

**KLM Axiva Finvest Limited**

**Annual Report**

**2024-25**

## **CORPORATE INFORMATION**

### **CORPORATE IDENTITY NUMBER (CIN)**

U65910TG1997PLC026983

### **BOARD OF DIRECTORS**

#### **Chairman**

1. Mr. T. P. Sreenivasan – Non-Executive Director

#### **Wholetime Director**

2. Mr. Shibu Theckumpurath Varghese

#### **Directors**

3. Mrs. Biji Shibu – Executive Director
4. Mr. K. M. Kuriakose – Independent Director
5. Mr. Joseph Paul Menacherry - Independent Director
6. Mr. Abraham Thariyan – Independent Director

### **KEY MANAGERIAL PERSONNELS**

#### **Chief Executive Officer (CEO)**

Mr. Manoj Raveendran Nair

#### **Chief Financial Officer (CFO)**

Mr. Thanish Dalee

#### **Company Secretary & Compliance Officer**

Ms. Naveena P. Thampi

### **STATUTORY AUDITORS**

A. John Moris & Co.,  
(Practicing Chartered Accountants)

### **SECRETARIAL AUDITORS**

Nekkanti S.R.V.V.S. Narayana & Co.  
(Practicing Company Secretaries)

### **REGISTRAR OF COMPANIES**

Registrar of Companies (RoC), Hyderabad

### **DEBENTURE TRUSTEE**

#### **Public Issue**

Vistra ITCL (India) Limited  
The IL&FS Financial Center, Plot No. C-22G  
Block, Bandra Kurla Complex  
Bandra (East), Mumbai – 400 051  
Tel: +91 22 2659 3333  
Email: [itclcomplianceofficer@vistra.com](mailto:itclcomplianceofficer@vistra.com)

#### **Private Placement**

Mr. Abhjith Satheesh  
Building No. 46/2709, E1, First Floor,  
Haritha Road, Vennala,  
Ernakulam Kerala-682028 India  
Email: [abhi4dxi@gmail.com](mailto:abhi4dxi@gmail.com)

### **LISTING (NON-CONVERTIBLE DEBENTURES)**

BSE Limited

### **REGISTRAR & SHARE TRANSFER AGENT**

#### **KFin Technologies Limited**

Selenium Tower B, Plot 31-32, Financial District,  
Nanakramguda, Serilingampally, Hyderabad,  
Telangana-500 032  
**Tel:** +91 40 6716 2222  
**Email:** [klmaxiva.ncdipo@kfintech.com](mailto:klmaxiva.ncdipo@kfintech.com)

### **REGISTERED OFFICE**

Plot No. 39, Door No. 8-13, 1<sup>st</sup> Floor,  
Ashoka Complex, Mythripuram Colony, Gayathrinagar  
X Road, Vaishalinagar P.O., Hyderabad, Rangareddi,  
Telangana – 500079  
Email: [admindvn@klmaxiva.com](mailto:admindvn@klmaxiva.com)  
Website: [www.klmaxiva.com](http://www.klmaxiva.com)

### **CORPORATE OFFICE**

KLM Grand Estate  
Bypass Road Edapally  
Ernakulam, Kerala -682024  
Tel: +91 484 4281 111  
Email: [admindvn@klmaxiva.com](mailto:admindvn@klmaxiva.com)



**Notice of 28<sup>th</sup> Annual General Meeting**

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the members of **KLM Axiva Finvest Limited** will be held on Friday, the 26<sup>th</sup> day of September 2025 at 02:00 P.M. IST through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) to transact the following business: -

**Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2025 and Reports of Board of Directors’ and Auditors’ thereon.
2. To appoint a director in place of Mrs. Biji Shibu, (DIN: 06484566) who is liable to retire by rotation, and being eligible, offers herself for re-appointment.

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

“**RESOLVED THAT** pursuant to the provisions of section 152 of the Companies Act, 2013, Mrs. Biji Shibu, (DIN: 06484566) who retires by rotation and being eligible has offered herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**Special Business:**

3. Payment of Remuneration to Mr. T. P. Sreenivasan, Non-Executive Chairperson.

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

“**RESOLVED THAT** pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and any other applicable provisions thereof, the consent of the members be and is hereby accorded for the payment of remuneration to Mr. T. P. Sreenivasan (DIN: 03048551), Non-Executive Chairman of the Company, in accordance with the special resolution passed by the shareholders at the Extraordinary General Meeting held on June 21, 2024, for the financial year ending March 31, 2026, notwithstanding that such remuneration may exceed 50% of the total annual remuneration payable to all Non-Executive Directors during the financial year.”

For and on Behalf of **KLM Axiva Finvest Limited**,

Sd/-

**Shibu Theckumpurath Varghese**

Whole time Director

DIN: 02079917

Place: Ernakulam

Date: 13.08.2025

## **Notes:**

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 (“SEBI Circular”) and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.
2. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (‘NSDL’) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://klmaxiva.com/stakeholders>. The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at <https://www.bseindia.com/> and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e., <https://www.evoting.nsdl.com/>.
7. In terms of the MCA Circulars and the relevant SEBI Circulars, the Company is sending this AGM Notice in electronic form only to those Members whose email addresses are registered with the

Company/ RTA and/or National Securities Depository Limited ('NSDL') or Central Depository Services Limited ('CDSL').

8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with read with MCA Circular issued from time to time
9. SEBI vide Circular dated July 31, 2023 read with Master Circular dated December 28, 2023, has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal <https://smartodr.in/login> and the same can also be accessed through the Company's website at <https://klmaxiva.com/>.
10. Members desirous of inspecting the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and other relevant documents referred to in the Notice or Explanatory Statement will be available electronically for inspection by the Members during the AGM. Members may send their requests to [secretarial@klmaxiva.com](mailto:secretarial@klmaxiva.com) or [cs@klmaxiva.com](mailto:cs@klmaxiva.com) from their registered email addresses mentioning their name, Folio numbers/DP ID and Client ID.
11. As per Section 72 of the Act, members holding shares in physical mode may submit their nomination by submitting SH-13 which can be downloaded from the Company's website at [https://admin.klmaxiva.com/uploads/Form\\_No\\_SH\\_13\\_f6890720fe.pdf](https://admin.klmaxiva.com/uploads/Form_No_SH_13_f6890720fe.pdf) members holding shares in demat mode may contact their respective DPs to update the nomination.
12. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
13. CS. Nikhil George Pinto, Partner, M/s. CaesarPintoJohn & Associates LLP, Company Secretaries, Kochi, has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
14. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such report shall then be sent to the Chairperson or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
15. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at <https://klmaxiva.com/stakeholders> and on the website of NSDL at <https://www.evoting.nsdl.com/> immediately after the declaration of Results by the Chairperson or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited.

16. All documents referred to in the accompanying Notice and the explanatory statement shall be open for inspection at the Registered and Corporate Offices of the Company during normal business hours (9.00 a.m. to 5.00 p.m.) on all working days except Sundays upto and including the date of the AGM of the Company.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**

The remote e-voting period begins Tuesday, September 23, 2025 at 09:00 A.M. (IST) and ends on Thursday, September 25, 2025 at 05:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e., Friday, September 19, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 19, 2025.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*





**Step 1: Access to NSDL e-Voting system**

**A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile.</p>

	<p>On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>3. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>5. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL <b>Easi/Easiest</b> facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System <b>Myeasi</b> Tab and then user your existing my easi username &amp; password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links</p>

	<p>provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name <b>or e-Voting service provider i.e., NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

**B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.



2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.*

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

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

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



### **General Guidelines for shareholders**

1. Institutional Members/Corporate Members (i.e., other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of their respective Board or governing body Resolution, Authorization, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email to [caesarpintojohn@gmail.com](mailto:caesarpintojohn@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e., other than individuals, HUFs, NRIs, etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter", etc. displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com).

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [secretarial@klmaxiva.com](mailto:secretarial@klmaxiva.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [secretarial@klmaxiva.com](mailto:secretarial@klmaxiva.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a **speaker** by sending their request in advance **at least 10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@klmaxiva.com](mailto:secretarial@klmaxiva.com).
6. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio

number, email id, mobile number at [secretarial@klmaxiva.com](mailto:secretarial@klmaxiva.com). These queries will be replied to by the company suitably by email.

7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

#### **Item No. 3: Payment of Remuneration to Mr. T. P. Sreenivasan, Non-Executive Chairperson**

The members of the Company, at the Extraordinary General Meeting held on June 21, 2024, approved by way of a special resolution the payment of annual remuneration of ₹13,33,332/- (Rupees Thirteen Lakh Thirty Three Thousand Three Hundred and Thirty Two only) to Mr. T. P. Sreenivasan, Non-Executive Chairman of the Company, payable by way of monthly payments.

In terms of Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, if the annual remuneration payable to a single non-executive director exceeds 50% of the total annual remuneration payable to all non-executive directors, such payment requires approval of shareholders by way of a special resolution.

Based on the proposed remuneration structure and in light of the contributions made by Mr. T. P. Sreenivasan in guiding the Company's strategic direction, the Board of Directors recommends that such payment be continued for the financial year ending March 31, 2026, even if it may exceed 50% of the total remuneration payable to all non-executive directors during that financial year.

Accordingly, the Board recommends the resolution set out in Item No. 3 of the accompanying Notice for approval of the members as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives, except Mr. T. P. Sreenivasan, are concerned or interested, financially or otherwise, in the resolution.

Details of director seeking appointment at the forthcoming Annual General Meeting as per secretarial standard on general meetings (SS-2)

Name of the Director	Mr. Sreenivasan Thettalil Parameswaran Pillai	Mrs. Biji Shibu
DIN	03048551	06484566
Date of first appointment in the Board	May 23, 2023	March 09, 2013
Date of Birth & Age	May 23, 2023	May 21, 1970 - 55Years
Qualifications	B.A. (English), M.A. (English) and Indian Foreign Service (IFS)	She holds a bachelor's degree in arts from Mahatma Gandhi University
Experience	Mr. Sreenivasan has worked as the Indian diplomatic representative in various countries. He represented India in the United Nations for a	She has been associated with our Company for over 12 years.

	long time. He has also served as the Vice Chairman of the Council for Higher Education of the State of Kerala	
Terms & Conditions of appointment	As per original letter of appointment dated May 23, 2023	As per the special resolution dated June 21, 2024
Remuneration sought to be paid and remuneration last drawn	Annual remuneration of Rs. 13,33,332/- by way of monthly payment	Annual remuneration of Rs. 36,00,000/- per annum by way of monthly payment
Shareholding in KLM Axiva Finvest Limited	Nil	2,83,35,054 Equity Shares aggregating to 10.98%
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Nil	Spouse of Mr. Shibu Theckumpurath Varghese (Wholetime Director)
Number of Meetings of the Board attended during the year (FY 2024-25)	10	13
List of Directorship held in other Companies	None	1. Carbomix Polymers (India) Private Limited; 2. KLM Tiana Gold & Diamonds Private Limited; 3. Ente Naadu Nidhi Limited
Chairman/ member of the committees of the Board of Directors of other Companies	Nil	Nil
Listed Entities from which the Director has resigned in the past three years.	Nil	Nil

## **REPORT OF THE BOARD OF DIRECTORS**

Dear Members,

The Board of Directors of KLM Axiva Finvest Limited (“Company”) is delighted to present the 28<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2025.

### **1. FINANCIAL SUMMARY**

The financial performance of the Company for the financial year ended March 31, 2025, on a standalone basis, is summarized below:

Particulars	FY 2024-25 (₹ in lakhs)	FY 2023-24 (₹ in lakhs) (Restated)
Revenue from Operations	33,246.68	30,562.49
Other Income	819.05	1029.83
Total Revenue	34,065.73	31,592.32
Total Expenses	32,084.95	28,574.90
Profit Before Tax	1,980.79	3,017.42
Tax Expenses	-38.57	714.55
<b>Net Profit for the Year</b>	<b>2,019.36</b>	<b>2,302.87</b>

### **2. OPERATIONAL PERFORMANCE**

During the financial year under review, Company recorded a decline in profitability, with a net profit of ₹2,019.36 lakhs for the year ended March 31, 2025 as compared to ₹2,302.87 lakhs for the year ended March 31, 2024.

The Company’s interest income increased to ₹33,246.68 lakhs for the year ended March 31, 2025, from ₹30,562.49 lakhs in the previous year. Consequently, the total income rose from ₹31,592.32 lakhs in FY 2023–24 to ₹34,065.73 lakhs in FY 2024–25.

Revenues from the Company’s gold loan business constituted 76.71% and 69.81% of the total income for the financial years ended March 31, 2025 and March 31, 2024, respectively.

The Company is primarily engaged in lending against collateral of gold jewellery. As on March 31, 2025, gold loans accounted for 65.81% of the total loan book.

### **3. STATE OF THE COMPANY’S AFFAIRS**

- i. **Change in the financial year:** There was no change in the Company’s financial year during the period under review. The financial year continued to commence on April 1<sup>st</sup> and end on March 31<sup>st</sup>, in line with the regulatory framework and the Company’s internal reporting policies.
- ii. **Capital expenditure programs:** As part of its long-term infrastructure development plan, the Company successfully completed the construction of its new corporate office located at

Edappally, Kerala, in May 2024. This project represents a significant capital investment aimed at enhancing operational efficiency, improving workplace infrastructure, and supporting future growth.

The new corporate office premises at Edappally were formally inaugurated on May 05, 2024. The inauguration marked a key milestone in the Company's operational journey, providing a modern, purpose built facility designed to accommodate expanding teams and improve interdepartmental coordination.

- iii. **Developments, acquisition and assignment of material Intellectual Property Rights:** During the year under review, there were no significant developments in terms of creation, acquisition, or assignment of material Intellectual Property Rights (IPRs).
- iv. **Details and status of acquisition, merger, expansion, modernization and diversification:** The Company did not undertake any major initiatives in the areas of acquisition, merger, business expansion, modernization, or diversification during the financial year. The management remains focused on consolidating core operations and ensuring the stability and scalability of existing business verticals.
- v. **Change in status of the company:** There has been no change in the legal, operational, or regulatory status of the Company during the financial year. The Company continues to operate as a registered non-banking financial company (NBFC), compliant with applicable laws and regulatory requirements.
- vi. **Key business developments:** No material business developments occurred during the financial year. The Company continued its core operations in the gold loan segment, maintaining operational stability and focusing on service quality and customer retention.
- vii. **Any other material event having an impact on the affairs of the company:** There were no other significant or material events during the year that had a direct or adverse impact on the operations, financial position, or strategic direction of the Company, except those specified in point 8 of this report.

#### 4. DIVIDEND

During the year under review, the Board of Directors, at its meeting held on May 14, 2024, declared an interim dividend of ₹0.50 (Fifty paise) per equity share, at the rate of 5% on each fully paid-up equity share of Rs. 10/- (Rupees Ten each). The total amount disbursed as interim dividend was ₹10,27,00,428.50 (Rupees Ten Crore Twenty-Seven Lakh Four Hundred Twenty-Eight and Fifty Paise Only), which was paid out of the profits of the Company for the financial year ended March 31, 2024.

The interim dividend was distributed to all eligible members whose names appeared in the register of members as on the record date, May 17, 2024. There is no amount was required to be transferred to the Unpaid Dividend Account or the Investor Education and Protection Fund (IEPF).

After considering the capital requirements for ongoing and future business operations, the Board has decided to retain the remaining profit after tax within the Company to support expansion and strategic

initiatives. Therefore, no final dividend has been recommended, and the matter will not be placed before the shareholders at the ensuing 28<sup>th</sup> Annual General Meeting.

## **5. TRANSFER TO RESERVES**

Company has transferred 20% of its net profit for the year amounting to ₹403.87 lakhs to the Statutory Reserve maintained under section 451C of the Reserve Bank of India Act, 1934. This transfer increased the total statutory reserve to ₹1,942.57 lakhs as of March 31, 2025.

The Revaluation Reserve and General Reserve of the Company remained unchanged at ₹691.24 lakhs and ₹4.08 lakhs respectively as on March 31, 2025. There were no additions or deductions to these reserves during the year under review.

Additionally, as of March 31, 2025 the securities premium account stood at ₹1,035.51 lakhs.

During the year, an amount of ₹1,884.98 lakhs was utilized from retained earnings towards the issuance of bonus shares. Further, Deferred Tax Assets amounting to ₹552.82 lakhs were recognized in Other Equity and adjusted from retained earnings.

After accounting for the above adjustments, including the transfer to the Statutory Reserve, the retained earnings of the Company reflected a negative balance of ₹1,998.45 lakhs as at March 31, 2025.

## **6. TRANSFER OF UNPAID/UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

No interest/dividend/redemption amount is unpaid/unclaimed for a period of seven (7) years, therefore, no amounts were required to be transferred to Investor Education and Protection Fund (IEPF) as per the provisions of section 125 of the Companies Act, 2013 (hereinafter referred to as "Act").

## **7. DEBENTURE REDEMPTION RESERVE (DRR)**

In accordance with the Companies (Share Capital and Debentures) Rules, 2014, Debenture Redemption Reserve (DRR) is not required to be maintained in the case of public issue of debentures as well as privately placed debentures for NBFCs registered with Reserve Bank of India under section 45-IA of the RBI Act, 1934.

However, as per Rule 18(7)(c) of the said Rules, the Company is required to invest or deposit, on or before the 30<sup>th</sup> day of April each year, a sum not less than 15% of the amount of debentures maturing during the year ending on the 31<sup>st</sup> day of March of the following year. Accordingly, during the reporting period, the Company has deposited the requisite 15% of the amount of its non-convertible debentures maturing during the year ending March 31, 2025, with scheduled commercial banks.

The Company continues to maintain a sufficient liquidity buffer to meet its debenture-related obligations. In the case of secured debentures, an asset cover of at least 100% is maintained at all times.

## **8. COMPLIANCE WITH RBI DIRECTIONS/GUIDELINES**

The Company is registered with the Reserve Bank of India as a Non-Banking Financial Company (Non-Deposit taking) under Sec. 45IA of Reserve Bank of India Act, 1934 and holds a valid certificate of registration bearing No. 09.00006 and classified as Non-Banking Financial Company - Middle layer (NBFC-ML). The operations of the Company are predominantly in financing activities (loan Company) and as such it is a NBFC-Investment and Credit Company (NBFC-ICC) as per the guidelines issued by the Reserve Bank of India.

1. The Company has been regular in complying with regulatory directions/guidelines issued by the Reserve Bank of India. However, an onsite supervisory inspection conducted by Reserve Bank of India (RBI) during January 2023 to February 2023 for the financial year 2021-22 pointed out some irregularities / non-compliances or procedural violations in the operations of the company. The RBI issued an inspection report to the Company and issued a risk mitigation plan for the certain observations vide letter dated May 23, 2023. Our Company placed the inspection report before the Board of Directors on May 26, 2023 and filed reply to RBI vide letter dated June 26, 2023 stating the clarification and undertaking the resolution to the lapses occurred by the Company.

On October 4, 2023, the RBI issued a show cause notice to our Company under Section 45-IA (6) of the RBI Act, 1934. The notice alleged certain violations and non-compliance in our company's operations that could potentially be detrimental to public interest. The RBI claimed that our company failed to accurately report the Net Owned Funds as of March 31, 2022, and did not maintain the Tier 1 capital above the regulatory minimum Capital to Risk-weighted Assets Ratio ("CRAR") of 12%. Additionally, the RBI alleged that our company incorrectly reported the outstanding subordinate debt, the gross loans and advances, and the gross and net Non-Performing Assets (NPA) as of March 31, 2022, contrary to the RBI's instructions. The RBI also claimed that our company failed to disclose a related entity with a common director in the annual report. Additionally, RBI alleged that our company is in non-compliance with Section 67(2) of the Companies Act, 2013.

In response to these allegations, our company submitted comprehensive replies on October 31, 2023, and December 31, 2023. After reviewing our responses, the RBI issued a letter on April 4, 2024, advising our Company to implement specific corrective measures by June 30, 2024. The RBI also advised our company vide letter dated April 4, 2024, to desist from further expansion of the balance sheet and portfolio size until the implementation of the instructed corrective measures. Further, our Company, vide communication dated June 30, 2024, informed the RBI about the implementation of the corrective measures. Upon reviewing the measures undertaken by the Company, the RBI issued a follow-up letter dated September 13, 2024, advising the Company, *interalia*, to submit additional information and details concerning the implementation of the corrective measures. It was also informed that a review of the measures undertaken by the Company to address the supervisory concerns will be subjected to compliance testing after three months. In response, our Company, vide letter dated December 13, 2024, submitted a comprehensive update outlining the corrective measures adopted and implemented to address the supervisory concerns. Further, vide letters dated May 24, 2025 and June 25, 2025, our Company provided an updated status on the implementation of these corrective actions.

2. Pursuant to the issuance of a show cause notice dated October 11, 2024, and after providing our Company an opportunity for a personal hearing, the RBI imposed a penalty of ₹10 lakhs on our Company vide order dated March 24, 2025, for contravention of paragraph 33 of the RBI Scale-



Based Master Directions relating to the declaration of dividends by NBFCs. Our Company remitted the penalty amount of ₹10 lakhs to the RBI on April 11, 2025.

3. Pursuant to an onsite scrutiny of the Company's gold loan portfolio conducted by the RBI in August 2024, the RBI, through its letter dated March 11, 2025, raised certain supervisory concerns. In response, the Company submitted detailed explanations and outlined corrective measures through letters dated March 18, 2025, and March 28, 2025. Subsequently, the RBI, via its communication dated June 4, 2025, advised the Company to provide further compliance submissions along with supporting documentary evidence. The Company on June 25, 2025, responded by furnishing the requisite documentation, and confirmations. The RBI vide communication dated July 23, 2025 has informed that the supervisory concerns identified during the onsite scrutiny of gold loan portfolio have been closed.

