

Further, Chapter X (Regulatory Restriction and Limits) of Master Direction- Reserve Bank of India Direction,2023, it has been stated that Non- Banking Financial Company shall not have exposure (credit/investment taken together) exceeding: - twenty-five percent of its Tier-I Capital to a single party. The Company have share Capital of ₹ 1,00,000 lakh and Reserve and Surplus amounting to ₹ 4,124.36 lakh. Hence, Company's Tier-I Capital is ₹ 1,04,124.36 lakh and limit of 25 per cent comes to ₹ 26,031.59 lakh. Despite of this the Company kept ₹ 1,05,562.31 lakh in PD Accounts which is more than limit (25 per cent of Tier-I Capital) as prescribed by the RBI.

The above material facts should have been appropriately disclosed in the Annual Financial Statements.

(B) Comments on Financial Position

Balance Sheet

Liabilities and Equity

Financial Liabilities

2. Borrowings (Other than Debt Securities) (Note No. 10) ₹ 1,07,999.85 lakh

The Company categorized borrowings into Secured Term Loan amounting to ₹ 25,000 lakh (borrowed from AU Bank) and Unsecured Term Loan amounting to ₹ 82,999.85 lakh (borrowed collectively from Bank of Maharashtra, Indian Bank, State Bank of India and UCO Bank). The term and conditions of all loans are similar and secured by exclusive charges on receivable and Government Guarantee. This has resulted in understatement of Secured Term Loans and overstatement of Unsecured Term Loan by ₹ 82,999.85 lakh.

(C) Comments on Disclosure

Notes forming part of Financial Statements

(i) Following have not been disclosed in the Financial Statements;

- Loans availed by the Company have been guaranteed by Government of Rajasthan (GoR).
- Terms of repayment of loans.
- Guarantee Commission paid to GoR amounting to ₹ 982.50 lakh against security of loans.

- The Company disbursed loan of ₹ 43,000 lakh (92.71 *per cent of Tier-I Capital*) to Rajasthan Vidyut Utpadan Nigam Limited in violation of the direction of Reserve Bank of India (RBI) and matter is still pending with RBI.
- Rajasthan State Industrial Development and Investment Corporation Limited (RIICO) placed (08.09.2023) Inter Corporate Deposits (ICDs) with the Company of ₹ 1,00,000 lakh for a period of six months. RIICO requested to Company to return the amount of ₹ 1,00,000 lakh of ICDs on its maturity. However, GoR extended the tenure of ICDs for further one year.