## **9. CAPITAL ADEQUACY AND NET OWNED FUNDS**

The Company being a Middle Layer Non- Deposit Accepting NBFC is subject to the capital adequacy requirements prescribed by the Reserve Bank of India. The Company was required to maintain a minimum Capital to Risk Asset Ratio (CRAR) of 15% as prescribed under the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (as amended from time to time) based on total capital to risk weighted assets.

As of March 31, 2025, the Company's total Capital to Risk Assets Ratio (CRAR) stood at 23.90%, which is above the regulatory minimum of 15%. Out of the above, Tier I capital stood at 15.79% and Tier II capital stood at 8.11%.

The net owned fund (NOF) of the Company as on March 31, 2025 is ₹26,698.22 lakhs.

## **10. DEPOSITS**

During the year, the Company has not accepted any deposits from the public within the meaning of the provisions of the Master Direction – Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 or any deposits within the meaning of section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

## **11. FAIR PRACTICES CODE**

The Company has framed Fair Practices Code as per the latest guidelines issued by Reserve Bank of India in this regard. The Fair Practice Code adopted by the Company is disclosed on the website of the Company at [https://admin.klmaxiva.com/uploads/FPC\\_14\\_11\\_2024\\_09733a7179.pdf](https://admin.klmaxiva.com/uploads/FPC_14_11_2024_09733a7179.pdf)

## **12. CHANGES IN SHARE CAPITAL DURING THE FINANCIAL YEAR, IF ANY**

### **a) Issue of shares:**

During the financial year under review, the Company increased its authorized share capital from ₹250,00,00,000/- (Rupees Two Hundred Fifty crores only) divided into 25,00,00,000/- (Twenty Five crores) equity shares of ₹10/- (Rupees Ten only) each to ₹500,00,00,000/- (Rupees Five Hundred crores only) divided into 50,00,00,000/- (Fifty crores) equity shares of ₹10/- (Rupees Ten only) each.

At the Extraordinary General Meeting (EGM) held on June 21, 2024, the shareholders approved the issuance of bonus shares in the ratio of 1:10, i.e., 1 (one) new fully paid up equity share for every 10 (Ten) equity shares held, by capitalization of a sum not exceeding ₹20,54,00,857/- (Rupees Twenty Crore Fifty Four Lakh Eight Hundred and Fifty Seven only) from and out of the securities premium account and free reserves.

Subsequently, at the EGM held on March 07, 2025, the shareholders approved a further bonus issue in the ratio of 1:20, i.e., 1 (one) new fully paid up equity share for every 20 (Twenty) equity shares held, by capitalizing a sum not exceeding ₹11,29,70,440/- (Rupees Eleven Crore Twenty Nine Lakh Seventy Thousand four Hundred and Forty only) from the free reserves.

Pursuant to these approvals:

- On July 19, 2024, the Finance Committee allotted 2,05,40,019 bonus equity shares, aggregating to ₹20,54,00,190/- (Rupees Twenty Crore Fifty Four Lakh One Hundred and Ninety only) under the 1:10 bonus issue.
- On March 11, 2025, the Finance Committee allotted 1,12,96,551 bonus equity shares, aggregating to ₹11,29,65,510/- (Rupees Eleven Crore Twenty Nine Lakh Sixty Five Thousand Five Hundred and Ten only) under the 1:20 bonus issue.

Further, on March 07, 2025, the the shareholder approved the issued and offer of 2,63,71,888 (Two Crores Sixty Three Lakhs Seventy One Thousand Eight Hundred and Eighty Eight) equity shares of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 5/- (Rupees Five only) per share i.e., at an issue price of Rs. 15.00/- (Rupees Fifteen only) per share aggregating to Rs. 39,55,78,415/- (Rupees Thirty Nine Crores Fifty Five Lakhs Seventy Eight Thousand Four Hundred and Fifteen only) to 200 people.

The offer was accepted by 173 people and on March 25, 2025, the finance committee allotted 2,07,10,216 equity shares of ₹10/- each at an issue price of ₹15/- per share, aggregating to ₹31,06,53,240/- (Rupees Thirty-One Crores Six Lakhs Fifty-Three Thousand Two Hundred and Forty only), on a private placement basis to 173 allottees.

As on March 31, 2025, the authorized share capital and paid up share capital of the Company stood at ₹5,00,00,00,000/- (Rupees Five Hundred crores only) and ₹257,94,76,430/- (Rupee Two Hundred and Fifty-Seven Crore Ninety-Four Lakhs Seventy-Six Thousand Four Hundred and Thirty only) respectively.

As on the date of this report, the authorized share capital and paid up share capital of the Company stood at ₹5,00,00,00,000/- (Rupees Five Hundred crores only) and 2,68,58,14,390/- (Rupees Two Hundred Sixty Eight crore Fifty Eight lakhs Fourteen Thousand Three Hundred and ninety Only) respectively.

**b) Disclosure regarding issue of equity shares with differential rights:** The Company has not issued any equity shares with differential rights during the financial year.

**c) Disclosure regarding Issue of employee stock options:** The Company has not issued any employee stock options during the year.

- d) **Disclosure regarding Issue of sweat equity shares:** The Company has not issued any sweat equity shares during the reporting period.
- e) **Disclosure regarding Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the employees:** Since the company has not provided any stock option to employees, none of the shares are held in trust for the benefit of employees where the voting rights are not exercised directly by the employees.
- f) **Disclosure regarding buy back of securities:** The Company has not bought back any of its securities during the year under review.
- g) **Disclosure regarding bonus shares:** As detailed under Clause (a), bonus shares were issued and allotted as follows:
- On July 19, 2024: 2,05,40,019 bonus equity shares allotted in the ratio of 1:10.
  - On March 11, 2025: 1,12,96,551 bonus equity shares allotted in the ratio of 1:20.
- h) **Disclosure regarding issue of warrants:** The Company has not issued any warrants during the year under review.

### 13. RESOURCE MOBILIZATION

During the year, the Company successfully mobilized funds through multiple channels, including public issue of Secured Redeemable Non-Convertible Debentures (NCDs), private placement of equity shares, bank loans, and issuance of subordinated debts.

#### A. Public Issue of Secured Non-Convertible Debentures (NCDs)

The Company successfully completed the 10<sup>th</sup> and 11<sup>th</sup> public issue of Secured Redeemable Non-Convertible Debentures (NCDs), of face value of ₹1,000/- (Rupees One Thousand only) each raising an aggregate of ₹2,21,33,07,000/- (Rupees Two Hundred Twenty-One Crore Thirty-Three Lakhs Seven Thousand Only).

As on March 31, 2025, the outstanding principal amount of NCDs issued through public issue stood at ₹6,13,37,49,000/- (Rupees Six Hundred Thirteen Crores Thirty-Seven Lakhs Forty-Nine Thousand only).

#### Contact details of Debenture Trustee (Public Issue):

Vistra ITCL (India) Limited  
Office No. 505, A2/5<sup>th</sup> Floor, B Wing,  
The Capital Building, Bandra Kurla Complex,  
Bandra East, Mumbai, Maharashtra - 400051  
Email: [itclcomplianceofficer@vistra.com](mailto:itclcomplianceofficer@vistra.com)  
Investor grievance email: [itclcomplianceofficer@vistra.com](mailto:itclcomplianceofficer@vistra.com)  
Website: [www.vistraitcl.com](http://www.vistraitcl.com)  
Contact person: Mr. Jatin Chonani – Compliance Officer  
SEBI Registration Number: IND000000578.

#### **B. Private Placement of Non-Convertible Debentures (NCDs)**

During the financial year 2024-25, the Company has not issued any NCDs through private placement.

##### Contact details of Debenture Trustee (Private Placement):

Mr. Abhijith Satheesh,  
NH Bypass, The Signature,  
Kailas Nagar, Puthiya Road,  
Ernakulam, Kerala - 682025  
Email: [abhi4dxi@gmail.com](mailto:abhi4dxi@gmail.com)

#### **C. Private Placement of Equity Shares**

During the financial year 2024-25, the Company has allotted 2,07,10,216 (Two crores Seven lakhs Ten thousand Two hundred Sixteen) equity shares on March 25, 2025 at an issue price of ₹15.00/- (Rupees Fifteen only) on private placement basis.

#### **D. Perpetual Debt Instruments (PDIs)**

During the financial year 2024-25, the Company has not raised any funds by through issue of Perpetual Debt Instruments (PDIs). The outstanding amount of PDIs as on March 31, 2025 is ₹3,538.53 lakhs.

There were no defaults in payment of interest of PDIs during the reporting period. Percentage of the amount of PDI to the total amount of Tier I Capital of the Company is 12.14%.

#### **E. Subordinated Debt**

Subordinated Debt serves as a long-term funding source for the Company. As on March 31, 2025, the outstanding amount under this category was ₹79,167.41 lakhs.

#### **F. Bank Finance**

Bank Finance remains an important source of funding for the Company. Commercial Banks continued their support to the Company during financial year. As of March 31, 2025, borrowings from banks stood at ₹13,423.75 lakhs.

The Company has not defaulted in repayment of loans from banks and financial institutions. There were no delays or defaults in payment of interest/principal of any of its debt securities

### **14. CREDIT RATINGS**

The credit ratings obtained by the Company as on the date of this report are as under:

Credit Rating Agency	Instrument	Rating	Rating action
Acuite Ratings and Research	Bank Loans	ACUITE BBB	Affirmation

		Stable	
	Non-Convertible Debentures (NCD X to NCD XII)	ACUITE BBB   Stable	Assignment and Affirmation
<b>India Ratings and Research</b>	Non-Convertible Debentures (NCD VII to NCD X)	IND BBB-   Stable	Affirmation
	Bank Loans	IND BBB-   Stable	Affirmation
<b>CARE Ratings</b>	Non-Convertible Debentures (NCD II to NCD VI)	CARE BBB   Stable	Reaffirmed

## 15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors state that:

- In the preparation of the annual accounts for the year ended March 31, 2025, the applicable Indian accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;
- The annual accounts for the year ended March 31, 2024 have been restated while preparation of the annual accounts for the year ended March 31, 2025 to give effect to deferred tax assets;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 16. AUDITORS

### a) Statutory Auditors

The members of the company at the 27<sup>th</sup> Annual General Meeting appointed M/s. A. John Moris & Co, Chartered Accountants, (FRN.: 007220S), as the statutory auditors of the Company for a continuous

period of 3 years commencing from the conclusion of the 27<sup>th</sup> Annual General Meeting till the conclusion of the 30<sup>th</sup> Annual General Meeting of the Company in accordance with the Companies act, 2013 and the guidelines prescribed under RBI Circular No. RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021.

The Audit Committee has evaluated the eligibility and independence of M/s. A. John Moris & Co., and confirmed that they meet the prescribed criteria and are eligible to continue as the Statutory Auditors of the Company.

**b) Secretarial Auditors under section 204**

The Board of Directors of the Company at its meeting held on May 19, 2024, has appointed M/s. Nekkanti S. R. V. V. S. Narayana & Co., Practicing Company Secretaries, Hyderabad to conduct the Secretarial Audit of the Company for the Financial Year 2024-2025 pursuant to the provisions of section 204 of the Act, read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations").

In accordance with the provisions of sub-section (1) of section 204 of the Act, and sub regulation (1) of regulation 24A of the Listing Regulations, the Secretarial Audit Report for the financial year 2024-25 is appended to this report as **Annexure I**.

**c) Explanations or comments by the Board on qualification, reservation or adverse remark or disclaimer on audit reports for financial year 2024-25**

<b>Qualification, reservation or adverse remark or disclaimer by statutory auditors or secretarial auditors</b>	<b>Reply by the Board of Directors</b>
<u>Observations by Statutory Auditors</u>	
Nil	Not Applicable
<u>Observations by Secretarial Auditors</u>	
Nil	Not Applicable

**d) Annual Secretarial Compliance Report**

M/s. Nekkanti S. R. V. V. S. Narayana & Co., Practicing Company Secretaries reviewed all applicable compliances for the year 2024-25 as per SEBI Regulations and circulars/guidelines issued thereunder. The Annual Secretarial Compliance Report was submitted to the BSE Limited within 60 days from the end of the financial year.

**17. DETAILS OF FRAUDS REPORTED BY THE AUDITORS**

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors of the Company have reported any fraud required to be reported to the central government or the audit committee of the board under section 143(12) of the Act.

Pursuant to Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024 as amended, the Company has a process and procedure in place for monitoring and reporting the instances of fraud.

## **18. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There were no material changes and commitments affecting the financial position of the company between the end of the financial year to which financial statements relate and the date of the report except as stated below:

- The shareholders of the Company at the EGM held on June 16, 2025 approved the issue of 1,94,06,759 (One Crore Ninety Four Lakhs Six Thousand Seven Hundred Fifty Nine) equity shares of ₹10/- (Rupees Ten only) each at a premium of ₹5/- (Rupees Five only) per share i.e., at an issue price of ₹15.00/- (Rupees Fifteen only) per share aggregating to ₹29,11,01,385/- (Rupees Twenty Nine Crore Eleven Lakhs One Thousand Three Hundred Eighty Five only) on preferential basis, to the persons as identified by the Board of Directors on such terms and conditions;
- The Finance Committee of the Board of Directors on June 25, 2025 allotted 1,06,33,796 (One Crore Six Lakh Thirty-Three Thousand Seven Hundred and Ninety-Six) equity shares of ₹10/- (Rupees Ten only) each, at a premium of ₹5/- (Rupees Five only) per share, totaling an issue price of ₹15/- (Rupees Fifteen only) per share, aggregating to ₹15,95,06,940/- (Rupees Fifteen Crore Ninety-Five Lakh Six Thousand Nine Hundred and Forty only), to the 119 allottees;
- The Debenture Committee of the Board of Directors on July 28, 2025 allotted 12,38,661 (Twelve Lakh Thirty-Eight Thousand Six Hundred Sixty One) Secured Redeemable Non-Convertible Debentures (NCDs) of face value of Rs.1000/- each aggregating to ₹1,23,86,61,000/- (Rupees One Hundred Twenty Three Crores Eighty Six Lakhs Sixty One Thousand Only) issued through public issue (KLM NCD XII).

## **19. CORPORATE GOVERNANCE REPORT**

A report on corporate governance as per the Listing Regulations is attached as **Annexure II** and forms part of this report. The corporate governance report includes the details as required to be provided on the composition and category of directors, number of meetings of the board, attendance of directors, composition of the various committees and its terms of reference, annual evaluation of board and committees, disclosure of relationships between directors inter-se, whistle blower policy/vigil mechanism, etc.

## **20. CODE OF CONDUCT**

During the reporting period the company has adopted the Code of Conduct of Board of Directors and Senior Management. Pursuant to the Regulation 26(3) of SEBI Listing Regulations, all the members of the Board and Senior Management Personnel affirmed compliance with the code and a declaration by the Chief Executive Officer confirming the adherence to the code is annexed as **Annexure III** to this report. The code of conduct is available at the website of the Company in the link:

<https://klmaxiva.com/assets/pdf/Code%20of%20conduct%20of%20board%20of%20directors%20and%20senior%20management%20personnel.pdf>

## 21. CERTIFICATE ON CORPORATE GOVERNANCE

The Compliance Certificate M/s. Nekkanti S. R. V. V. S. Narayana & Co., Practicing Company Secretaries confirming compliance with the conditions of corporate governance as stipulated in part E of schedule V under the Listing Regulations for financial year 2024-25 is attached as **Annexure IV** to this report.

## 22. DIRECTORS & KEY MANAGERIAL PERSONNEL

As on March 31, 2025, the Board of directors of the company comprised of Six directors including three Independent Directors. The composition of the Board of Directors (BOD) and details of Key Managerial Personnel (KMPs) as on March 31, 2025 as under:

Sl. No.	Name	Designation	Date of Appointment	DIN	Category
1.	Mr. Sreenivasan Thettalil Parameswaran Pillai	Chairman	23/05/2023	03048551	Non-Executive & Non-Independent
2.	Mr. Shibu Theckumpurath Varghese	Wholetime Director	27/07/2016	02079917	Executive & Non-Independent
3.	Ms. Biji Shibu	Director	09/03/2013	06484566	Executive & Non-Independent
4.	Mr. K. M. Kuriakose	Director	23/05/2023	08924909	Non-Executive & Independent
5.	Mr. Joseph Paul Menacherry	Director	08/06/2023	06540233	Non-Executive & Independent
6.	Mr. Abraham Thariyan	Director	20/06/2023	07132831	Non- Executive & Independent
7.	Mr. Manoj Raveendran Nair	Chief Executive Officer (CEO)	12/01/2022	-	-
8.	Mr. Thanish Dalee	Chief Financial Officer (CFO)	08/08/2017	-	-
9.	Ms. Naveena P. Thampi	Company Secretary (CS)	11/03/2024	-	-

### Woman Director

As per the provisions of section 149 of the Act, the Company shall have at least one-woman Director in the Board. The Company has Mrs. Biji Shibu, as Woman Director on the Board.



## 23. CHANGES IN THE COMPOSITION OF BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

There were no changes in the composition of board of directors & KMPs during the reporting period except as stated below:

1. Mr. K. M. Kuriakose (DIN: 08924909) was reappointed as the Independent Director of the Company to hold the office for a second term of 5 (Five) years with effect from May 23, 2024;
2. Mr. Joseph Paul Menacherry (DIN: 06540233), was reappointed as the Independent Director of the Company to hold the office for a second term of 5 (Five) years with effect from June 08, 2024;
3. Mr. Abraham Thariyan (DIN: 07132831), was reappointed as the Independent Director of the Company to hold the office for a second term of 3 (Three) years with effect from June 21, 2024;
4. The designation of Ms. Biji Shibu (DIN: 06484566) was changed from Non-Executive Director to Executive Director of the Company with effective from 1<sup>st</sup> July 2024;
5. Mr. Shibu Theckumpurath Varghese (DIN: 02079917) was reappointed as the Wholetime Director of the Company for a period of 5 (five) years with effect from 30<sup>th</sup> August, 2024.

## 24. MEETINGS OF BOARD OF DIRECTORS

The Board of directors met 13 times during the FY 2024-25 on the following dates:

Sl. No.	Date of Meeting
1.	01 April 2024
2.	17 April 2024
3.	14 May 2024
4.	24 May 2024
5.	27 June 2024
6.	13 August 2024
7.	02 September 2024
8.	09 October 2024
9.	14 November 2024
10.	17 January 2025
11.	07 February 2025
12.	13 February 2025
13.	18 March 2025

The maximum gap between these Board meetings did not exceed 120 days. The details of the various meetings of the Board are given in the Corporate Governance Report which forms part of this report.

Attendance of the directors in the Board meetings and General Meetings held during the financial year 2024-25 are given in the Corporate Governance Report, which forms a part to this Report as **Annexure II.**

## 25. COMMITTEES OF BOARD

The Board of Directors has constituted 10 Committees in accordance with the provisions of the Act, Listing Regulations and RBI Master Directions. viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee, Asset Liability Management Committee, Information Technology Strategy Committee, Information Technology Steering Committee, Debenture Committee, and Finance Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference/role of the Committees are taken by the Board of Directors.

Details of composition, terms of reference and number of meetings held for respective Committees are given in the Corporate Governance Report, which forms a part to this Report as **Annexure II**.

## **26. AUDIT COMMITTEE**

The composition of the Audit committee as on March 31, 2025 and as on the date of this report is as under:

Sl. No.	Name	Nature of Directorship	Designation
1.	Mr. K. M. Kuriakose	Independent	Chairperson
2.	Mrs. Biji Shibu	Non-Independent	Member
3.	Mr. Abraham Thariyan	Independent	Member

Pursuant to section 177(8) of the Act, the Board of Directors state that, during the year under review, all recommendations of the Audit Committee have been accepted by the Board of Directors.

## **27. INDEPENDENT DIRECTORS & STATEMENT OF DECLARATION**

The independent directors have submitted necessary disclosures confirming that they meet the criteria of independence as provided under section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations. The Board is satisfied of the integrity, expertise, and experience of all independent directors on the Board. In the opinion of the Board, the independent directors fulfil the conditions specified in the Act read with rules made thereunder and have complied with the code for independent directors prescribed in Schedule IV to the Act.

During the year under review, the independent directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees, and reimbursement of expenses incurred for the purpose of attending the meetings of the Board or Committees thereof of the Company.

## **28. DIRECTOR LIABLE TO RETIRE BY ROTATION**

In terms of Section 152 of the Act and the Articles of Association of the Company, Mrs. Biji Shibu (DIN: 06484566), Director of the Company is liable to retire by rotation at the ensuing 28<sup>th</sup> Annual General Meeting and being eligible, offers herself for reappointment.

## **29. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

During the reporting period, a formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors. The performance evaluation is done by rating the performances as per the criteria formulated by the Nomination and Remuneration Committee for the same. The rating activity is done by all the directors of the Board.

The independent directors of the Company held a separate meeting on February 13, 2025 without the presence of non-independent directors and members of the management reviewed the performance of non-independent directors, board as a whole, and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors.

Further, as per Schedule IV of the Act and provisions of the Listing Regulations, the performance evaluation of independent directors shall be done by the entire Board excluding the directors being evaluated, on the basis of performance and fulfilment of criteria of independence and their independence from Management. On the basis of the report on performance evaluation, it shall be determined whether to extend or continue the term of appointment of independent director. Accordingly, the Board has carried out an annual performance evaluation of its own performance, that of its Committees, Chairperson and individual directors.

### **30. CHIEF COMPLIANCE OFFICER (CCO)**

The Board of Directors, at its meeting held on April 17, 2024, appointed Mr. P. C. Dean as the Chief Compliance Officer (CCO) of the Company in accordance with RBI Notification No. DoS.CO.PPG./SEC.01/11.01.005/2022-23 dated April 11, 2022. His appointment was effective from May 06, 2024.

Mr. P. C. Dean subsequently tendered his resignation and ceased to hold the office of CCO with effect from February 28, 2025.

### **31. INDIAN ACCOUNTING STANDARDS**

Vide notification dated February 16, 2015 the Ministry of Corporate Affairs notified the Indian Accounting Standards ("Ind AS") are applicable to listed companies. The financials of the Company are prepared in compliance and in accordance with the Indian Accounting Standards.

### **32. SECRETARIAL STANDARDS**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

### **33. CHANGE IN NATURE OF BUSINESS, IF ANY**

During the year there was no change in the nature of the business of the company.

### **34. DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE REPORT**

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

However, the company restated its financial statements for the year ended 31st March 2024 in accordance with Ind AS 8, following RBI's directive to provide additional provisioning on certain restructured gold loans outstanding as on 31st March 2024, under the Resolution Framework 2.0. (Refer Note 3 - Significant Accounting policies and Notes on Accounts enclosed with the Financial Statements)

### **35. VIGIL MECHANISM**

As a part of Vigil Mechanism, a Whistle Blower Policy approved by the Board has been established in the Company. This Policy envisages reporting of wrong doing or un-ethical activities observed by employees at any level directly to the Chairman of the Audit Committee.

The matter reported is investigated and if found guilty, disciplinary action will be initiated depending upon the materiality of the unethical doings. During the year under report there have been no instances which required reporting.

The whistle blower policy is available at the website of the Company in the link: [https://admin.klmaxiva.com/uploads/Vigil\\_Mechanism\\_Whistle\\_Blower\\_Policy\\_8fbb7cd0a0.pdf](https://admin.klmaxiva.com/uploads/Vigil_Mechanism_Whistle_Blower_Policy_8fbb7cd0a0.pdf)

### **36. CRITERIA FOR DETERMINING QUALIFICATION, ATTRIBUTES, INDEPENDENCE OF DIRECTORS AND POLICY ON REMUNERATION OF DIRECTORS, KMPS, SENIOR MANAGEMENT & OTHER EMPLOYEES**

The Nomination and Remuneration Committee (NRC) of the Board has formulated the criteria determining qualifications, positive attributes and independence of a director as well as criteria for evaluation of performance of Board as a whole, its committees, individual directors (independent & non-independent) and Chairperson of the Board.

Based on the recommendations of the NRC, the Board has adopted a remuneration policy for Directors, Key Managerial Personnel, Senior Management and other employees. The Remuneration policy is placed at the website of the Company in the link: [https://admin.klmaxiva.com/uploads/Remuneration\\_Policy\\_with\\_seal\\_5942cb5614.pdf](https://admin.klmaxiva.com/uploads/Remuneration_Policy_with_seal_5942cb5614.pdf)

### **37. SUBSIDIARIES/JOINT VENTURE/ASSOCIATE COMPANY**

During the reporting period, the Company has not created or closed any subsidiaries, joint ventures, or associate companies.

### **38. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS, TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANYS OPERATIONS IN FUTURE**

During the year under review, no significant and material orders were passed by any regulators, courts, tribunals impacting the going concern status of the company except the following:

The RBI issued a Show cause Notice (SCN) dated October 04, 2023 alleging certain violations and non-compliances in the affairs of the Company. In response to the allegations, the company submitted comprehensive replies on October 31, 2023 and December 31, 2023. After reviewing the responses,

the RBI issued a letter on April 4, 2024 advising our Company to implement specific corrective measures by June 30, 2024. The RBI also advised our company vide letter dated April 4, 2024, to desist from further expansion of the balance sheet and portfolio until the implementation of the instructed corrective measures. The Company informed the RBI on June 30, 2024, about the implementation of the corrective measures. Following this, the RBI, via letter dated September 13, 2024, requested additional information and indicated that compliance testing would be conducted after three months. The Company submitted a detailed update on December 13, 2024, and provided a further status update regarding the implementation of the corrective actions on May 24, 2025 and June 25, 2025.

### **39. RISK MANAGEMENT**

The Company is engaged in the business of financial services. The Board is periodically informed of the business risks and the actions taken to manage them. The Company has formulated and implemented a policy for risk management. The policy adopted by the Company for risk management is placed on the website of the Company at the web link: [https://admin.klmaxiva.com/uploads/Risk\\_Management\\_Policy\\_d3ac2d3e99.pdf](https://admin.klmaxiva.com/uploads/Risk_Management_Policy_d3ac2d3e99.pdf).

The Board of Directors had constituted a Risk Management Committee for reviewing the systems used to manage, identify and assess risks faced by the Company viz., credit risk, operational risk, liquidity risk, governance risk, interest rate risk etc. For each risk identified in the process, corresponding controls are assessed and procedure are put in place for monitoring, mitigating and reporting risk on a periodic basis.

### **40. INTERNAL FINANCIAL CONTROL SYSTEMS**

The Company has adequate internal control and process on place with respective Financial Statements, which provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial Statements. This controls and processes are driven through various policies, procedures and certification. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

Over the years Company has evolved a robust, proper, and adequate internal audit system in keeping with the size of the Company and its business model. The Company has developed well documented internal audit and control system for meticulous compliance from all layers of the Company. The control system ensures that the Company's assets are safeguarded and protected. The audit system also takes care to see that revenue leakages and losses to the Company are prevented and our income streams are protected. The control system enables reliable financial reporting. The Company has a well-structured Audit & Inspection department to perform timely and frequent internal audits to evaluate the adequacy of systems and procedures and also to evaluate the status of compliance with the Company's guidelines and other statutory requirements.

Report on the Internal Financial Control with Reference to the Financial Statements included in the Auditor's Report.

#### **41. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

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

#### **42. DISCLOSURE OF MAINTENANCE OF COST RECORDS UNDER SECTION 148 OF THE COMPANIES ACT, 2013**

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

#### **43. DISCLOSURE IN RELATION TO PREVENTION SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The company has constituted of an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy is disclosed at the website of the Company in the web link: [https://admin.klmaxiva.com/uploads/23\\_PREVENTION\\_OF\\_SEXUAL\\_HARASSMENT\\_POLICY\\_1\\_7f06ed9a42.pdf](https://admin.klmaxiva.com/uploads/23_PREVENTION_OF_SEXUAL_HARASSMENT_POLICY_1_7f06ed9a42.pdf)

The Directors further state that during the year under review, there were no cases filed and there were no cases pending for disposal pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 with respect to FY 2024-25 is as under:

Number of complaints pending at the beginning of the year	Nil
Number of complaints of sexual harassment received in the year	Nil
Number of complaints disposed off during the year	NA
Number of cases pending for more than ninety days	NA
Number of complaints pending at the end of the year	Nil

#### **44. COMPLIANCE UNDER MATERNITY BENEFIT ACT**

During the reporting period, the Company has complied with applicable provisions of the Maternity Benefit Act, 1961.

#### **45. ANNUAL RETURN**

A copy of Annual Return of the company as per the provisions of section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is available on the Company's website as per section 92(3) of the Act and can be accessed at the web-link: <https://klmaxiva.com/stakeholders/Other%20Reports>

#### **46. DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY**

The Board has constituted a Corporate Social Responsibility (CSR) committee to support the Company in achieving the CSR objectives of the Company as per the CSR policy.

In terms of section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014 as amended (“CSR Rules”) and in accordance with CSR Policy, during the year under review, the Company has spent ₹52.32 lakhs on CSR activities/programs. The amount equal to 2% of the average net profit for the past three financial years required to be spent on CSR activities was ₹47.99 lakhs. The Company is in compliance with the statutory requirements in this regard.

The CSR Policy of the Company is placed on the Company’s website at the web-link: [https://admin.klmaxiva.com/uploads/CSR\\_Policy\\_48f3b3a564.pdf](https://admin.klmaxiva.com/uploads/CSR_Policy_48f3b3a564.pdf) and a brief outline of the CSR Policy and the CSR initiatives undertaken by the Company during the year as per Annexure prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as **Annexure V** to this Report.

#### **47. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pursuant to Section 134(3) (m) of the Act read with the Companies (Accounts) Rules, 2014 is as follows:

i. Conservation of energy

The Company being a Non-Banking Finance Company, has no activities involving conservation of energy. The Company has taken adequate measures for conservation of energy and usage of alternative source of energy, wherever required.

ii. Technology absorption

The Company being a Non-Banking Finance Company, has no activities involving adoption of any specific technology. The Company has been in implementing latest information technology and tools towards enhancing our customer convenience. The Company focuses on various digital transformation initiatives during the year providing a great customer experience, improved business efficiencies, and ease of operations.

iii. Foreign exchange earnings and outgo

Total Foreign Exchange earnings - Nil

Total Foreign Exchange outgo - Nil.

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

Pursuant to Section 186(11)(a) of the Act read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a Non- Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. As such the particulars of loans and guarantees have not been disclosed in this Report.

The details of the loans & advances by the Company are furnished under note 8 of notes forming part of the Standalone Financial Statements for the year ended March 31, 2025.

The Company has not applied for one-time settlement and therefore the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not provided.

#### **49. PARTICULARS OF EMPLOYEES**

Disclosures as required under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended as **Annexure VI** to this Report. During the year under review, no employee of the Company was in receipt of remuneration requiring disclosure under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **50. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the year under review, the Company had not entered into any material contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Act, hence disclosures in Form AOC-2 under section 134(3)(h) of the Act is not applicable.

The Company's policy on dealing with related party transactions is placed on the website of the Company. The web link of the policy is [https://admin.klmaxiva.com/uploads/Policy\\_on\\_dealing\\_with\\_Related\\_Party\\_Transactions\\_b73cfcfe05.pdf](https://admin.klmaxiva.com/uploads/Policy_on_dealing_with_Related_Party_Transactions_b73cfcfe05.pdf)

#### **51. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report (MDAR) as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 containing the details of Industry structure and developments, Opportunities and Threats, Segment-wise or product-wise performance, Risks and Concerns, Internal control systems and their adequacy, etc. is attached as **Annexure VII** to this Report of the Board of Directors and forms an integral part of the Report. MDAR also highlights the business-wise details of the Company during the reporting period.

#### **52. DEMATERIALIZATION OF SECURITIES**

All securities issued and allotted by the Company during the financial year 2024-25 are in dematerialized form. The entire holding of securities of the promoters and directors of the Company has been dematerialized. The Company has provided necessary facilities to the existing equity shareholders to dematerialize their securities. International Securities Identification Number (ISIN) for equity shares is INE01I501011.

#### **53. FORWARD LOOKING STATEMENT**

This Report(s) contains certain forward-looking statements within the provisions of the Act and Listing Regulations and hence reasonable caution is to be exercised by stakeholders while relying on these statements.



#### **54. ACKNOWLEDGEMENT**

The Directors wish to place on record their sincere gratitude especially to the bankers, government authorities, other statutory authorities, customers, and shareholders. The directors also wish to thank all the employees for their co-operation.

For and on behalf of the Board of Directors of  
**KLM Axiva Finvest Limited**

Sd/-  
Shibu Theckumpurath Varghese  
Whole-time Director  
(DIN: 02079917)

Sd/-  
Biji Shibu  
Director  
(DIN: 06484566)

Place: Ernakulam  
Date: 13.08.2025

## **Annexure - I**

### **Form No. MR-3**

#### **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025**

[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,  
KLM Axiva Finvest Limited,  
P.N.39, D.N.8-13, 1<sup>st</sup> Floor, Ashoka Complex,  
Mythripuram Colony, Gayathri Nagar X Road,  
Vaishalinagar PO. Hyderabad,  
Telangana - 500079

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. KLM Axiva Finvest 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 KLM Axiva Finvest Limited'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 31<sup>st</sup> March, 2025 ("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 31<sup>st</sup> March, 2025 and made available to us, according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- b. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 5) Reserve Bank of India Act, 1934;
  - 6) Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023;
  - 7) Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024;
  - 8) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;
  - 9) Master Direction - Reserve Bank of India (Filing of Supervisory Returns) Directions – 2024
  - 10) Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023;
  - 11) The Reserve Bank of India Know Your Customer (KYC) Directions, 2016;
  - 12) Master Direction - Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 2016.

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) Listing Agreements entered by the Company with the BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to listing of Non-Convertible Debt Securities and High Value Debt Listed Entity.

We further report that, there were no events / actions in pursuance of:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- d. 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;

- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- g. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

We further report that:

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and
- a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the Minutes of the Meetings, duly recorded and signed by the Chairman, majority decision is carried through while the Members' views are captured and recorded as part of the Minutes.

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates / reports taken on record by the Board of Directors of the Company, in our opinion, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period:

- a) **The company has issued 2,05,40,019 fully paid bonus shares of Rs.10/- to the existing members on 19<sup>th</sup> July, 2024.**
- b) **The Company has raised a sum of Rs.125,00,00,000/- through public issue of 12,50,000 Secured, Redeemable, Non-Convertible Debentures on 8<sup>th</sup> August, 2024.**
- c) **The Company has raised a sum of Rs.96,33,07,000/- through public issue of 9,63,307 Secured, Redeemable, Non-Convertible Debentures on 4<sup>th</sup> December, 2024.**
- d) **The company has issued 1,12,96,551 fully paid bonus shares of Rs.10/- to the existing members on 11<sup>th</sup> March, 2025.**

- e) The company has raised a sum of Rs.31,06,53,240/- through Private Placement of 2,07,10,216 Equity Shares on 25<sup>th</sup> March, 2025.
- f) The Reserve Bank of India has carried out inspection of the Company during FY 2022-23 and communicated its observations to the Company. The Company has been submitting its replies to the Reserve Bank of India on those observations.

**For NEKKANTI S.R.V.V.S. NARAYANA & CO.**  
**Company Secretaries**  
**ICSI Unique Code: S2009AP122301**

**(NEKKANTI S.R.V.V.S. NARAYANA)**  
Proprietor  
M.No.F7157, C.P.No.7839  
**P.R. No.1709/2022**

Date : 11.08.2025  
Place : Hyderabad  
UDIN : F007157G000972605

**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.

## **ANNEXURE – A**

To  
The Members,  
KLM Axiva Finvest Limited,  
P.N.39, D.N.8-13, 1<sup>st</sup> Floor, Ashoka Complex,  
Mythripuram Colony, Gayathri Nagar X Road,  
Vaishalinagar PO. Hyderabad,  
Rangareddi,  
Telangana - 500079.

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 (“CSAS”) prescribed by the Institute of Company Secretaries of India (“ICSI”). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. 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 and for which we relied on the report of statutory auditor.
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 NEKKANTI S.R.V.V.S. NARAYANA & CO.**  
**Company Secretaries**  
**ICSI Unique Code: S2009AP122301**

**(NEKKANTI S.R.V.V.S. NARAYANA)**  
Proprietor  
M.No.F7157, C.P.No.7839  
**P.R. No.1709/2022**

Date : 11.08.2025  
Place : Hyderabad

## Annexure II

### Corporate Governance Report

*[Pursuant to part C of schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015]*

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance is a set of principles, processes and systems to be followed by directors, management and all the employees of the Company for enhancement of shareholder's value, keeping in view the interest of other stakeholders. Integrity, transparency and compliance with regulations in dealing with members, employees, customers, lenders, regulators and government agencies are the objectives of good corporate governance.

The Company adopts and practices these principles of good corporate governance while ensuring integrity, transparency and accountability at all levels in the organization.

#### 2. BOARD OF DIRECTORS

##### A. Composition and Category of Directors

The Board of directors of the Company has an optimum combination of executive and non-executive directors in compliance with the requirements of regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"), and section 149 of the Companies Act, 2013 ("Act").

As of March 31, 2025, Company's board consist of 6 directors, one non-executive non- independent chairperson (16.67%), two executive non-independent directors (33.33%), and three independent directors (50%). the directors bring in a wide range of skills, experience and expertise to the board. the board has 1(one) regular chairperson.

The names, categories and other details of directors as on March 31, 2025 are as follows:

Name of the Director	Category	No. of shares held in the Company	No. of directorships in public companies*		No. of committee positions held in public companies**		Directorship in other listed entity	
			Chairperson	Member	Chairperson	Member	Name of listed entity	Category
Mr. Shibu Theckumpurath Varghese	Executive, Non-Independent (Promoter Group)	4,15,06,946	0	1	Nil	1	Nil	NA

Mrs. Biji Shibu	Executive, Non-Independent (Promoter)	2,83,35,054	0	1	1	2	Nil	NA
Mr. T. P. Sreenivasan	Non-Executive, Non-Independent Director	0	1	1	0	0	Nil	NA
Mr. K. M. Kuriakose	Non-Executive, Independent Director	0	0	1	1	2	Nil	NA
Mr. M. P. Joseph	Non-Executive, Independent Director	0	0	1	0	0	Nil	NA
Mr. Abraham Thariyan	Non-Executive, Independent Director	0	0	1	0	1	Nil	NA

*\*Other directorships exclude directorships of private limited companies, companies under section 8 of the Act and foreign companies.*

***\*\*Chairpersonships/memberships of Board committees include only audit committee and stakeholders' relationship committee of public companies pursuant to regulation 26(1)(b) of the Listing Regulations.***

The composition of board of directors of the Company as at the end of the financial year and as on the date of this report is as under:

Sl. No.	Name	Designation	Date of original Appointment	DIN	Category
1.	Mr. Shibu Theckumpurath Varghese	Wholetime Director	27/07/2016	02079917	Executive & Non-Independent
2.	Ms. Biji Shibu	Director	09/03/2013	06484566	Executive & Non-Independent
3.	Mr. T. P. Sreenivasan	Chairperson	23/05/2023	03048551	Non-Executive & Non-Independent
4.	Mr. K. M. Kuriakose	Director	23/05/2023	08924909	Non-Executive & Independent
5.	Mr. M. P. Joseph	Director	08/06/2023	06540233	Non-Executive & Independent
6.	Mr. Abraham Thariyan	Director	21/06/2023	07132831	Non-Executive & Independent



## **B. Board confirmation regarding the Independent Directors**

All independent directors have confirmed that they meet the criteria of independence as specified in regulation 16(1)(b) of Listing Regulations and section 149(6) of the Act and have furnished individual declarations to the Board that they qualify the conditions of being an independent director in compliance of requirements under Listing Regulations and the Act. Independent directors are non-executive directors of the Company.

In terms of regulation 25(8) of Listing Regulations, the independent directors have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the independent directors, the Board of directors has confirmed that they meet the criteria of independence as mentioned under regulation 16(1)(b) of the Listing Regulations and the Act and that they are independent of the management.

The independent directors have also confirmed that they are not on the Board of more than three NBFCs [NBFC-Middle Layer ('NBFC-ML') or NBFC-Upper Layer ('NBFC-UL')] at the same time in line with RBI Scale Based Regulations, 2023. Further, the Board is satisfied of the integrity, expertise, and experience of all independent directors on the Board.

During the year, separate meetings of independent directors of the Company were held on February 13, 2025 and all the independent directors were present in the meeting. The independent directors, reviewed the performance of non-independent directors and the board of directors as a whole, of the chairperson, and assessed the quality, quantity and timelines of flow of information between the management and the Board of directors.

## **C. Familiarization programmes imparted to Independent Directors**

During the year, familiarization programmes were imparted to the independent directors of the Company. Details of the familiarization programmes are placed at the website of the Company in the link: [https://admin.klmaxiva.com/uploads/Familiarization\\_Programme\\_for\\_Independent\\_Directors\\_cb6d2cde3c.pdf](https://admin.klmaxiva.com/uploads/Familiarization_Programme_for_Independent_Directors_cb6d2cde3c.pdf)

## **D. Compliance with limits of Directorship**

As per the disclosures made by the Directors, none of them:

- holds directorships in more than 10 public companies;
- serves as director or as independent director in more than 7 listed entities;
- who are the executive directors serves as independent director in more than 3 listed entities; and
- is a member of more than ten committees or chairperson of more than five committees across all the public companies in which he/she is a director. (Chairpersonships/memberships in audit committee and stakeholders' relationship committee of public companies is only considered pursuant to regulation 26(1)(b) of the Listing Regulations).

Necessary disclosures regarding committee positions in other public companies as at March 31, 2025 have been made by the directors.

## **E. Inter-se relationships between Directors**

Mr. Shibu Theckumpurath Varghese and Mrs. Biji Shibu are related to each other as spouse. None of the independent directors are related to any other director on the Board of directors in terms of the definition of “relative” given under the Act.

## F. Fit and proper criteria of the Directors

The Board ascertains the fit and proper criteria of the directors at the time of appointment and on a continuing basis. The fit and proper criteria is in line with RBI Scale Based Regulations, 2023 and all existing directors are fit and proper to continue to hold the appointment as a director in the Board.

### G. Board meetings and attendance details

The Board of directors met Thirteen (13) times during the FY 2024-25 on the following dates.

Sl. No.	Date of Meeting
1.	01 April 2024
2.	17 April 2024
3.	14 May 2024
4.	24 May 2024
5.	27 June 2024
6.	13 August 2024
7.	02 September 2024
8.	09 October 2024
9.	14 November 2024
10.	17 January 2025
11.	07 February 2025
12.	13 February 2025
13.	18 March 2025

The requisite quorum was present for all the meetings. The maximum gap between these Board meetings did not exceed 120 (one hundred and twenty) days.