For and on behalf of
the Comptroller and Auditor General of India

Aatish 25/02/25

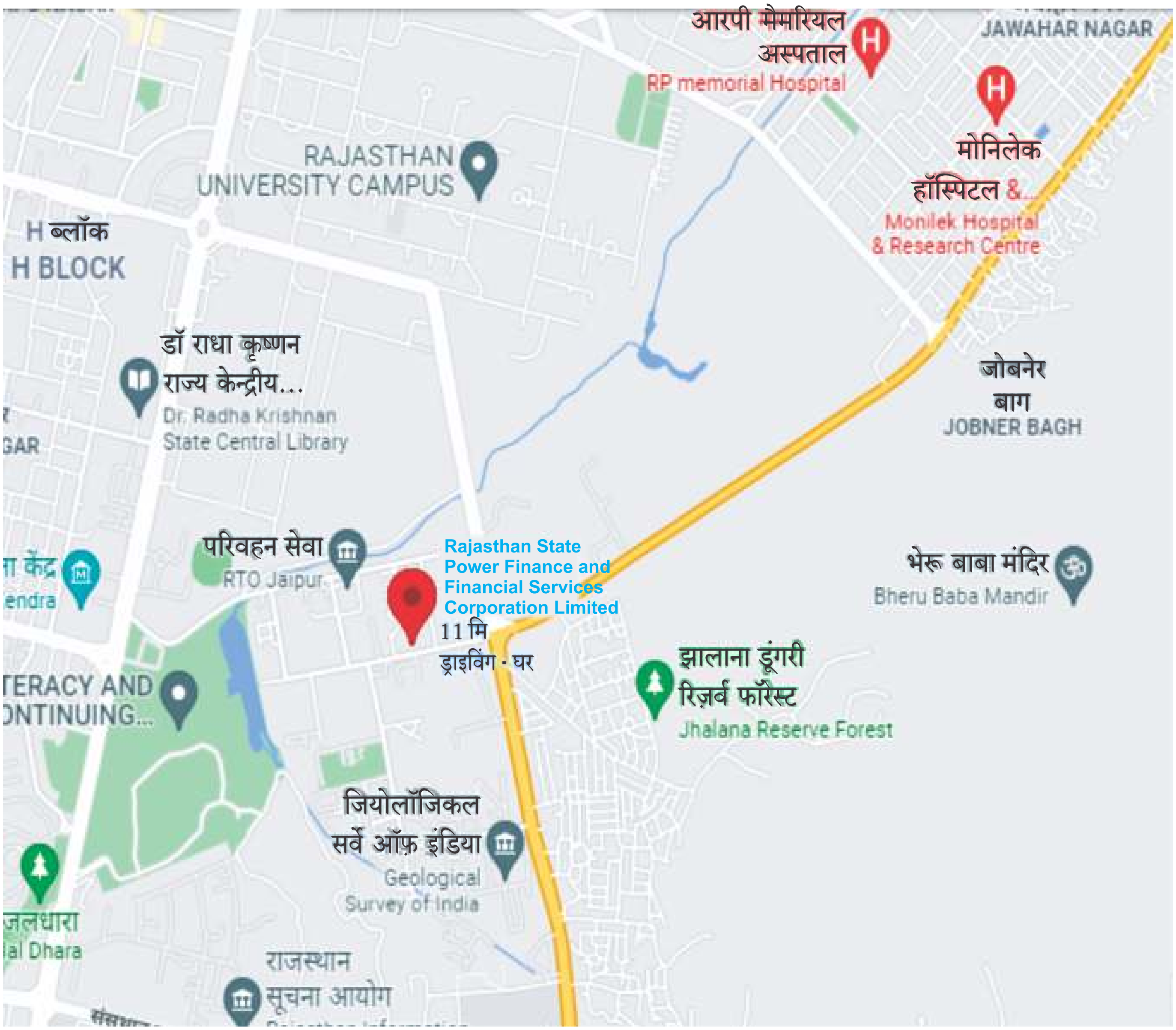
(Satish Kumar Garg)
Principal Accountant General
(Audit-I)
Rajasthan, Jaipur

Place: Jaipur
Date:-

Important Telephone Numbers

Name	Designation	Contact No.
Shri Akhil Arora, IAS	Chairman	0141-2227664
Shri Debasish Prusty, IAS	Managing Director	0141-2227599
Shri Pawan Jaiman	General Manager (Finance) cum Chief Financial Officer	0141-2708611
Shri Rajeev Gupta	General Manager (System)	0141-2708611
Shri Pankaj Jangid	AGM (HR/Adm.)	0141-2708611
Shri Ashish Sharma	AGM (Accounts)	0141-2708611
Shri J.P. Sharma	Manager (Accounts)	0141-2708611
Shri Vishnu Agarwal	Manager (Accounts)	0141-2708611
Shri Jeevandhar Gupta	Manager (Accounts)	0141-2708611
Shri Rajesh Agarwal	Consultant (Banking)	0141-2708611
Ms. Krati Joshi	Company Secretary	0141-2708611

Route Map of the Registered Office of the Company



Registered and Administrative Office:

RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LIMITED

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Phone: +91-141-2708611
Email: rspfcl@rajasthan.gov.in, Website: http://rspfcl.rajasthan.gov.in

Save Power, Save Money