The attendance of the directors in the Board meetings held during the financial year 2024-25 and the 27<sup>th</sup> Annual General Meeting (AGM) held on September 30, 2024 are as follows:

[illegible]

Mrs. Biji Shibu	P	P	P	P	P	P	P	P	P	P	P	P	P	P	13	13
Mr. T. P. Sreenivasan	P	P	P	P	Ab	Ab	P	P	P	P	P	P	Ab	P	13	10
Mr. K. M. Kuriakose	P	P	P	P	P	P	P	P	P	P	Ab	P	P	P	13	12
Mr. M. P. Joseph	Ab	Ab	P	P	P	P	Ab	P	Ab	Ab	P	P	P	P	13	9
Mr. Abraham Thariyan	Ab	P	P	P	P	P	P	P	P	P	P	P	P	P	13	13
Total No. of Directors attended the meeting	4	5	6	6	5	5	5	6	5	5	5	6	5	6		

P = Present; Ab = Absent.

#### H. Skills/expertise/competencies of the Board of Directors

The Board of Directors has identified the following core skills/expertise/competencies for the effective functioning of the Company:

1. Industry knowledge;
2. Leadership qualities;
3. Strategy and Planning;
4. Financial Expertise (Banking, Finance and Accounting);
5. Risk Management;
6. Information Technology;
7. Regulatory oversight and understanding of the applicable laws, rules, regulations, policies, etc.;
8. Governance; and
9. Integrity and ethical standards.

The Board is satisfied that the composition of Board on during the FY 2024-25 reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The details of directors possessing such skills/expertise/competencies are as under:

Area of skills/ expertise/ competence	Name of the Director					
	Mr. Shibu Theckumpurath Varghese	Ms. Biji Shibu	Mr. T. P. Sreenivasan	Mr. K. M. Kuriakose	Mr. M. P. Joseph	Mr. Abraham Thariyan
Industry knowledge	✓	✓	✓	✓	✓	✓
Leadership qualities	✓	✓	✓	✓	✓	✓
Strategy and Planning	✓	✓	✓	✓	✓	✓

Financial Expertise (Banking, Finance and Accounting)	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓
Information Technology	✓	✓	✓	✓	✓	✓
Regulatory Oversight and Understanding of the applicable laws, rules, regulations, policies, etc.	✓	✓	✓	✓	✓	✓
Governance	✓	✓	✓	✓	✓	✓
Integrity and ethical standards	✓	✓	✓	✓	✓	✓

### **I. Resignation of Independent Director**

During the financial year 2024–25, there were no resignations of Independent Directors from the Board.

## **3. COMMITTEES OF BOARD**

### **A. Audit Committee (AC)**

The Company has constituted the Audit Committee as required under section 177 of the Act and regulation 18 of the Listing Regulations. The committee also fulfills the guidelines issued by the Reserve Bank of India for NBCF-ML. Audit committee was constituted by the Board of directors through its resolution dated August 14, 2015 and was last reconstituted on April 01, 2024.

The terms of reference of the audit committee of the Board of Directors as on the date of this report are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommend appointment, remuneration and terms of appointment of auditors, of the Company;
3. Approval of payment to statutory auditors, for any other services rendered by them;
4. Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for its approval, with particular reference to:
  - a. matters required to be included in the Directors' responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;

- c. major accounting entries involving estimates based on the exercise of judgement by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report.
- 5. Review with the management, the quarterly financial statements before submission to the Board for approval;
- 6. Review with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
- 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8. Approval or any subsequent modification of transactions with related parties of the Company;
- 9. Scrutiny of inter-corporate loans and investments;
- 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11. Evaluation of internal financial controls and risk management systems;
- 12. Review with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 13. Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14. Discuss with internal auditors of any significant findings and follow-up thereon;
- 15. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 16. Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- 17. Look into the reasons for substantial defaults, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18. Review the functioning of the Whistle Blower mechanism / oversee the vigil mechanism;
- 19. Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background, etc. of the candidate;
- 20. Review the utilisation of loans and / or advances from / investment by the holding company in the subsidiary exceeding Rs.100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- 22. The Audit Committee shall mandatorily review the following:
  - a. Management Discussion and Analysis of financial condition and results of operations;
  - b. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - c. Internal audit reports relating to internal control weaknesses;
  - d. Appointment, removal and terms of remuneration of the chief internal auditor

- e. Statement of deviations:
  - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations);
  - ii. annual statement of funds utilised for purpose other than those stated in the offer document / prospectus in terms of the Listing Regulations;
23. Monitor the end use of funds raised through public offers and related matters;
24. Examine the financial statements and the auditor's report thereon;
25. Review financial statements of the Company's subsidiaries if any, in particular the investments made by the subsidiaries;
26. Guidance on implementation of Indian Accounting Standards (Ind As);
27. Formulate the scope, functioning, periodicity of and methodology for conducting the internal audit;
28. Shall lay down the criteria for granting the omnibus approval in line with the policy on related party transactions of the listed entity and such approval shall be applicable in respect of transactions which are repetitive in nature;
29. The Committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
30. All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the Company;
31. The Audit Committee must ensure that an Information System Audit of the internal systems and processes is conducted to assess operational risks faced by the Company;
32. The rationale and justification for any change in the Expected Credit Losses (ECL) model and any adjustments to the ECL model output shall be approved by the Audit Committee;
33. Approval of the classification of accounts that are past due beyond 90 days but not treated as impaired, with the rationale for the same;
34. Carry out any other role as mandated by the Board from time to time and / or enforced by any statutory laws, notifications, circulars, RBI master directions, or amendments as may be applicable.

During the financial year 2024-25, the audit committee met 7 times on the following dates:

Sl. No.	Date of Meeting
1.	17 April 2024
2.	14 May 2024
3.	24 May 2024
4.	13 August 2024
5.	24 August 2024
6.	14 November 2024
7.	13 February 2025

The composition of the committee as on March 31, 2025 and on the date of this report is as under:

Sl. No.	Name	Nature of Directorship	Designation	No. of meetings attended during FY 2024-25
1.	Mr. K. M. Kuriakose	Independent	Chairperson	7

2.	Mrs. Biji Shibu	Executive	Member	7
3.	Mr. Abraham Thariyan	Independent	Member	7

## **B. Nomination and Remuneration Committee (NRC)**

The Company has constituted the Nomination and Remuneration Committee (NRC) as required under section 178 of the Act and regulation 19 of the Listing Regulations. The committee also fulfills the guidelines issued by the Reserve Bank of India for NBFC-ML. The NRC was constituted by a board resolution dated August 14, 2015 and last was reconstituted as on August 02, 2024.

The terms of reference of the NRC of the Board of Directors as on the date of this report are as follows:

1. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal
2. Specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
3. Formulate the criteria for determining qualifications, positive attributes and independence of a director, and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
4. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
5. Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
6. Devise a policy on Board diversity;
7. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
8. Consider extension or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
9. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
10. to ensure 'fit and proper' status of proposed/ existing directors as per RBI Master Direction DNBR.PD.008/03.10.119/2016-17;
11. Carry out any other role as mandated by the Board from time to time and / or enforced by any statutory laws, notifications.

During the financial year 2024-25, the NRC met on the following 5 dates:

Sl. No.	Date of Meeting
1	01 April 2024
2	17 April 2024
3	14 May 2024
4	24 May 2024
5	24 August 2024

The composition of the NRC as on March 31, 2025 and on the date of this report is as under:

Sl. No.	Name	Nature of Directorship	Designation	No. of meetings attended during FY 2024-25
1.	Mr. M. P. Joseph	Independent	Chairperson	1/1
2.	Mr. Abraham Thariyan	Independent	Member	5/5
3.	Mr. K. M. Kuriakose	Independent	Member	5/5
4.	Mrs. Biji Shibu	Non Independent	Member	4/4

- Performance evaluation criteria for independent directors are as follows:
  - a. Regularly and constructively attend board, committee and general meetings.
  - b. Prepares in advance for board and committee meetings.
  - c. Maintenance of confidentiality of information.
  - d. Ensuring of good corporate governance practices.
  - e. Initiates discussions on issues in company's interest.
  - f. Working relationships with Board members.
  - g. Knowledge of Board governance procedures.
  - h. Being well informed about the Company and external environment in which it operates.
  - i. Exercise of independent judgment in the best interest of Company
  - j. Adherence to the applicable code of conduct for independent directors.

### C. Stakeholders Relationship Committee (SRC)

The Company has constituted the Stakeholders Relationship Committee (SRC) as required under section 178 of the Act and regulation 20 of the Listing Regulations. The SRC was constituted by a board resolution dated April 4, 2017 and was last reconstituted as on August 02, 2024.

The terms of reference of the stakeholder's relationship committee of the Board of Directors as on the date of this report are as follows:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings;
2. Review of measures taken for effective exercise of voting rights by shareholders.



3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
5. To monitor transfers, transmissions, dematerialization, re-materialization, splitting and consolidation and all matters connected therewith, of Equity Shares and other securities issued by the Company;
6. To coordinate with the statutory and regulatory authorities regarding investor grievances;
7. Carry out any other role as mandated by the Board from time to time and / or enforced by any statutory laws, notifications, circulars, RBI master directions, or amendments as may be applicable.

During the financial year 2024-25, the SRC met 2 times on August 24, 2024 and November 14, 2024.

The composition of the SRC of the Company as on March 31, 2025 and as on the date of this report is as follows:

Sl. No.	Name	Nature of Directorship	Designation	No. of meetings attended during FY 2024-25
1.	Mr. K. M. Kuriakose	Independent	Chairperson	2
2.	Mr. Shibu Theckumpurath Varghese	Executive	Member	2
3.	Mrs. Biji Shibu	Executive	Member	2

- Name, designation and address of Compliance Officer as on the date of this report:

Ms. Naveena P. Thampi  
Company Secretary & Compliance Officer  
KLM Axiva Finvest Limited,  
KLM Grand Estate,  
Bypass Road, Edappally,  
Ernakulam, Kerala, India - 682024  
E-mail id: [cs@klmaxiva.com](mailto:cs@klmaxiva.com)  
Phone: 0484-42811182

- Details of investor complaints received and redressed during the financial year 2024-25 are as follows:

Particulars	For the year ended March 31, 2025
No. of investor complaints pending at the beginning of the year	0
No. of investor complaints received during the year	8
No. of investor complaints disposed of during the year	8
No. of investor complaints unresolved at the end of the year	0

#### **D. Risk Management Committee (RMC)**

The Company has constituted the Risk Management Committee as required under regulation 24 of the Listing Regulations and also fulfills the guidelines issued by the Reserve Bank of India for NBFC-ML. The Committee was constituted by a board resolution dated November 15, 2017 and was last reconstituted on April 17, 2024.

The terms of reference of the RMC of the Board of Directors as on the date of this report are as follows:

1. To review the operations of the Company followed by identifying potential threats to the Company and the likelihood of their occurrence, and taking appropriate actions to address the most likely threats;
2. To identify the risks, the Company is subject to, deciding how to manage it, implementing the management technique, measuring the ongoing effectiveness of management and taking appropriate correction action;
3. To provide a framework that enables future activities to take place in a consistent & controlled manner
4. To improve the decision making, planning and prioritization by comprehensive and structured understanding of business activities, volatility and opportunities/ threats.
5. To contribute towards more efficient use/ allocation of the resources within the organization.
6. To optimize operational efficiency in the Company
7. To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
8. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
9. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
10. To periodically review the risk management policy, including by considering the changing industry dynamics and evolving complexity;
11. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
12. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
13. The Committee shall be responsible for evaluating the overall risks faced by the Company including liquidity risk.
14. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

15. Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.  
During the financial year 2024-25, the RMC met on the following 4 dates:

Sl. No.	Date of Meeting
1	27 June 2024
2	17 September 2024
3	14 November 2024
4	13 February 2025

The composition of the RMC of the Company as on March 31, 2025 and as on the date of this report is as follows:

Sl. No.	Name	Nature of Directorship / Designation	Designation	No. of meetings attended during FY 2024-25
1.	Mr. K. M. Kuriakose	Independent	Chairperson	4
2.	Mr. Shibu Theckumpurath Varghese	Executive	Member	4
3.	Mrs. Biji Shibu	Executive	Member	4
4.	Mr. Manoj Raveendran Nair	Chief Executive Officer	Member	3
5.	Mr. Thanish Dalee	Chief Financial Officer	Member	4
6.	Mr. Anilkumar A. K.	AGM - Audit	Member	2

#### **E. Corporate Social Responsibility (CSR) Committee**

The Company has constituted the Corporate Social Responsibility (CSR) Committee as required under section 135 of the Act. The Committee was constituted by the Board of Directors through its resolution dated April 3, 2018 and was last reconstituted on June 21, 2023.

The terms of reference of the CSR committee of the Board of Directors as on the date of this report are as follows:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013 (Act);
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR activities of the Company from time to time;
4. To formulate and recommend to the Board, an annual action plan which shall include the following, namely: -
  - a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4 of the Companies (CSR) Rules, 2014;

- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d) monitoring and reporting mechanism for the projects or programmes; and
  - e) details of need and impact assessment, if any, for the projects undertaken by the company.
5. Carry out any other role as mandated by the Board from time to time and / or enforced by any statutory laws, notifications, circulars, RBI master directions, or amendments as may be applicable.

During the financial year 2024-25, the CSR Committee met on the following 3 dates:

Sl. No.	Date of Meeting
1	24 August 2024
2	07 February 2025
3	18 March 2025

The composition of the CSR Committee of the Company as on March 31, 2025 and as on the date of this report is as under:

Sl. No.	Name	Nature of Directorship	Designation	No. of meetings attended during FY 2024-25
1.	Mr. K. M. Kuriakose	Independent	Chairperson	3
2.	Mr. Shibu Theckumpurath Varghese	Executive	Member	3
3.	Mrs. Biji Shibu	Executive	Member	3

#### **F. Asset Liability Management (ALCO) Committee**

The Company has constituted the Asset Liability Management Committee as required under RBI Master Directions for NBFC-ML. The Committee was constituted by a Board Resolution dated November 15, 2017 and was last reconstituted on April 17, 2024.

The terms of reference of the Asset Liability Management Committee of the Board of Directors as on the date of this report are as follows:

1. Ensuring adherence to the risk tolerance/ limits set by the Board as well as implementing the liquidity risk management strategy of the Company.
2. The role of the ALCO with respect to liquidity risk should include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of all branches.
3. The ALM Support Group consisting of the operating staff shall be responsible for analysing, monitoring and reporting the liquidity risk profile to the ALCO.
4. To create an institutional mechanism to compute and monitor periodically the maturity pattern of the various liabilities and assets of the company.

5. To ensure proper balance of assets and liabilities of the company as per guidelines issued by Reserve Bank of India from time to time.
6. The objectives of the committee are as follows:
  - a. Liquidity risk management;
  - b. Management of market risks;
  - c. Funding and capital planning;
  - d. Profit planning and growth projection.
7. Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

During the financial year 2024-25, the ALCO met on the following 6 dates:

Sl. No.	Date of Meeting
1	04 June 2024
2	27 June 2024
3	29 July 2024
4	17 September 2024
5	14 November 2024
6	07 February 2025

The composition of the ALCO as on March 31, 2025 and as on the date of this report is as under:

Sl. No.	Name	Nature of Directorship/ Designation	Designation	No. of meetings attended during FY 2024-25
1.	Mr. Shibu Theckumpurath Varghese	Executive	Chairperson	6
2.	Mrs. Biji Shibu	Executive	Member	5
3.	Mr. Manoj Raveendran Nair	Chief Executive Officer	Member	6
4.	Mr. Thanish Dalee	Chief Financial Officer	Member	6
5.	Ms. Naveena P. Thampi	Company Secretary	Member	6

#### **G. Information Technology Strategy Committee (ITSC)**

The Company has constituted the Information Technology Strategy Committee as required under RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practice. The Committee was constituted by the Board of Directors through its resolution dated August 26, 2021 and was last reconstituted on April 17, 2024.

The terms of reference of the Information Technology Strategy Committee (ITSC) of the Board of Directors as on the date of this report are as follows:

1. ITSC shall ensure that the Company has put an effective IT strategic planning process in place;
2. ITSC shall guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the Company towards accomplishment of its business objectives;

3. ITSC shall satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organisation;
4. ITSC shall ensure that the Company has put in place processes for assessing and managing IT and cyber security risks and periodically review the same;
5. ITSC shall ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilized in a manner intended for meeting the stated objectives;
6. ITSC shall review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company;
7. ITSC shall review the assessment of IT capacity requirements and measures taken to address the issues;
8. ITSC shall review and amend the IT strategies in line with the corporate strategies; and
9. ITSC shall institute an effective governance mechanism and risk management process for all IT operations.

During the financial year 2024-25, the ITSC met 5 times on the following dates.

Sl. No.	Date of Meeting
1.	17 April 2024
2.	12 June 2024
3.	17 September 2024
4.	14 November 2024
5.	13 February 2025

The composition of ITSC of the Company as on March 31, 2025 and as on the date of this report is as follows:

Sl. No.	Name	Nature of Directorship / Designation	Designation	No. of meetings attended during FY 2024-25
1.	Mr. K. M. Kuriakose	Independent	Chairperson	5
2.	Mrs. Biji Shibu	Executive	Member	5
3.	Mr. M. P. Joseph	Independent	Member	3
4.	Mr. Tom Jyothis K.	Chief Information officer	Member	5
5.	Mr. Manoj Raveendran Nair	Chief Executive Officer	Member	5
6.	Mr. Thanish Dalee	Chief Financial Officer	Member	5

#### H. Information Technology (IT) Steering Committee

The Company has constituted the Information Technology (IT) Steering Committee as required under RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practice. The Committee was constituted by the Board of Directors through its resolution dated April 17, 2024.

The terms of reference of the IT Steering Committee of the Board of Directors as on the date of this report are as follows:

1. Assist the ITSC in strategic IT planning, oversight of IT performance, and aligning IT activities with business needs;
2. Oversee the processes put in place for business continuity and disaster recovery;
3. Ensure implementation of a robust IT architecture meeting statutory and regulatory compliance; and
4. Update ITSC and CEO periodically on the activities of IT Steering Committee.

During the financial year 2024-25, the IT Steering Committee met 4 times on the following dates.

Sl. No.	Date of Meeting
1.	11 June 2024
2.	10 September 2024
3.	14 November 2024
4.	07 February 2025

The composition of IT Steering Committee of the Company as on the date of this report is as follows:

Sl. No.	Name	Nature of Directorship / Designation	Designation	No. of meetings attended during FY 2024-25
1.	Mr. Shibu Theckumpurath Varghese	Executive	Chairperson	4
2.	Mr. Tom Jyothis K.	Chief Information officer	Member	4
3.	Mr. Manoj Raveendran Nair	Chief Executive Officer	Member	4
4.	Mr. Thanish Dalee	Chief Financial Officer	Member	4

## I. Debenture Committee

The Debenture Committee was constituted by the Board of Directors through its resolution dated March 20, 2018 and was last reconstituted on April 09, 2021.

Terms of reference of the Debenture Committee of the Board of Directors as on the date of this report are as follows:

1. To determine and approve, the terms and conditions and number of the debentures to be issued, the timing, nature, type, pricing and such other terms and conditions of the issue including coupon rate, minimum subscription, retention of oversubscription, if any, etc.,
2. to approve and make changes to the draft prospectus, prospectus abridged prospectus, applications forms including any corrigendum, amendments supplements thereto, and the issue thereof;
3. to issue and allot the debentures and to approve all other matters relating to the issue;

4. to do all such acts, deeds, matters and things including execution of all such deeds, documents, instruments, applications and writings as it may, at its discretion, deem necessary and desirable for such purpose including without limitation the utilisation of the issue proceeds, modify or alter any of the terms and conditions, including size of the Issue, as it may deem expedient, extension of issue and/or early closure of the issue in accordance with applicable laws;
5. Other transactions or financial issues that the Board may desire to have them reviewed by the Committee.

The Debenture Committee met 9 times during the financial year 2024-25 on the following dates:

Sl. No.	Date of Meeting
1.	20 June 2024
2.	28 June 2024
3.	18 July 2024
4.	07 August 2024
5.	08 August 2024
6.	24 October 2024
7.	05 November 2024
8.	13 November 2024
9.	04 December 2024

The composition of the committee as on March 31, 2025 and as on the date of this report is as under:

Sl. No	Name	Nature of Directorship	Designation	No. of meetings attended during FY 2024-25
1.	Mr. Shibu Theckumpurath Varghese	Executive	Chairperson	9
2.	Mrs. Biji Shibu	Executive	Member	9

## **J. Finance Committee**

The Finance Committee was constituted by a Board Resolution dated March 31, 2016 and was last reconstituted on April 09, 2021.

The terms of reference of the Finance Committee of the Board of Directors as on the date of this report are as follows:

1. To oversee annual audit process;
2. To allot, transfer, transmit, dematerialize, re-materialise, split and consolidate equity shares and other securities issued by the Company;
3. Review company's financial policies, working capital and cash flow management and make such reports and recommendations to the Board with respect thereto as it may deem advisable;
4. Borrow monies from banks/financial institutions by way of short term/long term loans, cash credit requirements, overdraft facility, commercial papers (CP) and/or by way of other



- instruments (other than Debentures), securitization/assignment or receivables and exercise all powers for taking necessary actions connected therewith up to a limit of ₹500 crores.
5. Approval/Review of banking arrangements, cash management and arrangements with other financial institutions;
  6. Opening and closing of accounts with Banks, change in authorised signatories and perform such other actions connected with Bank accounts of the Company;
  7. Carry out any other functions as mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable;
  8. Regularly review and make recommendations about the changes to the Charter of the Committee;
  9. Invest the funds of the Company in Banks or Financial institutions or approved short term liquid funds up to ₹100 crores;
  10. To authorize individuals to represent the company before civil courts, criminal courts, judicial forums and similar authorities;
  11. Issuance of power of attorney to represent the company in various courts.
  12. Other transactions or financial issues that the Board may desire to have them reviewed by the Committee.

The Finance Committee met 21 times during the year under review. The meetings of the Committee were held on the following dates:

Sl. No.	Date of Meeting
1.	11 April 2024
2.	03 May 2024
3.	17 May 2024
4.	31 May 2024
5.	13 June 2024
6.	05 July 2024
7.	19 July 2024
8.	24 July 2024
9.	07 August 2024
10.	03 September 2024
11.	07 September 2024
12.	26 September 2024
13.	16 October 2024
14.	30 November 2024
15.	13 December 2024
16.	07 January 2025
17.	27 January 2025
18.	25 February 2025
19.	01 March 2025
20.	11 March 2025
21.	25 March 2025

The composition of Finance Committee of the Company as on March 31, 2025 and as on the date of this report is as follows:

<b>Sl. No</b>	<b>Name</b>	<b>Nature of Directorship</b>	<b>Designation</b>	<b>No. of meetings attended during FY 2024-25</b>
1.	Mr. Shibu Theckumpurath Varghese	Executive	Chairperson	21
2.	Mrs. Biji Shibu	Executive	Member	21

#### **4. SENIOR MANAGEMENT**

The Senior Management of the Company as on 31<sup>st</sup> March 2025 are as given below:

1. Mr. Manoj Raveendran Nair is the Chief Executive Officer (CEO) of our Company. He has been associated with our company since December 29, 2021.
2. Mr. Thanish Dalee is the Chief Financial Officer (CFO) of our Company. He has been associated with our company since May 02, 2016.
3. Ms. Naveena P. Thampi is the Company Secretary (CS) and Compliance Officer of our Company. She has been associated with our company since March 13, 2024.
4. Mr. V. C. Georgekutty is the Vice President - Sales & Marketing of our company. He has been associated with our company since January 15, 2020.
5. Mr. Jagadeeswaran S. is the Vice President - Microfinance of our company. He has been associated with our company since September 23, 2024
6. Ms. Minni Sajan is the General Manager of our company. She has been associated with our company since February 10, 2004.
7. Mr. Tom Jyothis K. is the Chief Information Officer (CIO) of our company. He has been associated with our company since May 03, 2021.
8. Mr. K. B. Venugopal is the Chief Vigilance Officer (CVO) of our company. He has been associated with our company since December 12, 2022.
9. Mr. Anil Kumar A. K. is the AGM - Audit of our company. He has been associated with our company since June 16, 2022.
10. Mr. Prakash K. is the AGM - Human Resources of our company. He has been associated with our company since May 11, 2020.
11. Mr. Jersy Murukesh is the Chief Manager - Accounts & Finance of our company. She has been associated with our company since December 12, 2007.
12. Mr. Anto K. A. is the Senior Manager - Internal Audit of our company. He has been associated with our company since July 23, 2019.
13. Ms. Nisha Deepak is the Head - Branding & Corporate Communications of our company. She

has been associated with our company since March 01, 2018.

Except for the remuneration or benefits to which they are entitled to as per their terms of appointment, performance-based incentives and reimbursement of expenses incurred by them during the ordinary course of business our Senior Management do not have any other financial or material interest in the Company.

The changes in the senior management after the closure of 2024-25 till the date of this report are as follows:

1. Ms. Erin Lizbeth Shibu aged 23 years was appointed as the Vice President - Finance of our company with effect from June 1, 2025.
2. Mr. Radhakrishnan C. P. aged 65 years was appointed as the Chief Compliance officer of our company with effect from June 1, 2025.

## 5. REMUNERATION OF DIRECTORS

### A. Details of all pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company during the FY 2024-25

Sl. No.	Name of Director	Designation	Nature of payment	Amount paid (in ₹)
1.	Mr. T. P. Sreenivasan	Non- Executive & Non-Independent Director	Salary	12,99,999
2.	Mrs. Biji Shibu*	Non - Executive Director*	Salary	3,00,000
5.	Mr. K. M. Kuriakose	Independent Director	Sitting Fees	2,40,000
6.	Mr. Abraham Thariyan	Independent Director	Sitting Fees	2,40,000
7.	Mr. M. P. Joseph	Independent Director	Sitting Fees	2,40,000

*\*Note: Mrs. Biji Shibu was designated as Non-Executive Director up to June 30, 2024. Her designation changed to Executive Director with effect from July 01, 2024. The salary mentioned above pertains to the period up to June 30, 2024, when she held the position of Non-Executive Director.*

### B. Criteria for making payments to Non-Executive Directors

All payments to the directors are as per the criteria provided in the remuneration policy of the Company. The policy is placed at the website of the Company in the link: [https://admin.klmaxiva.com/uploads/Remuneration\\_Policy\\_with\\_seal\\_5942cb5614.pdf](https://admin.klmaxiva.com/uploads/Remuneration_Policy_with_seal_5942cb5614.pdf).

### C. Disclosures with respect to remuneration

The remuneration paid to Mr. Shibu Theckumpurath Varghese, Wholetime Director, Biji Shibu, Executive Director and Mr. T. P. Sreenivasan, Non-Executive Director is within the limits of the

special resolutions passed by the members as per section 197 of the Act, read with the Rules. The remuneration is paid as fixed monthly salary with no performance linked incentives or other benefits. The Company has not issued any employee stock options.

1. The shareholders at the EGM held on June 21, 2024, reappointed Mr. Shibu Theckumpurath Varghese as the Wholetime Director of the Company for a period of five years with effect from August 30, 2024. The shareholders of the Company at the said EGM approved payment of remuneration of ₹15 lakhs per month subject to ₹180 lakhs per financial year with effect from September 01, 2024 to Mr. Shibu Theckumpurath Varghese. During the FY 2024-25, he was paid a remuneration of ₹145 lakhs.
2. The shareholders at the EGM held on June 21, 2024, changed the designation of Mrs. Biji Shibu from Non-Executive Director to Executive Director with effect from July 01, 2024. The shareholders of the Company at the said EGM approved payment of remuneration of ₹3 lakhs per month subject to ₹36 lakhs per financial year with effect from July 01, 2024 to Mrs. Biji Shibu. During the FY 2024-25, she was paid a remuneration of ₹30 lakhs.
3. The shareholders at the EGM held on June 21, 2024, approved payment of remuneration of ₹13.33 lakhs per financial year with effect from July 2024 to Mr. T. P. Sreenivasan. During the FY 2024-25 he was paid a remuneration of ₹12.99 lakhs.

#### **D. Performance evaluation criteria for Non-Independent Directors**

The performance of Non-Independent Directors (Executive and Non- Executive) is evaluated based on the following criteria:

- a. Regularly and constructively attend board, committee and general meetings.
- b. Prepares in advance for board and committee meetings.
- c. Maintenance of confidentiality of information.
- d. Initiates discussions on issues in company's interest.
- e. Implementation of good corporate governance practices and monitors the same.
- f. The director has developed clear mission statements, policies, and strategic plans that harmoniously balance the needs of shareholders, clients, employees, and other stakeholders.
- g. Establishment of an effective organization structure.
- h. Working relationships with Board members.
- i. Knowledge of Board governance procedures.
- j. Management of financial and other resources.

## **6. GENERAL BODY MEETINGS**

### **A. Details of date, time and venue of Annual General Meetings held during the previous 3 financial years**

<b>Financial Year</b>	<b>No. of AGM</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>
2023-24	27	September	02.00 PM	Conducted through Video Conferencing

		30, 2024		(“VC”)/Other Audio-Visual Means (“OAVM”) at the deemed venue, the corporate office of the Company situated at KLM Grand Estate, Bypass Road, Edappally, Ernakulam, Kerala - 682024
2023-24	26	August 18, 2023	03.00 PM	Conducted through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) at the deemed venue, the corporate office of the Company situated at 4 <sup>th</sup> Floor, VM Plaza, Palarivattom, Ernakulam, Kerala - 682025
2022-23	25	September 30, 2022	03:00 P.M.	Conducted through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) at the deemed venue, the corporate office of the Company situated at 4 <sup>th</sup> Floor, VM Plaza, Palarivattom, Ernakulam, Kerala - 682025

**B. Details of special resolutions passed in the general meetings held during the previous 3 financial year**

Financial Year	AGM/ EGM	Date	Details of special resolution passed
2024-25	EGM	March 07, 2025	1. Issue of equity shares on preferential basis
	AGM	September 30, 2024	2. Re-appointment of Mr. Abraham Thariyan (DIN: 07132831) as an Independent Director
	EGM	June 21, 2024	1. Reappointment of Mr. Shibu Theckumpurath Varghese (DIN: 02079917) as Wholetime Director of the Company and enhancement of remuneration. 2. Change in designation of Ms. Biji Shibu, (DIN: 06484566) & enhancement of remuneration 3. Enhancement of Remuneration to Mr. T. P. (DIN: 03048551) Chairman and Non- Sreenivasan Executive Director of the Company
2023-24	AGM	August 18, 2023	1. Appointment of Mr. Kuriakose (DIN: 08924909) as Independent Director 2. Appointment of Mr. Joseph Paul Menacherry (DIN: 06540233) as Independent Director 3. Appointment of Mr. Abraham Thariyan (DIN: 07132831) as Independent Director 4. Revised remuneration to Mr. Shibu Theckumpurath Varghese (DIN: 02079917), Wholetime Director 5. Remuneration to Mrs. Biji Shibu (DIN: 06484566), Non-Executive Director
	EGM	May 23, 2023	1. Reappointment of Mr. Issac Jacob (DIN: 02078308) as Independent Director 2. Alteration of Articles of Association (AOA) of the Company 3. Appointment of Mr. Sreenivasan Thettalil

			Parameswaran Pillai (DIN: 03048551) as Chairperson and Non-Executive Director of the Company
2022-23	EGM	December 09, 2022	1. Issue of 10,45,57,200 equity shares on private placement basis.
	EGM	June 23, 2022	1. Appointment of Mr. Sivadas Chettoor (DIN: 01773249) as Independent Director. 2. Appointment of Mr. Ambramoli Purushothaman (DIN: 07706484) as Independent Director. 3. Remuneration to Mr. Shibu Theckumpurath Varghese (DIN: 02079917), Wholetime Director 4. Issue of Perpetual Debt Instruments on preferential basis

### C. Postal ballot during the financial year 2023-24

During the FY 2024-25, the Company had sought the approval of the shareholders by way of a special resolutions through notice of postal ballot dated August 08, 2024 for Re-appointment of Mr. K. M. Kuriakose as an Independent Director and for Re-appointment of Mr. M. P. Joseph as an Independent Director. The resolutions were duly passed with requisite majority. The results of the postal ballot were announced on September 13, 2024.

In compliance with Sections 108 and 110 and circulars issued by the Ministry of Corporate Affairs (MCA), the Company had sent postal ballot notices only through electronic mode to those Shareholders whose names appeared in the Register of Members / Record of Depositories and whose email addresses are registered with the Company/Depositories on the cut-off date. The ballot forms and prepaid reply envelopes were not sent to members for the postal ballots. Members were requested to provide their assent or dissent through e-voting only.

The Company had also published notices in the newspapers for the information of the shareholders. The voting rights were reckoned on the equity shares held by the shareholders as on the record date /cut-off date.

CS Nikhil George Pinto (Membership No.: FCS 11074, CP: 16059) Partner, M/s. CaesarPintoJohn & Associates LLP, Company Secretaries, Kochi was appointed as the Scrutinizer for conducting the Postal Ballot through e-voting process in a fair and transparent manner. The scrutinizer has submitted his report to the Wholetime Director and the results were also displayed on the website of the Company and filed with BSE Limited. The summary of voting result is provided below:

			Assent / In favour of		Dissent/ Against	
Resolution no.	Subject matter of Resolution	Total no. of shares through e-voting	No. of votes through e-voting	% of votes in favour on votes through e-voting	No. of votes through e-voting	% of votes against on votes through e-voting
Special Business (Special Resolution)						
1.	Re-appointment of	17,486,598	17,283,370	98.84%	203,228	1.16%

	Mr. K.M. Kuriakose (DIN: 08924909) as an Independent Director.					
2.	Re-appointment of Mr. Joseph Paul Menacherry (DIN: 06540233) as an Independent Director.	17,486,598	17,283,370	98.84%	203,228	1.16%

#### **D. Proposed resolutions through postal ballot**

None of the resolutions proposed for the ensuing 28<sup>th</sup> Annual General Meeting requires passing by postal ballot.

#### **7. MEANS OF COMMUNICATION**

The quarterly, half yearly and annual results financial results are published in English national daily newspaper - “Financial Express”. The Company is also maintaining a functional website <https://klmaxiva.com/> wherein all the communications are updated including the quarterly financial results of the Company. All the disclosures and communications filed with the stock exchange submitted through e-filing platform are also posted on the website of the Company.

#### **8. GENERAL SHAREHOLDER INFORMATION**

##### **A. Details of 28<sup>th</sup> AGM**

Date: September 26, 2025

Time: 02:00 P.M. IST

Venue: through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”).

##### **B. Financial year**

From April 01, 2024 to March 31, 2025

##### **C. Dividend payment date**

No dividend is proposed for the accounting period 2024-25.

##### **D. Listing on Stock Exchanges**

The Non-Convertible Securities (Non-Convertible Debentures (NCDs)) of the Company are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The equity shares of the company are not listed on any stock exchange.

##### **E. Listing and Custodial Fees**

The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges and Depositories viz. CDSL and NSDL, respectively for the financial years 2024-25 and 2025-26.

**F. Registrar and Share Transfer Agents**

KFIN Technologies Limited  
Selenium, Tower-B, Plot No – 31 & 32,  
Financial District, Nanakramguda, Serilingampally,  
Hyderabad, Rangareddi –500 032, Telangana, India  
Telephone: +91 40 6716 2222  
Facsimile: +91 40 2343 1551  
Email: [klmaxiva.ncd@kfintech.com](mailto:klmaxiva.ncd@kfintech.com)  
Investor Grievance Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)  
Contact Person: M. Murali Krishna

**G. Share transfer system**

The shareholders are free to hold the Company's shares either in physical form or in dematerialized form. However, with effect from April 01, 2019, the shareholders are not allowed to transfer any shares in the physical form and hence, the dematerialisation of the shares is mandatory for transfer of shares. Thus, the Company encourages the holding of shares in dematerialized form. The shares held in dematerialized form can be transferred through the depositories without the Company's involvement.

**H. Dematerialization of shares**

The Company has arrangements with both NSDL and CDSL for dematerialization of its shares. The shareholders can hold the Company's shares with any of the depository participants, registered with the depositories.

As on March 31, 2025, 97.42% of the equity shares of the Company are in electronic form with the depositories. International Securities Identification Number (ISIN) for equity shares is INE011501011.

**I. Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any Convertible instruments, conversion date and likely impact on equity**

The Company does not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments as on date.

**J. Branch locations**

Company has 668 branches as on March 31, 2025. The address of branches is available on the Company's website at: <https://klmaxiva.com/contact>

**K. Address for Correspondence**

The registered and corporate office addresses of the Company are as under:



Registered Office:

KLM Axiva Finvest Limited  
Plot No. 39, Door No. 8-13, 1<sup>st</sup> Floor,  
Ashoka Complex, Mythripuram Colony,  
Gayathri Nagar X Road, Vaishalinagar P.O.,  
Hyderabad, Rangareddi, Telangana, India-500079.

Corporate Office:

KLM Axiva Finvest Limited  
KLM Grand Estate,  
Bypass Road, Edappally,  
Ernakulam, Kerala, India-682024.

**L. Credit ratings**

The credit ratings obtained by the Company as on the date of this report are as under:

Credit Rating Agency	Instrument	Rating	Rating action
Acuite Ratings and Research	Bank Loans	ACUITE BBB   Stable	Affirmation
	Non-Convertible Debentures (NCD X to NCD XII)	ACUITE BBB   Stable	Assignment and Affirmation
India Ratings and Research	Non-Convertible Debentures (NCD VII to NCD X)	IND BBB-   Stable	Affirmation
	Bank Loans	IND BBB-   Stable	Affirmation
CARE Ratings	Non-Convertible Debentures (NCD II to NCD VI)	CARE BBB   Stable	Reaffirmed

**9. OTHER DISCLOSURES**

**A. Materially significant related party transactions**

During the FY 2024-25, there were no materially significant related party transactions that may have potential conflict with the interests of Company at large.

**B. Details of non-compliance, penalties, strictures, fines, etc. imposed and levied on the company on any matter related to capital market during the last three financial years**

No penalties, strictures, fines, etc. were imposed and levied on the Company by any of the regulatory authorities such as the Stock Exchange, SEBI, Reserve Bank of India, Registrar of Companies, for non-compliance on any matter related to capital markets during the last three financial years, except for the below:

FY	Regulator	Regulation	Amount of Fine	Details
2024-25	BSE Limited	Regulation 6(1) of the Listing Regulations	Rs. 29,000/-	Fine for vacancy in the office of the Compliance Officer for a period of 120 days. Fine plus GST was paid on June 24, 2024.
	BSE Limited	Regulation 50(1) of the Listing Regulations	Rs. 5,000/-	Fine for delay in furnishing intimation about Board Meeting held on Nov 14, 2025 by 1 day.  Fine plus GST paid on December 19, 2024.
	BSE Limited	Regulation 13(3) of the Listing Regulations	Rs. 19,000/-	Fine for delay in submission of Statement of Investor Complaints for the quarter ended December 2024.
2023-24	BSE Limited	Regulation 57(1) of Listing Regulations	Rs. 1,36,000/-	Fine for delay in disclosure of interest payment certificate in 1 working day from due date in the month of January 2023.  Fine plus GST was paid on August 10, 2023.  <i>The BSE vide mail dated October 12, 2023 waived the fines imposed.</i>
2022-23	BSE Limited	Regulation 54 of Listing Regulations	Rs. 54,000/-	Fine for delayed submission of security cover certificate for the half year ended March 2021.  Fine plus GST was paid on September 08, 2022.
	BSE Limited	Regulation 60 of Listing Regulations	Rs. 1,40,000/-	Fine for delay in submission of the notice of Record Date of NCDs in the month of November 2021.  Fine of Rs. 1,40,000 plus GST was paid on January 19, 2023.  <i>The BSE vide mail dated December 05, 2023 waived fines for 4 ISINs (Rs. 40,000) and the waiver request for 10 ISINs (Rs. 1,00,000) was rejected on January 03, 2024.</i>

Pursuant to the issuance of a show cause notice dated October 11, 2024, and after providing our Company an opportunity for a personal hearing, the RBI imposed a penalty of ₹10 lakhs on our Company vide order dated March 24, 2025, for contravention of paragraph 33 of the RBI Scale-Based Master Directions relating to the declaration of dividends by NBFCs. Our Company remitted the penalty amount of ₹10 lakhs to the RBI on April 11, 2025.

The Company Paid a fine amount of Rs. 62,000/- imposed by the Judicial First Class Magistrate Court of Bangalore as per the below Acts:

SI No.	Act	Amount (Rs.)
1.	Payment of wages Act	12,000/-
2.	The Karnataka Shops & Commercial establishment Act	14,000/-
3.	The Minimum wages Act	36,000/-

#### **C. Vigil Mechanism / Whistle Blower Policy**

The Company has established Vigil mechanism/Whistle Blower Policy in line with the provisions of sections 177(9) & 177(10) of the Act and regulation 22 and 4(2)(d)(iv) of the Listing Regulations. The policy provides the directors and employees direct access to the chairperson of the audit committee to report their genuine concerns or grievances. Board of Directors affirms that no personnel were denied access to the audit committee. The whistle blower policy is available at the website of the Company in the web link: [https://admin.klmaxiva.com/uploads/Vigil\\_Mechanism\\_Whistle\\_Blower\\_Policy\\_8fbb7cd0a0.pdf](https://admin.klmaxiva.com/uploads/Vigil_Mechanism_Whistle_Blower_Policy_8fbb7cd0a0.pdf)

#### **D. Subsidiaries**

The Company does not have any subsidiaries as on the date of this report and hence a policy is not in place for determining 'material' subsidiaries.

#### **E. Commodity price risk or foreign exchange risk and hedging activities**

The Company had no exposure to commodity risk or commodity hedging activities during the FY 2024-25.

#### **F. Certificate from Company Secretaries regarding non-debarment and non-disqualification of Directors**

M/s. Nekkanti S. R. V. V. S. Narayana & CO., Company Secretaries, have certified that none of the Directors on the Board of the Company have been debarred or disqualified from the being appointed or continuing as a Director of the Company by SEBI or Ministry of Corporate Affairs or RBI or any other statutory authority. The said certificate forms part of this report and is given in **Annexure A.**

#### **G. Recommendations made by Committees of the Board**

During the year under review, all recommendations of the Committees have been accepted by the Board.

#### **H. Total fee paid to the Statutory Auditors**

The total fees for all the services paid by the Company to the Statutory Auditors of the Company during the FY 2024-25 is as follows:

*Amount (in lakhs) \**

Particulars	R. B Jain & Associates	A John Moris & Co.
Fee for Statutory Audit	3.00	12.65
Fee for other services	5.75	0.70
Total	8.75	13.35

\*The above fees are exclusive of applicable taxes.

## **I. Prevention Sexual Harassment of Women at Workplace**

The Company has always believed in providing a safe and harassment free workplace for every individual working in the Company. The company has constituted an Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company policy on prevention of sexual harassment is disclosed at the website of the Company in the web link: [https://admin.klmaxiva.com/uploads/23\\_PREVENTION\\_OF\\_SEXUAL\\_HARASSMENT\\_POLICY\\_17f06ed9a42.pdf](https://admin.klmaxiva.com/uploads/23_PREVENTION_OF_SEXUAL_HARASSMENT_POLICY_17f06ed9a42.pdf).

Constitution of Internal Complaints Committee as on March 31, 2025 and on the date of this report is as under:

Sl. No.	Name	Designation
1.	Ms. Minni Sajan	Presiding Officer
2.	Mr. Sarath Chandran. K. B.	Member
3.	Ms. Jersy Murukesh	Member
4.	Ms. Archana. K. S.	External Member

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 with respect to FY 2024-25 is as under:

Number of complaints pending at the beginning of the year	Nil
Number of complaints of sexual harassment received in the year	Nil
Number of complaints disposed off during the year	NA
Number of cases pending for more than ninety days	NA
Number of complaints pending at the end of the year	Nil

## **J. Loans and Advances**

During the reporting period, the company has not given any loans and advances in the nature of loans to firms/companies in which directors are interested.

## **K. Compliance Certificate**

In terms of Regulation 17(8) of the Listing Regulations, the Wholetime Director and CEO made a certification to the Board of Directors in the prescribed format for the year under review, which has been reviewed and taken on record by the Board. The same is reproduced at the end of this report and marked as **Annexure B.**

#### **L. Related Party Transactions**

In the opinion of the Board of Directors, there were no materially significant related party transactions during the year under review made by the Company with its Promoters, Directors, Key Managerial Personnel or their relatives or other designated persons that may have a potential conflict with the interests of the Company at large.

The Company's policy on dealing with related party transactions is available at the website in the link: [https://admin.klmaxiva.com/uploads/Policy\\_on\\_dealing\\_with\\_Related\\_Party\\_Transactions\\_b73cfcfe05.pdf](https://admin.klmaxiva.com/uploads/Policy_on_dealing_with_Related_Party_Transactions_b73cfcfe05.pdf)

#### **M. Compliance with Corporate Governance Norms**

During the reporting year, the Company has complied with all mandatory requirements of corporate governance norms as enumerated in chapter IV of the Listing Regulations. The requirements of regulation 17 to regulation 27 of the Listing Regulations to the extent applicable to the company have been complied with as disclosed in this report. The company has also adopted the following discretionary requirements specified in Part E of Schedule II in terms of regulation 27(1) of the Listing Regulations:

- i. Board: The non-executive chairperson is allowed reimbursement of expenses incurred in performance of his duties.
- ii. Posts of Chairperson and MD/CEO: During the reporting period the company have separate persons to the post of Chairperson and CEO. CEO is not a director of the Company and not related to the Chairperson of the Company as per the term "relative" defined under the Act.
- iii. Shareholder Rights: The quarterly and year to date financial results are published in newspapers and are also displayed on the Company's website, <https://klmaxiva.com/regulations>. Therefore, the results are not being sent separately to the shareholders.
- iv. Modified opinion(s) in audit report: Company's financial statements have unmodified audit opinions.

For and on behalf of the Board of Directors of  
**KLM Axiva Finvest Limited**

Sd/-  
Shibu Theckumpurath Varghese  
Whole-time Director  
(DIN: 02079917)

Sd/-  
Biji Shibu  
Director  
(DIN: 06484566)

Place: Ernakulam

Date: 13.08.2025

## Annexure - A

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
***(pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To  
The Members of  
KLM Axiva Finvest Limited,  
P.N.39, D.N.8-13, 1<sup>st</sup> Floor,  
Ashoka Complex,  
Mythripuram Colony,  
Gayathri Nagar X Road,  
Vaishalinagar PO.  
Hyderabad – 500079,  
Telangana

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents')

as submitted by the Directors of **KLM Axiva Finvest Limited**, having CIN U65910TG1997PLC026983 and having registered office at P.N.39, D.N.8-13, 1<sup>st</sup> Floor, Ashoka Complex, Mythripuram Colony, Gayathri Nagar X Road, Vaishalinagar PO. Hyderabad – 500079, Telangana to the Board of Directors of the Company ('the Board') for the financial year 2024-25 and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the financial year ended 31<sup>st</sup> March, 2025, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

<b>Sl. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1.	Biji Shibu	06484566	09/03/2013
2.	Shibu Theckumpurath Varghese	02079917	27/07/2016
3.	Sreenivasan Thettalil Parameswaran Pillai	03048551	23/05/2023
4.	Kuriakose	08924909	23/05/2023
5.	Joseph Paul Menacherry	06540233	08/06/2023
6.	Abraham Thariyan	07132831	21/06/2023

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the financial year ended 31<sup>st</sup> March, 2025.

**For NEKKANTI S.R.V.V.S. NARAYANA & CO.**  
**Company Secretaries**  
ICSI Unique Code: S2009AP122301

Date : 11<sup>th</sup> August, 2025  
Place : Hyderabad

**(NEKKANTI S.R.V.V.S. NARAYANA)**  
Proprietor  
M.No.F7157, C.P.No.7839  
P.R. No.1709/2022  
ICSI UDIN: **F007157G000972651**



**Annexure - B**  
**COMPLIANCE CERTIFICATE**

*[Pursuant to regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To  
The Board of Directors  
KLM Axiva Finvest Limited

I, Shibu Theckumpurath Varghese, Wholetime Director of KLM Axiva Finvest Limited (Company), hereby confirm and certify as under:

- A. I have reviewed financial statements and the cash flow statement for the year ended March 31, 2025 and that to the best of my knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have not come across any deficiencies in the design or operation of such internal controls.
- D. I have indicated to the auditors and the Audit committee that there are no:
- 1) significant changes in internal control over financial reporting during the year;
  - 2) significant changes in accounting policies during the year; and
  - 3) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**Shibu Theckumpurath Varghese**  
**Wholetime Director**  
**DIN: 02079917**

Date: May 22, 2025

## **COMPLIANCE CERTIFICATE**

*[Pursuant to regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To  
The Board of Directors  
KLM Axiva Finvest Limited

I, Manoj Raveendran Nair, Chief Executive Officer of KLM Axiva Finvest Limited (Company), hereby confirm and certify as under:

- A. I have reviewed financial statements and the cash flow statement for the year ended March 31, 2025 and that to the best of my knowledge and belief:
  - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have not come across any deficiencies in the design or operation of such internal controls.
- D. I have indicated to the auditors and the Audit committee that there are no:
  - 1) significant changes in internal control over financial reporting during the year;
  - 2) significant changes in accounting policies during the year; and
  - 3) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

**Manoj Raveendran Nair**  
**Chief Executive Officer**

Date: May 22, 2025

### **Annexure III**

#### **Declaration on Compliance with the Code of Conduct of Board of Directors and Senior Management**

*[Pursuant to Part D of schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To

The Board of Directors

KLM Axiva Finvest Limited

I, Mr. Manoj Raveendran Nair, Chief Executive Officer of the Company pursuant to Part D of schedule V of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof) hereby declare that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct applicable to the board of directors and senior management during the period from 01<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025.

Sd/-

Manoj Raveendran Nair

Chief Executive Officer

Date: May 22, 2025

Place: Ernakulam

**Annexure - IV**

**NEKKANTI S.R.V.V.S. NARAYANA & CO.**  
**Company Secretaries**

Plot No.29, 2<sup>nd</sup> Floor, Gafoor Nagar,  
Madhapur, Hyderabad - 500081  
Handheld : +91-94 40 14 13 68  
E-mail : nekkanti@nekkanti.in

**Certificate on Corporate Governance of KLM Axiva Finvest Limited**

**To**

**The Members,**

KLM Axiva Finvest Limited,  
P.N.39, D.N.8-13, 1<sup>st</sup> Floor, Ashoka Complex,  
Mythripuram Colony, Gayathri Nagar X Road,  
Vaishalinagar PO. Hyderabad,  
Telangana - 500079

We have examined the compliance of conditions of Corporate Governance by **KLM Axiva Finvest Limited** ("the Company") for the year ended on March 31, 2025, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended which are applicable to high value debt listed entity which has listed its non-convertible debt securities.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clauses and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended which are applicable to high value debt listed entity which has listed its non-convertible debt securities.

We state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For NEKKANTI S.R.V.V.S. NARAYANA & CO.**

**Company Secretaries**

ICSI Unique Code: S2009AP122301

Date : 26<sup>th</sup> August, 2025  
Place : Hyderabad  
UDIN : F007157G001080878

**(NEKKANTI S.R.V.V.S. NARAYANA)**

Proprietor

M.No.F7157, C.P.No.7839  
P.R. No.1709/2022

## Annexure V

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

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

#### 1. Brief outline of the CSR policy

The Company has adopted the CSR policy outlining the various activities defined in schedule VII of the Companies Act, 2013. The policy envisages the formulations of the CSR committee which will recommend the amount of expenditure to be incurred on the activities referred to in the policy to the Board and monitor the project/programs from time to time with reporting of the progress on such project/programs to the board.

#### 2. Composition of the CSR committee as on March 31, 2025 is as under:

Sl. No.	Name of director	Designation / Nature of Directorship	Number of meetings of CSR committee held during the year	Number of meetings of CSR committee attended during the year
1.	Mr. K. M. Kuriakose	Chairman - (Independent Director)	3	3
2.	Mr. Shibu Theckumpurath Varghese	Member - (Wholetime Director)	3	3
3.	Mrs. Biji Shibu	Member - (Executive Director)	3	3

The composition of the CSR Committee of the Company as on the date of this report is as follows:

Sl. No.	Name	Nature of Directorship	Designation
1.	Mr. K. M. Kuriakose	Independent	Chairperson
2.	Mr. Shibu Theckumpurath Varghese	Non-Independent	Member
3.	Mrs. Biji Shibu	Non-Independent	Member

#### 3. The web-link where composition of the CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of the CSR committee is available at [https://admin.klmaxiva.com/uploads/Composition\\_of Board and its Committees\\_41e9b73ae2.pdf](https://admin.klmaxiva.com/uploads/Composition_of_Board_and_its_Committees_41e9b73ae2.pdf)

CSR policy is available at [https://admin.klmaxiva.com/uploads/CSR\\_Policy\\_48f3b3a564.pdf](https://admin.klmaxiva.com/uploads/CSR_Policy_48f3b3a564.pdf)  
 CSR projects are available on the Company's website <https://klmaxiva.com/foundation-activities>

4. 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:

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

Sl. No.	Financial year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)	Balance amount (in ₹)
1.	2023-24	2,33,404/-	0	2,33,404/-
2.	2022-23	55,347/-	0	55,347/-
3.	2021-22	1,58,457/-	0	1,58,457/-

- 6.

a)	Average net profit of the Company for the last 3 financial years as per sub-section (5) of section 135	₹23,99,49,773/-
b)	Two percent (2%) of average net profit of the company as per sub-section (5) of section 135	₹47,98,995/-
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	0
d)	Amount required to be set off for the financial year, if any	0
e)	Total CSR obligation for the financial year (6b+6c-6d).	₹47,98,995/-

7. a) (i) Details of CSR amount spent against ongoing projects for the financial year:

Amount in ₹									
1	2	3	4	5	6	7	8	9	10
Sl. No.	Project ID	Item from the list of activities in schedule	Name of the project	Local area (Yes/ No)	Location of the project	Project duration (in months)	Amount spent for the project	Mode of implementation- Direct (Yes/ No)	Mode of implementation - through implementing agency

		VII to the Act			State	District				Name	CSR registration number
-	-	-	-	-	-	-	-	-	-	-	-

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

Amount in ₹									
1	2	3	4	5		6	7	8	
Sr. 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	Mode of implementation- Direct (Yes/ No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR registration number
1.	Promoting Education	Promoting education	Yes	Kerala	Ernakulam	10,05,275	Yes	-	NA
2.	Medical and treatment aid, Eradicating poverty	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation	Yes	Kerala	Ernakulam	40,37,394	Yes	-	NA
4.	women empowerment	promoting gender equality and empowering women	Yes	Kerala	Ernakulam	1,89,750	Yes	-	NA
Total						52,32,419			

b)	Amount spent in administrative overheads	0
c)	Amount spent on impact assessment, if applicable:	0
d)	Total amount spent for the Financial Year (7a+7b+7c):	₹52,32,419/-

e) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year	Amount unspent (in ₹)				
	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
52,32,419	Nil	Nil	Nil	Nil	Nil

f) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	47,98,995/-
(ii)	Total amount spent for the Financial Year	52,32,419
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4,33,424
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4,33,424

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

1	2	3	4	5	6			7	8
Sl. No.	Preceding financial year(s)	Amount transferred to unspent CSR account under section 135(6)	Balance amount in unspent CSR account under section 135(6)	Amount spent in the reporting financial year	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	Deficiency, if any
					Name of the Fund	Amount	Date of transfer		
1.	2021-2023	Nil	-	-	-	-	-	-	-
2.	2021-2022	Nil	-	-	-	-	-	-	-
3.	2020-2021	Nil	-	-	-	-	-	-	-

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

1	2	3	4	5	6	7	8
---	---	---	---	---	---	---	---



Sl. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Amount spent for the project at the beginning of the financial year	Amount spent in the financial year	Cumulative amount spent at the end of reporting financial year	Status of the project - Completed / Ongoing
-	-	-	-	-	-	-	-

9. Details relating to creation or acquisition of capital asset through CSR amount spent in the financial year:

1	2	3	4	5	6		
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ authority/ beneficiary of the registered owner		
					CSR registration number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

10. 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.

11. Responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, follows CSR objectives and policy of the Company:

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR projects and activities in compliance with our CSR objectives.

//By Order of the Board//

For CSR Committee

for **KLM Axiva Finvest Limited**

Sd/-

K. M. Kuriakose  
Independent Director  
(DIN: 08924909)  
Chairperson of CSR Committee

Sd/-

Biji Shibu  
Director  
(DIN: 06484566)

Sd/-

Shibu Theckumpurath Varghese  
Whole-time Director  
DIN: 02079917)

Place: Ernakulam

Date: 13.08.2025

## Annexure VI

### Particulars of Remuneration and Related Disclosures

*[Pursuant to Section 19(12) of the Companies act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

Disclosures with respect to the remuneration of Directors, Key Managerial Personnel and Employees as required under section 197(12) of the Companies Act, 2013 (Act) and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under:

- a) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25:

Sl. No	Name of Director	Designation	Remuneration for the FY 2024-25 (in lakhs)	Ratio of the annual remuneration of each Director to median annual remuneration of employee (in times)
1.	Mr. T. P. Sreenivasan	Chairman and Non - Executive Director	12.99	5.70
2.	Mr. Shibu Theckumpurath Varghese	Wholetime Director	145.00	63.64
3.	Mrs. Biji Shibu	Executive Director	30.00	13.17
4.	Mr. K. M. Kuriakose	Independent Director	-	-
5.	Mr. M. P. Joseph	Independent Director	-	-
6.	Mr. Abraham Thariyan	Independent Director	-	-

- b) Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Director and Company Secretary in the financial year 2024-25:

Sl. No	Name of Director	Designation	Remuneration for FY 2024-25 (in lakhs)	Remuneration for FY 2023-24 (in lakhs)	% increase in Remuneration
1.	Mr. Sreenivasan Thettalil Parameswaran Pillai	Chairman and Non - Executive Director	12.99	11.00	18.09
2.	Mr. Shibu Theckumpurath Varghese	Wholetime Director	145.00	81.00	79.01
3.	Mrs. Biji Shibu	Executive Director	30.00	7.00	328.57
4.	Mr. K. M. Kuriakose	Independent Director	-	-	-
5.	Mr. Joseph Paul Menacherry	Independent Director	-	-	-
6.	Mr. Abraham Thariyan	Independent Director	-	-	-

7.	Mr. Manoj Raveendran Nair	Chief Executive Officer	103.50	93.38	10.84
8.	Mr. Thanish Dalee	Chief Financial Officer	32.39	28.92	12.00
9.	Ms. Naveena P. Thampi	Company Secretary	12.96	0.72	NA

- c) The percentage increase in the median remuneration of employees in the financial year 2023-24:

Median annual remuneration of employees is ₹2,27,844/- (monthly ₹18,987/-) and ₹2,16,000/- (monthly ₹18,000/-) for FY 2024-25 & FY 2023-24 respectively. There was 5.48% increase/decrease in the median remuneration of employees during the financial year 2024-25.

- d) The number of permanent employees on the rolls of company as on March 31, 2025 is 2,340.

- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increase in salaries of employees other than managerial personnel during the year 2024-2025 was 6.23%. The average percentile increase in the managerial remuneration during the year was 89.70%.

- f) Affirmation that the remuneration is as per the remuneration policy of the company:

The company affirms that the remuneration is as per the remuneration policy of the Company.

- g) Details of employees (employed throughout the year in terms of remuneration drawn during the year 2024-2 pursuant to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

Name and Age	Designation	Remuneration received (in lakhs)	Nature and date of commencement of employment	Qualifications and Experience	Details of last employment	% of equity shares held by himself and along with his relatives	Whether a relative of any director or manager of the company
Mr. Manoj Raveendran Nair (50)	Chief Executive Officer	103.50	Permanent employee - 29/12/2021	Holds a degree in MBA from Bharathiar University and Bachelor of Science from Kerala University	Muthoot Fincorp Limited - Business Head, Gold loan business development	Nil	No

//By order of the Board//  
For **KLM Axiva Finvest Limited**

Sd/-  
Biji Shibu  
Director  
(DIN: 06484566)

Sd/-  
Shibu Theckumpurath Varghese  
Whole-time Director  
DIN: 02079917)

Place: Ernakulam  
Date: 13.08.2025

## **Annexure VII**

### **Management Discussion and Analysis Report**

The Indian financial system comprises banks and non-banking financial institutions. While the banking system continues to dominate, Non-Banking Financial Companies (NBFCs) have gained significant relevance by addressing financial needs in under-penetrated and unbanked regions.

#### **NBFCs: A Vital Component of the Credit Ecosystem**

India's growing economy has led to a parallel rise in financing needs. NBFCs play a complementary role alongside banks and financial institutions by bridging gaps in financial access, both in terms of products and customer segments. With their grassroots-level connect, NBFCs serve the informal sector and unbanked population across rural and semi-urban regions. In doing so, they support the government's financial inclusion agenda.

#### **Classification of NBFCs**

NBFCs until now have been classified on the basis of the kind of liabilities they access, types of activities they pursue and their perceived systemic importance. RBI introduced additional classification of NBFCs along with the activity-based and liability-based classification vide Scale Based Regulation (SBR) framework into four categories i.e., Base Layer (NBFC – BL), Middle Layer (NBFC – ML), Upper Layer (NBFC – UL) and Top Layer (NBFC – TL).

#### **Industry Developments and Trends**

The gold loan segment, comprising banks and NBFCs, expanded ~25% in fiscal 2025. Borrowers in rural areas, facing credit constraints in the unsecured lending space, opted to monetise their gold holdings, further supported by a 25% on-year rise in average gold prices in the past 12 months. Further, a growth of 7% in tonnage and 11% in active gold loan customers in fiscal 2025, compared with 3% and 6%, respectively, in fiscal 2024, indicates strong demand for gold loans.

That said, on September 30, 2024, the Reserve Bank of India (RBI) expressed concerns over irregular practices by banks and NBFCs (supervised entities) in disbursing gold loans. The central bank asked them to comprehensively review their policies, processes and practices for gold loans to identify gaps and initiate the appropriate remedial measures.

The market share between banks and NBFCs is expected to remain unchanged, with banks holding 78% and NBFCs holding the balance. Further, the strategic shift towards secured lending is also expected to boost the gold loan advances of NBFCs, as they seek to reduce exposure to the unsecured segment. Gold loans are considered a low-risk proposition due to the strong collateral the yellow metal provides, reinforced by the sentimental value borrowers attach to gold. Additionally, gold loans offer attractive interest margins with spread at 9% to 10%, making them more lucrative than other secured asset classes.

Regulatory challenges notwithstanding, gold loans are poised to become a preferred option for financial institutions on account of strong demand for credit amidst rising concerns over asset quality and overleveraging in the unsecured loan segment. The low credit cost associated with gold loans, combined

with the enhanced borrowing capacity facilitated by rising gold prices, is expected to fuel growth in this segment in the longer term.

Furthermore, the vast gold reserves held by Indian households (estimated at 25,000 tonne, as per World Gold Council, of which only 2,950-3,350 tonne is currently being utilised as collateral), presents a significant growth opportunity. The increasing penetration of the formal sector is likely to unlock this potential, driving growth in the gold loan market and making it an attractive proposition for lenders.

Organised gold loan penetration in India is expected to deepen significantly due to wider geographical diversification, a growing branch network and the increasing keenness of households to monetise their gold holdings for personal and business purposes. Rising gold prices and expectations that micro enterprises would fund their working capital requirements through gold loans are also expected to boost gold financing. The organised segment has been using digital and online platforms, along with phygital (combination of physical and digital) modes, for business. The increasing uptake through these modes is expected to be the primary growth driver.

### **Opportunities and Threats**

#### **Opportunities:**

- Vast untapped markets
- Acceleration in digital adoption
- Rising gold prices
- Increase in microfinance lending cap to 25% of total assets
- Strong gold loan demand in southern states

#### **Threats:**

- Intensifying competition from banks and fintechs
- Higher borrowing costs due to RBI's tight monetary policy
- Macroeconomic inflationary pressures
- Volatility in gold prices affecting collateral value

### **Segment-wise or product-wise performance**

#### **Further strengthen and grow our gold loan and microfinance business**

The Company remains focused on expanding its gold loan and microfinance businesses, while cautiously managing exposure in other secured and unsecured loan segments. Loans are granted only after rigorous due diligence, particularly in unsecured categories.

In case of loans other than Gold Loan, loans are given whether with primary/collateral security, like secured loans or without any primary/ collateral security like unsecured loans, more than ordinary care is taken such that loans are granted only to persons/firms/companies of repute with credit worthiness, future cash flows to repay the loan and track record.

The RBI's new gold loan guidelines are aimed at creating a level-playing field for all players in the gold loan market, including banks and NBFCs, and harmonise the regulatory framework. These guidelines now require even NBFC to maintain LTV through the loan tenure.

NBFCs will no longer be permitted to offer gold loans with bullet repayment structures for tenures exceeding 12 months, similar to banks. This regulatory change is expected to impact only a limited number of NBFCs.

## **Outlook**

### **Customers demand convenience and ease of finance**

NBFCs have strengthened their presence in semi-urban and rural areas, which gives them extensive regional presence and understanding of the local markets, and helps them customise products to suit customer needs. This regional presence in untapped territories helps them reach out to the unorganised sectors. With low turnaround time, better service, NBFCs are better able to meet customer demand for convenience.

### **Focus on expanding coverage and sustain growth momentum**

Gold loan financiers are expanding fast to meet the expected demand in the years ahead. Our Company is expanding its reach and customer base to regain its share in the market lead by fierce competition by banks and new aged fintechs. We are trying to achieve this by focused market strategies, with increased advertising, etc.

### **Growth of the business through increasing geographical presence in rural and semi-urban areas**

We intend to continue to grow our loan portfolio by expanding our network through the addition of new branches and closure of in operative branches. In order to optimize our expansion, we carefully assess potential markets by analyzing demographic, competitive and regulatory factors, site selection and availability, and growth potential. A good reach to customers is very important in our business. Increased revenue, profitability and visibility are the factors that drive the branch network. Currently, we are present in key locations which are predominantly in South India for sourcing business namely Kerala, Karnataka, Tamil Nadu Telangana and Andhra Pradesh. Our strategy for branch expansion includes further strengthening our presence in South Indian states by providing higher accessibility to customers as well as leveraging our expertise and presence in southern Indian states. As a strategy, we will continue to leverage on the infrastructure provided by entities operating under the 'KLM' brand name. We expect that our diverse revenue stream will reduce our dependence on any particular product line thus enabling us to spread and mitigate our risk exposure to any particular industry, business, geography or customer segment. Offering a wide range of products helps us attract more customers thereby increasing our scale of operations. At the core of our branch expansion strategy, we expect to penetrate new markets and expand our customer base in rural and semi-urban markets where a large portion of the population has limited access to credit either because they do not meet the eligibility requirements of banks or financial institutions, or because credit is not available in a timely manner at reasonable rates of interest, or at all.

A typical loan customer expects rapid and accurate appraisals, easy access, quick approval and disbursement. We believe that we meet these criteria when compared to other money lenders, and thus our focus is to expand our loan financing business. At the core of our branch expansion strategy, we expect to penetrate new markets and expand our customer base to include customers who otherwise would rely on the unorganized sector.

## **Risks and Concerns**

## **Credit Risk**

Credit risk is the possibility of loss due to the failure of any counterparty abiding by the terms and conditions of any financial contract with us. We aim to reduce the aforesaid credit risk through a rigorous loan approval and collateral appraisal process, as well as a strong NPA monitoring and collection strategy.

## **Operational Risk**

Operational risk is broadly defined as the risk of direct or indirect loss due to the failure of systems, people or processes, or due to certain other external events. We have instituted a series of checks and balances, including an operating manual, and both internal and external audit reviews. Although we disburse loans in a relatively short period of time, we have clearly defined appraisal methods as well as KYC compliance procedures in place to mitigate operational risks. Any loss on account of failure by employees to comply with defined appraisal mechanism is recovered out of their variable incentive. We also have detailed guidelines on movement and security measures of cash or gold. We completed the installation of centralized software which automates inter branch transactions, enabling branches to be monitored centrally and thus reducing the risk of un-reconciled entries. Our internal audit department and our centralized monitoring systems assist in the management of operational risk. In addition, the restrictions imposed by the RBI on the expansion of the balance sheet size have introduced additional operational complexities, which we are managing within our risk framework.

## **Financial Risk**

Our business is cash intensive and requires substantial funds, on an on-going basis to finance the loan portfolio and to grow it. Any disruption in the funding sources might have an adverse effect on our liquidity and financial condition. Our Company is proactively pursuing a system of identifying and accessing newer and cheaper sources of funds, to finance the loan book and to grow the business. Our Asset Liability Committee (ALCO) and Risk Management Committee (RMC) meets regularly and reviews the liquidity position of our Company and ensures availability of sufficient funding in advance.

## **Market Risk**

Market risk refers to potential losses arising from the movement in market values of interest rates in our business. The objective of market risk management is to avoid excessive exposure of our earnings to loss. The majority of our borrowings, and all the loans we make, are at fixed rates of interest. Thus, presently, our interest rate risk is minimal.

## **Internal control systems and their adequacy**

### **Effective risk management system including appraisal, internal audit and inspections.**

Risk management forms an integral part of our business as we are exposed to various risks relating to our business. The objective of our risk management system is to measure and monitor the various risks we are subject to and to implement policies and procedures to address such risks. We have an internal audit system which consists of audit and inspection, for risk assessment and internal controls. The audit system comprises of accounts audit and loan appraisal. In accordance with our internal audit policy, our branches are subject to surprise audit on random basis. We have designed stringent evaluation process



and credit policies to ensure the asset quality of our loans and the security provided for such loans. Our credit policy comprises classification of target customers in terms of track record, classification of assets, differentiated loan to value ratio for different class of customers and assets, limits on customer exposure etc. Further, in order to build quality assets and reduce NPA level, we have developed a culture of accountability by making our marketing officers responsible for loan administration, monitoring as well as recovery of the loans they originate.

For effective and timely portfolio management, we have put in place a centralized risk analytics team publishing credit and portfolio performance reports for management's review. We utilise advance statistical tools like customer behaviour scorecards for early identification of potential risks in our portfolios and to take corrective actions accordingly as required. The reports provide detailed information on various portfolio segments and ascertain the risk. In addition, periodic collection reviews are conducted on delinquent customers and segments to identify and evaluate any problem areas, to drive collection efficiencies and future acquisitions.

### **Technology and Operational Efficiency**

We are committed to strengthening our organization by investing in technology systems and process enhancements. These investments are designed to improve customer credit quality, enhance operational efficiency, and enable more effective management across our growing network.

Our technology-driven approach focuses on streamlining operations and improving decision-making. By enabling employees across all branches to collect and input data into a centralized management system, senior management gains real-time access to credit processing information, facilitating faster and more informed decisions.

We continue to implement technology-led systems to make our loan appraisal and collection processes more efficient, ensuring rapid credit delivery while enhancing the benefits of our relationship-based approach. These efforts not only improve turnaround time but also strengthen our risk management and service quality.

To further this goal, we have partnered with L Code, a Mangalore based software company, for the implementation of an enterprise resource planning (ERP) system. This system has been successfully rolled out across all branches, fully integrating the operations of our gold loan and microfinance verticals under a unified software platform.

Accurate and timely data collection enabled by this system allows for centralized operations and the development of more robust credit and risk management procedures. As we continue to expand our geographic footprint and scale of operations, we plan to deepen our investment in technology to support growth, enhance service delivery, and ensure a consistently high level of operational efficiency.

### **Further strengthen our risk management and loan appraisal**

We believe risk management is a crucial element for further expansion of our Loan business. We therefore continually focus on improving our integrated risk management framework with processes for identifying, measuring, monitoring, reporting and mitigating key risks, including credit risk, appraisal risk, custodial risk, market risk and operational risk. We plan to continue to adapt our risk management procedures, to take account of trends we have identified. We believe that prudent risk

management policies and development of tailored credit procedures will allow us to expand our Loan financing business without significantly increasing our non-performing assets. Since we plan to expand our geographic reach as well as our scale of operations, we intend to further develop and strengthen our technology platform to support our growth and improve the quality of our services. We are focused on improving our comprehensive knowledge base and customer profile and support systems, which in turn will assist us in the expansion of our business.

### **Asset and Liability Management (“ALM”)**

Our business operations require steady flow of working capital and hence managing the day to day liquidity becomes a critical function. The ALM, amongst other functions, is concerned with risk management, providing a comprehensive as well as a dynamic framework for measuring, monitoring and managing liquidity, market risk and interest rate risk. The ALM ensures proper balance of assets and liabilities of the company as per guidelines issued by Reserve Bank of India from time to time. The ALM also computes and monitors periodically the maturity pattern of the various liabilities and assets of the company.

### **Internal Audit Department**

Our internal audit department assists in the management of operational risk using our centralised monitoring systems. Separate divisions of our internal audit department are in place to handle the audit of the departments of the corporate office and those of the branch offices. The audits of our branches are divided into two categories:

- (i) Audit and
- (ii) Inspection.

Branch audit is carried out quarterly with the focus on the verification of documents, accounts, performance and compliance. In addition, an incremental high value loan check is carried out by regional managers as part of their periodical branch inspection.

### **Risk Management Audit**

Our branch auditors also carry out a system driven risk audit on certain identified key risk parameters. These are keyed into the system and alerts are sent to branch controllers and top management in case the risk weight given under a specific parameter goes beyond the prefixed tolerance levels. In all such cases, the concerned branches are inspected by the branch controllers or top management personnel depending on the severity of risk and immediate remedial actions are initiated.

### **Discussion on financial performance with respect to operational performance**

**The following table sets forth certain information relating to our operations and financial performance in the periods specified:**

(Amount in lakhs)

Particulars	Financial Years		
	2024-25	2023-24	2022-23
Gold Loan	1,10,159.14	1,06,750.72	93,796.18
MSME Loan & Other receivables	43,943.16	46,080.21	37,840.92

Microfinance Loan	13,282.73	19,264.89	14,395.87
Total AUM	1,67,385.04	1,72,095.82	146,032.97
Gross NPA	3,323.81	2,753.14	2,692.14
Gross NPA (%)	1.99%	1.60%	1.84%
Net NPA	1,549.43	1,144.16	1,123.75
Net NPA (%)	1.12%	0.66%	0.78%
Net worth	26,778.47	26,506.21	24,763.63
Revenue from Operations	33,246.68	30,562.49	27,540.073
Profit after Tax	2,019.36	2,302.87	1,833.10

### **Material developments in Human Resources / Industrial Relations front, including number of people employed**

The department of Human Resource continued to play a pivotal role in fostering a motivated, skilled, and engaged workforce, aligned with the Company's values and strategic goals. A series of targeted training and development initiatives were undertaken in collaboration with the Learning and Development department aiming to enhance employee capabilities across various levels of the organization. Key training initiatives undertaken during FY 2024-25 is as under:

#### **1. DISHA – Corporate Induction Programme**

DISHA is a comprehensive 3 days corporate induction programme designed for newly joined staff members. The programme aims to familiarize new employees with the organization's work culture, policies, and expectations. Employees are typically invited to participate in DISHA within three months of joining the organization. Through a structured blend of sessions, the programme imparts essential industrial knowledge, organizational awareness, and workplace skills to help new staff integrate smoothly into the corporate environment. During FY 2024–25, a total of 960 employees successfully participated in this initiative, marking a strong step toward building a well-oriented and engaged workforce.

#### **2. LEAP – Leadership Excellence Advancement Programme**

LEAP is a 3 day leadership development workshop targeted at employees in the supervisory cadre, particularly Branch Managers. The programme is focused on equipping participants with essential leadership competencies to effectively manage teams and adapt to the dynamic banking and financial services landscape. Core areas covered include team management, selling skills, communication, and other critical leadership attributes. LEAP seeks to strengthen the leadership pipeline by nurturing capable and confident supervisors ready to take on higher responsibilities. In FY 2024–25, the programme was attended by 470 Branch Managers, demonstrating the organization's commitment to continuous leadership development.

#### **3. Power Up – Refresher Training for Non-Supervisory Staff**

Power Up is a 1 day refresher training programme developed for employees in the non-supervisory cadre. The training is tailored to address current challenges and operational changes by updating employees with the latest processes, policies, and skills relevant to their roles. This programme ensures that frontline staff remain informed, agile, and capable of delivering efficient services. It also helps in maintaining a motivated and skilled workforce by recognizing the importance of ongoing learning at all levels of the organization. The content is customized based on identified needs, making it both practical and relevant for the participants.

#### **4. Path Finder – Senior Leadership Workshop**

Path Finder is a 2 day intensive leadership workshop specifically designed for senior management personnel, including Regional Managers (RMs) and Zonal Managers (ZMs). The programme focuses on advanced leadership concepts, strategic thinking, and decision-making skills essential for senior executives. It offers insights into managing large teams, handling complex business scenarios, and driving organizational goals effectively. With an emphasis on thought leadership and future-readiness, Path Finder supports the professional growth of the organization's top leadership. During FY 2024-25, 26 RMs and ZMs attended the workshop, reflecting a targeted approach to nurturing high-level leadership capabilities.

The number of permanent employees on the rolls of company as on March 31, 2025 is 2340.

**INDEPENDENT AUDITORS' REPORT**

To The Members of **KLM AXIVA FINVEST LIMITED,**

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

**Opinion**

We have audited the accompanying standalone annual financial statements of **KLM Axiva Finvest Limited** ("the Company") for the quarter and year ended March 31, 2025 ("the statement") which comprise of the Balance Sheet as at 31<sup>st</sup> March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, Statement of the Cash flows for the year ended 31<sup>st</sup> March, 2025 and Notes to the Financial Statements including a Summary of material Accounting Policies and other explanatory information ("the Financial Statements") being submitted by the Company pursuant to the requirement of regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") and the Companies Act, 2013 ("the Act")

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial statements:

- give the information required by the Companies Act, 2013 and regulation 52 of the Listing Regulations, in the manner so required and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended to the extent applicable, RBI guidelines and other accounting principles generally accepted in India, of standalone net profit and standalone other comprehensive income and other financial information of the Company for the year ended March 31, 2025.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the

Cochin : Door No.56/503, IInd Floor, Building No.G 308, Shan Apartment, Near Avenue Centre Hotel,  
Panampilly Nagar, Kochi - 682 036

Ph : +91 484 4874822 | Cell : +91 99958 32342 | Website: [www.ajohnmoris.com](http://www.ajohnmoris.com)

HO : No. 5, Lakshmipuram, 1st Street, Deivasigamani Road (Near Music Academy), Royapettah, Chennai - 600 014

Branches: Nagercoil, Tiruchirappalli, Madurai, Kumbakonam, Tirupur, Coimbatore, New Delhi, Bengaluru, Mumbai,  
Cochin, Thrissur, Hyderabad, Jeypore, Ahmedabad, Trivandrum, Tuticorin, Guntur





Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

### Emphasis of Matter

We draw attention to Note 3 & 23.1 to the Financial Statement against 'Other Equity' wherein it is stated that Reserve Bank of India (RBI) had conducted an inspection of the financial statements of the Company. RBI during September 2024 observed that additional provisioning is required in respect of loan restructured and existing in the books as on 31<sup>st</sup> March, 2024. Accordingly, the Company has written off the outstanding loans as on 31.03.2024 and has restated Other Equity for the year ended 31 March 2024.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

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

Key Audit Matter	Audit Procedure adopted
<b>Provision for Expected Credit Losses (ECL) on Loans</b>  The Company recognizes Expected Credit Losses (ECL) on loan assets under IND AS 109 "Financial Instruments" held at amortized cost. The company recognizes loss provisions for expected credit losses on its financial assets that are measured at amortized costs or at fair value through other comprehensive income account. The	We examined methodologies for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the Company.  Assessed the accounting policy for

<p>ECL provision is based on the credit losses expected to arise over the life of the assets, unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months expected credit loss.</p> <p>The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is reasonable approximation of EIR.</p> <p>ECL Model uses evaluation of credit loss based on probability of default and is re-evaluated over time and can be subjective.</p> <p>A comparison of provisions (ECL vs IRAC norms) is evaluated and presented in the financial statements. In case if provisions as per IRAC norms are higher, then the higher is provided as a measure of prudence.</p>	<p>impairment of financial assets and its compliance with Ind-AS 109. Obtained an understanding of the Company's Expected Credit Loss (ECL) calculation and the underlying assumptions. Checked the key controls over the assessment and identification of significant increase in credit risk and staging of assets.</p> <p>Tested the appropriateness of determining the Exposure at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD) for a sample of exposure.</p> <p>Assessed the disclosure made in relation to Ind- AS 109 for ECL provision. Also ensured that the higher of the provision as per ECL policy and as per IRAC norms is provided as a matter of prudence.</p>
<p><b>Information Technology</b></p> <p>Financial accounting and reporting processes, are fundamentally reliant on IT systems and IT controls to process significant volumes of transaction. The Company's financial accounting and reporting processes are so highly dependent on the automated controls in information systems, that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.</p>	<p>We obtained an understanding of the Company's IT control environment and changes during the audit period that may be relevant to the audit.</p> <p>We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management.</p>



During the year, the Company migrated its Micro Finance operations which was earlier operated using Legacy Descpro software to Prosper of LCode thereby consolidating its entire business onto a single software platform.	We obtained an understanding of the Company's Internal control environment and check available IT set up, to counter the shortfalls if any in the IT infrastructure.
From a financial reporting perspective, the Company uses and we have tested the financial accounting and reporting system and loan management systems and other tools for its overall financial reporting.	The Company has appointed an audit firm to conduct a migration audit for verifying and certifying that all the data and processes of Micro Finance operations are captured in the LCode software correctly which is in the process.

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

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

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained in the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate to those charged with governance and take appropriate actions as applicable under the relevant laws and regulations.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the preparation of these Standalone Financial Statements that give true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to



time ("RBI guidelines") and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial 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 Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the 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 the Statement.

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 Statement 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 through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements in place and operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

1. As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2016, issued by the Reserve Bank of India, in exercise of the powers conferred by sub-section (1A) of section 45MA of



Reserve Bank of India Act 1934, we give in the "**Annexure 1**", an additional Audit Report addressed to the Board of Directors containing our statements on the matters specified therein.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as considered appropriate, we give in the "**Annexure 2**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified during the reporting period from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure 3**".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations against the company which would impact its financial position.



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has paid dividend during the year which was in compliance with Section 123 of the Companies Act, 2013.
- v. (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 sources or kind of funds) by the company to or in any other person or entity including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other person 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) As per the information and explanation given to us by the management, no funds have been received by the company from any person or entity 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 person or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
(c) On the basis of above representations, nothing has come to our notice that has caused to believe that the above representations contained any material mis-statement.
- (h) In our opinion the remuneration paid during the year by the company to its whole-time directors are in accordance with the provisions of section 197 and rules framed there under read with schedule V of the Act.



- (i) Based on our examination which included test checks, the company has used accounting software for maintain its books of accounts for the financial year ended 31<sup>st</sup> March 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature was not enabled at the database level to log any direct data changes. Further during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was enabled and operating.

For **A. John Moris & Co,**  
Chartered Accountants  
Firm registration No: 007220S



**CA Jobin George, FCA**  
Partner  
Membership No: 236710  
UDIN: 25236710BMIXWJ3814

Place: Kochi  
Date: 22-05-2025





**Annexure 1 to the Auditor's Report of even date**

(Referred to in paragraph 1 under Report on Other Legal and other Regulatory Requirements section of our report of even date)

**To the Board of Directors  
KLM Axiva Finvest Limited  
CIN: U65910TG1997PLC026983**

We have audited the Balance Sheet of KLM Axiva Finvest Limited for the year ended on March 31, 2025, 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 annexed thereto. As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 2016, and according to the information and explanations given to us, we provide herewith, a statement on the matters specified in paragraphs 3 and 4 of the aforesaid directions;

- i. The company is engaged in the business of Non-Banking Financial Institution and it has obtained the certificate of registration as provided in section 45-1A of the RBI Act, 1934.
- ii. The Company is entitled to continue to hold the Certificate of Registration in terms of the Financial Asset/Income pattern as on March 31, 2025.
- iii. The company is meeting the requirements of net owned funds as laid down in Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
- iv. The Board of Directors of the Company has passed a resolution for non-acceptance of public deposit.
- v. The Company has not accepted any public deposit during the period under review.
- vi. According to the information and explanation given to us, the Company has complied with the prudential norms on Income Recognition, Indian Accounting Standards, Asset Classification, provisioning for bad and doubtful debts as specified in the direction issued by the Reserve Bank of India in terms of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
- vii. The capital adequacy ratio as disclosed in the return submitted to RBI in terms of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale

Based Regulation) Directions, 2023, has been correctly arrived at and such ratio is in compliance with the minimum CRAR as prescribed by the Reserve Bank of India.

viii. The Company has furnished to RBI the annual statement of Capital Fund, risk assets/Exposures and risk assets ratio within the stipulated period.

ix. The Company has not been classified as NBFC-MFI for the year ended March 31, 2025.

The report has been issued pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 2016 and is issued to the Board of Directors of the Company as required by Paragraph 2 of such directions and should not be used for any other purpose.

For **A. John Moris & Co,**  
Chartered Accountants  
Firm registration No: 007220S



**CA Jobin George, FCA**  
Partner  
Membership No: 236710  
UDIN: 25236710BMIXWJ3814

Place: Kochi  
Date: 22-05-2025



**“Annexure 2” to the Independent Auditors’ Report of even date.**

(Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date)

As required by the Companies (Auditors Report) Order issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, as per the information and explanations provided to us by the company, we give a statement on the matters specified in paragraph 3 and 4 of the Order, to the extend applicable:

- 1) (a) In respect to the Company’s property, plant and equipment and intangible assets
    - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
    - (B) The Company has maintained proper records showing full particulars of Intangible assets.
  - (b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the registered sale deed provided to us by the Company, the title deeds of immovable properties are held in the name of the company;
  - (d) The Company has not revalued its property, plant and equipment (including Right of Use assets) or intangible assets or both during the year.
  - (e) According to the information and explanations given to us, there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) (a) In our opinion and according to the information and explanations given to us, the nature of the Company’s business is such that it is not required to hold any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.





- (b) Based upon the audit procedures performed and the information and explanations given by the management, the company has been sanctioned working capital limits in excess of five crore rupees from banking institution on the basis of security of current assets. The quarterly returns filed by the company with bank are in agreement with the books of the company.
- 3) (a) The company being an NBFC whose principle business is to give loans and hence the requirement to report on clause 3(iii)(a) of the order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees are, prima facie, not prejudicial to the company's interest.
- (c) In respect of loans granted by the company, the schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and receipts of interest are generally been regular. Being a Non-Banking Financial Company there are cases where repayment of principal or payment of interest is not as stipulated and in respect of these cases, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.
- (d) According to the information and explanations given to us and based on the audit procedures performed by us, in respect of loans and advances granted by the Company and amount overdue for more than ninety days, reasonable steps have been taken by the Company for recovery of the principal and interest.
- (e) The company being an NBFC whose principle business is to give loans is exempt from clause 3(iii) (e) of the order.
- (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying the terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security given, where applicable.



- 5) According to the information and explanations given to us, the Company has not accepted any public deposit from the public within the meaning of section 73 to 76 of the Companies Act, 2013 and the Rules framed there under to the extent notified. Thus, reporting under clause 3(v) of the order is not applicable to the Company.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2025 for a period of more than six months from the date on when they become payable.  
  
(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, goods and service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) According to information and explanations given to us and on the basis of our examination of the books of account, there are no transactions surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (43 of 1961) which are not recorded in the books of account.
- 9) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.  
  
(b) According to the information and explanation given to us, the company has not declared as willful defaulter by any bank or financial institution or other lender.  
  
(c) Based upon the audit procedures performed and the information and explanations given by the management, the loans are applied by the company for the purpose for which the same was obtained.





- (d) According to the information and explanations given to us, we report that no funds raised on short-term basis have been utilized for long-term purpose of the company.
- (e) 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 hence clause 3 (ix) (e) does not apply to company.
- (f) The company does not have subsidiaries, joint ventures, or associate companies. Accordingly, the provisions of clause 3 (ix) (f) of the Order are not applicable to the Company and hence not commented upon.
- 10) (a) Based upon the audit procedures performed and the information and explanations given by the management, the Company has raised money by way of public issue of debt instruments and the money raised has been applied for the purpose for which they have been raised.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, the Company has complied with the requirements of section 42 and 62 of the Companies Act, 2013 and the amount raised by preferential allotment or private placement of shares during the year under review have been used for the purposes for which the funds were raised. During the year, the Company has not made any preferential allotment or private placement of fully, partially or optionally convertible debentures.
- 11) (a) To the best of our knowledge and explanations given by the management, instances of fraud on the company, aggregating to Rs.52.26 lakhs resulting from various fraud cases on the company has been reported during the year to RBI. No fraud by the company has been noticed or reported during the year nor have we been informed of any such instances by the Management.
- (b) No report under subsection (12) of section 143 of the Companies Act has been filed in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year by the Statutory Auditors.
- (c) According to the information and explanation given to us, the company has not received any whistle – blower complaints during the year.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

- 13) In our opinion, all transactions with the related parties are in compliance with section 177 of the Companies Act 2013 and there were no transactions falling under the purview of section 188 during the year. The transactions with related parties have been disclosed in the Financial Statement as required by the applicable accounting standards.
- 14) (a) The company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) To ensure the robustness of internal audit system and internal control system in the company we have reviewed the reports made by internal auditors of the company for the period of auditing and found that the internal control systems implemented by management are effective and internal audit procedures are adequate for the company.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) In our opinion, the Company is not a Core Investment Company (CIC) Company. Therefore, the provisions of clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) In our opinion, there is no core investment company with in the group and accordingly reporting under clause 3(xvi)(d) of the order is not applicable.
- 17) Based upon the audit procedures performed and the information and explanations given by the management, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- 18) During the year there was no resignation of Statutory Auditor.
- 19) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of



Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the company as and when they fall due.

- 20) (a) There are no unspent amount 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 are no unspent amount on ongoing projects which requires to be transferred to special account in compliance with section 135(6) of the Companies Act. Accordingly, reporting under clause 3(xx)(b) of the order is not applicable for the year.

For **A. John Moris & Co,**  
Chartered Accountants  
Firm registration No: 007220S



**CA Jobin George, FCA**  
Partner  
Membership No: 236710  
UDIN: 25236710BMIXWJ3814

Place: Kochi  
Date: 22-05-2025



**“Annexure 3” to the Independent Auditor’s Report of even date.**

(Referred to in paragraph 3(f) under Report on Other Legal and other Regulatory Requirements section of our report of even date)

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

We have audited the internal financial controls over financial reporting of KLM Axiva Finvest Limited (“the Company”) as of 31<sup>st</sup> March, 2025 in conjunction with our audit of the financial statement 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 under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.





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

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

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

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

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

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A. John Moris & Co.**,  
Chartered Accountants  
Firm registration No: 007220S



**CA Jobin George, FCA**  
Partner  
Membership No: 236710  
UDIN: 25236710BMIXWJ3814

Place: Kochi  
Date: 22-05-2025





# KLM AXIVA FINVEST LIMITED

Registered Office: Plot No. 39, Door No. 8-13, 1st Floor, Ashoka Complex, Mythripuram Colony, Gayathri Nagar X Road,  
Vaishalinagar PO., Hyderabad, Rangareddi - 500079

CIN: U65910TG1997PLC026983

Balance Sheet as at 31 March, 2025

		(₹ In Lakhs)	
Particulars	Note No.	As at 31st March 2025	As at 31st March 2024 Restated
<b>I ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and Cash Equivalents	6	3,646.18	3,721.98
(b) Bank Balance Other than (a) above	7	3,909.49	3,086.45
(c) Loans & Advances	8	1,65,610.66	1,65,991.29
(d) Other Financial Assets	9	1,728.17	1,692.34
<b>2 Non-Financial Assets</b>			
(a) Current Tax Assets (Net)	10	662.36	1,049.12
(b) Deferred Tax Assets (Net)	11	1,093.05	1,607.29
(c) Property	12	9,372.92	7,146.23
(d) Plant and Equipment	12	4,693.07	5,232.96
(e) Capital Work- In-Progress	12	-	1,608.30
(f) Other Intangible Assets	13	80.25	116.67
(g) Other Non-Financial Assets	14	2,545.30	2,572.14
<b>Total Assets</b>		<b>1,93,341.45</b>	<b>1,93,824.78</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
(a) Payables			
1. Trade Payables			
(i) Total outstanding dues of MSMEs	15	-	-
(ii) Total outstanding dues of creditors other than MSMEs	15	57.48	100.67
(b) Debt Securities	16	61,636.55	67,699.69
(c) Borrowings (Other than Debt Securities)	17	13,176.90	15,745.48
(d) Subordinated Liabilities	18	82,705.94	77,159.75
(e) Other Financial liabilities	19	6,356.47	6,703.52
<b>2 Non-Financial Liabilities</b>			
(a) Current Tax Liabilities (Net)	20	-	772.58
(b) Other Non-Financial Liabilities	21	1,938.41	1,809.75
<b>3 EQUITY</b>			
(a) Equity Share Capital	22	25,794.76	20,540.09
(b) Other Equity	23	1,674.95	3,293.26
<b>Total Liabilities and Equity</b>		<b>1,93,341.45</b>	<b>1,93,824.78</b>

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For A. John Moris & Co.,  
Chartered Accountants  
Firm Registration No.: 007220S

CA. Jobin George  
Partner  
Membership No.: 236710  
UDIN: 25236710BMIXWJ3814

Date: 22/05/2025  
Place: Ernakulam



For and on behalf of the board of directors

Shibu Theckumpurath  
Varghese  
Whole-time Director  
(DIN: 02079917)

Biji Shibu  
Director  
(DIN: 06484566)

Manoj Raveendran Nair  
Chief Executive Officer

Thanish Dalee  
Chief Financial Officer

Naveena P Thampi  
Company Secretary



# KLM AXIVA FINVEST LIMITED

Registered Office: Plot No. 39, Door No. 8-13, 1st Floor, Ashoka Complex, Mythripuram Colony, Gayathri Nagar X Road,  
Vaishalinagar PO., Hyderabad, Rangareddi - 500079

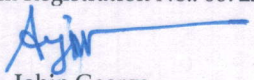
CIN: U65910TG1997PLC026983

## Statement of Profit and Loss for the year ended 31st March 2025

		(₹ In Lakhs)	
Particulars	Note No.	For the year ended 31st March 2025	For the year ended 31st March 2024 Restated
<b>I Revenue from operations</b>			
(a) Interest Income	24	33,246.68	30,562.49
<b>II Other income</b>	25	819.05	1,029.83
<b>III Total income (I+II)</b>		<b>34,065.73</b>	<b>31,592.32</b>
<b>Expenses</b>			
(a) Finance Costs	26	17,453.40	15,476.76
(b) Impairment on Financial Instruments	27	518.97	40.60
(c) Employee Benefits Expenses	28	7,045.72	6,730.63
(d) Depreciation, Amortization And Impairment	29	874.72	892.73
(e) Other Expenses	30	6,192.13	5,434.18
<b>IV Total Expenses</b>		<b>32,084.94</b>	<b>28,574.90</b>
<b>V Profit before tax (III - IV)</b>		<b>1,980.79</b>	<b>3,017.42</b>
<b>VI Tax expense:</b>	31		
(i) Current tax		-	772.58
(ii) Deferred tax		(38.57)	(58.03)
(iii) Tax for earlier years		-	-
<b>VII Profit for the year (V - VI)</b>		<b>2,019.36</b>	<b>2,302.87</b>
<b>VIII Other Comprehensive Income</b>		-	-
<b>IX Total Comprehensive Income (VII+VIII)</b>		<b>2,019.36</b>	<b>2,302.87</b>
<b>X Earnings per Equity Share:</b>	32		
(i) Face value per equity share ₹ 10/- each			
(ii) Basic and Diluted (₹)		0.85	1.14

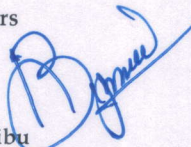
The accompanying notes are an integral part of the Financial Statements.  
As per our report of even date attached

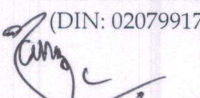
For A. John Moris & Co.,  
Chartered Accountants  
Firm Registration No.: 007220S

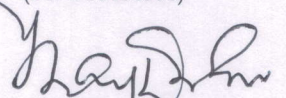
  
CA. Jobin George  
Partner  
Membership No.: 236710  
UDIN: 25236710BMIXWJ3814  
Date: 22/05/2025  
Place: Ernakulam

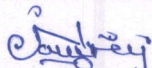
For and on behalf of the board of directors

  
Shibu Theckumpurath  
Varghese  
Whole-time Director  
(DIN: 02079917)

  
Biji Shibu  
Director  
(DIN: 06484566)

  
Manoj Raveendran Nair  
Chief Executive Officer

  
Thanish Dalee  
Chief Financial Officer

  
Naveena P Thampi  
Company Secretary





# KLM AXIVA FINVEST LIMITED

Registered Office: Plot No. 39, Door No. 8-13, 1st Floor, Ashoka Complex, Mythripuram Colony, Gayathri Nagar X Road,  
Vaishalinagar PO., Hyderabad, Rangareddi - 500079

CIN: U65910TG1997PLC026983

## Cash Flow Statement for the year ended March 31, 2025

(Rs. In Lakhs)

PARTICULARS	For the year ended March 31, 2025	For the year ended March 31, 2024 Restated
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit Before Taxation	1,980.79	3,017.42
<u>Adjustments for:</u>		
Depreciation and Amortisation	874.72	892.73
Finance costs	17,453.40	15,476.76
Interest on income tax	-	-
Impairment on financial instruments	518.97	40.60
<b>Operating Profit before Working Capital Changes</b>	<b>20,827.89</b>	<b>19,427.51</b>
(Increase)/Decrease in Loans & Advances -Financial Assets	(138.34)	(21,567.31)
(Increase)/Decrease in Other Financial Assets	(35.83)	63.02
(Increase)/Decrease in Other Non Financial Assets	26.84	(2,048.00)
Increase/(Decrease) in Other Financial Liabilities	(347.05)	90.26
Increase/(Decrease) in Other Non financial Liabilities	128.66	1,576.65
<b>Cash from operations</b>	<b>20,462.15</b>	<b>(2,457.87)</b>
Net income tax paid/Refundable	(385.82)	(257.06)
<i>Net Cash From Operating Activities</i>	<b>20,076.33</b>	<b>(2,714.93)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Capital Expenditure	(916.80)	(2,893.51)
Purchase of investments	-	-
Bank balances not considered as cash and cash equivalents	(823.04)	(1,331.00)
<i>Net Cash From Investing Activities</i>	<b>(1,739.85)</b>	<b>(4,224.51)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of equity shares	3,106.53	-
Additions/Deductions in Specific Reserve	89.45	(4,495.54)
Increase / (Decrease) in Payables	(43.19)	100.67
Increase / (Decrease) in Debt securities	(6,063.14)	(13,379.70)
Increase / (Decrease) in Subordinated liabilities	5,546.19	26,870.30
Increase / (Decrease) in Borrowings (other than Debt securities)	(2,568.58)	8,182.66
Dividend Paid	(1,026.15)	(560.30)
Finance cost	(17,453.40)	(15,476.76)
<i>Net Cash From Financing Activities</i>	<b>(18,412.29)</b>	<b>1,241.34</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(75.80)</b>	<b>(5,698.10)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>3,721.98</b>	<b>9,420.09</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>3,646.18</b>	<b>3,721.98</b>

As per our report of even date attached

For A. John Moris & Co.,  
Chartered Accountants  
Firm Registration No.: 007220S

CA. Jobin George  
Partner  
Membership No.: 236710  
UDIN: 25236710BMIXWJ3814

Date: 22/05/2025  
Place: Ernakulam



For and on behalf of the board of directors

Shibu Theckumpurath Varghese  
Whole-time Director  
(DIN: 02079917)

Manoj Raveendran Nair  
Chief Executive Officer

Biji Shibu  
Director

Naveena P Thampi  
Company Secretary

Thanish Datta  
Chief Financial Officer



## 1. CORPORATE INFORMATION

KLM Axiva Finvest Limited ("the Company") is a public limited company classified as a Middle Layer Non-Banking Financial Company (NBFC-ML) under the Scale-Based Regulatory Framework (SBR) for NBFCs. The Company is not accepting public deposits and is registered with the Reserve Bank of India (RBI) under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is primarily engaged in financing and related activities. The Company has received the certificate of registration from RBI (Registration No. 09.00006) on 13<sup>th</sup> December, 1997 enabling the Company to carry on business as a Non-Banking Financial Company.

The Company offers broad suite of lending and other financial products such as gold loan, mortgage loan, loan against securities, micro finance loans etc.

The registered office of the Company is at Plot No. 39, Door No. 8-13, 1st Floor, Ashoka Complex, Mythripuram Colony, Gayathri Nagar X Road, Vaishalinagar PO. Hyderabad, Rangareddi, Telangana, 500079 and corporate office located at KLM Grand Estate, Bypass Road, Edappally, Ernakulam, Kerala - 682024.

## 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

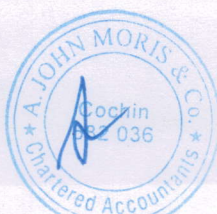
The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 and the generally accepted accounting principles. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

In the preparation of these financial statements, the management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities (including contingent liabilities), income, and expenses. These estimates and associated assumptions are based on management's best knowledge of current events, business conditions, historical experience, and other relevant factors as of the reporting date.

Actual results may differ from these estimates, and such differences could result in material adjustments to the carrying amounts of assets or liabilities in future reporting periods. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 - Significant Accounting Judgements, Estimates, and Assumptions.

### a) Statement of compliance

The above financial statements have been prepared in accordance with the Indian Accounting Standards prescribed read with relevant rules issued there under and other accounting principles generally accepted in India mainly considering the Master Directions issued by the Reserve Bank of India ('RBI') as applicable. The regulatory disclosures as required by Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 issued by the RBI ('RBI Master Directions') and other relevant circulars/ directions to be included as a part of the Notes to Accounts are prepared as per the Ind AS, pursuant to the RBI notification on Implementation of Indian Accounting Standards, dated March 31, 2025.





## b) Presentation Of Financial Statements

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). 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 and regulations issued by the RBI.

The financial statements are presented in Indian Rupees (INR) which is determined to be functional currency of the Company and all values are rounded to the nearest lakhs, except when otherwise stated.

## 3. Restatement Of Financial Statements

In Pursuance to the significant disruption caused by the COVID-19 pandemic and the resulting decline in global and Indian financial markets, the Reserve Bank of India (RBI) issued a series of guidelines during 2020. In line with these guidelines, the Company extended the benefit of moratorium to eligible borrowers for certain gold loan accounts falling due between 1st March 2020 and 31st August 2020.

Subsequently, during the second wave of the pandemic under the provisions of the Resolution Framework 2.0, as outlined in RBI circular DOR.STR.REC.11/21.04.048/2021-22 dated 5th May 2021, the Company extended restructuring benefits to borrowers affected by the pandemic, offering an additional optional period of six months for repayment based on eligibility and financial stress

During inspection by RBI during January 2023 to February 2023 for the financial year 2021-22, RBI issued a risk mitigation plan for certain observations vide letter dated 23<sup>rd</sup> May 2023. RBI objected to the moratorium granted by the company citing violation of instructions contained in circular DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 and instructed the company to create an additional provision of Rs. 11.35 crore on rolled over gold loan amounting to Rs. 119.92 crore outstanding as on 31<sup>st</sup> March 2022.

The company in its reply to the inspection report clarified that such relief were granted in accordance with the Resolution Framework – 2.0; Resolution of Covid-19 related stress of Individuals and Small Businesses as per the RBI directions No.DOR.STR.REC.11/21.04.048/2021-22 dated 05-05-2021. The company also framed a policy in this regard for the implementation of a viable resolution plan for eligible borrowers under this framework, ensuring that the resolution under this facility is provided only to the borrowers having stress on account of Covid-19.

RBI vide letter dated 13<sup>th</sup> September 2024, advised the company to create additional provisioning for the divergence created for loans restructured as mentioned above, in the books of accounts for the year ended 31<sup>st</sup> March 2024. The outstanding amount of such loans existing as on 31<sup>st</sup> March 2024 amounted to Rs. 44.95 crore and as advised by the RBI the outstanding loan was transferred to Loan Loss Appropriation account under retained earnings and the deferred tax impact of the same was also considered in the retained earnings to the tune of Rs. 11.31 crore in accordance with Ind AS 12.

In view of above, the company elected to restate the financial statements for the year ended 31<sup>st</sup> March 2024, in accordance with Ind AS 8.





## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1. Financial Instruments

Financial assets and financial liabilities are recognized in the Company's Balance Sheet when the company becomes a party to the contractual provisions of the instrument. The transaction costs if any that are directly attributable to the acquisition or issue of financial assets and financial liabilities are amortized over the period of the Instrument using the Effective Interest Rate.

#### I. Financial Assets

##### a) Initial recognition

All financial assets are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets are adjusted as appropriate on its initial recognition.

##### b) Subsequent measurement

The Company classifies its financial assets into the following measurement categories depending on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets:

- i. **Financial assets measured at amortised cost-** A financial asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii. **Financial assets measured at fair value through other comprehensive income (FVOCI) -** A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- iii. **Financial assets measured at fair value through profit or loss (FVTPL) -** A financial asset which is not classified in any of the above categories is measured at FVTPL.

At present the company classifies all its Loans and Advances at Amortised cost as the business model is to hold them to collect contractual cash flows and the contractual terms of the loans give rise on specified dates to cash flows that are solely repayments of principal and interest.

##### c) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present under Amortized Cost.

##### d) Assignment Transactions

The Company transfers loan assets through Direct Assignments (DA) arrangements in accordance with the Reserve Bank of India guidelines and Ind AS 109, Loan assets transferred under DA are assessed to determine whether they meet the criteria for derecognition. The financial asset is derecognised when the Company transfers the contractual rights to receive the cash flows and substantially all the risks and rewards of ownership of the financial asset.





In accordance with Ind AS 109, in case of assignment transactions with complete transfer of risks and rewards, the transfer of such financial assets qualifies for derecognition in its entirety, hence the interest income from such assets is offset against the interest expense on direct assignments and corresponding gain or loss recognized in statement of profit or loss

The company has assigned certain gold loans to other parties. The assigned portfolio is reduced from the total gold loan asset under management.

## **II. Financial Liabilities**

### **a) Initial recognition**

All financial liabilities are recognized initially at fair value and in the case of borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables, non-convertible debentures, loans and borrowings including bank overdrafts.

### **b) Subsequent measurement**

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

## **4.2. Derecognition of financial assets and liabilities**

### **I. Financial Assets**

The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

### **II. Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where 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 de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

## **4.3. Impairment of financial assets**

### **I. Overview of the Expected Credit Loss (ECL) Model**

The Company recognises impairment allowance for expected credit loss on financial assets held at amortised cost. The Company recognises loss allowances (provisions) for expected credit losses on its financial assets that are measured at amortised costs

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. The 12-month ECL is the portion of the lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within 12 months after the reporting date.





The Company performs an assessment, at the end of each reporting period, of 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 instrument.

The Company applies a three-stage approach to measuring expected credit losses (ECLs).

#### **Stage 1: 12-months ECL**

For financial assets where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

#### **Stage 2: Lifetime ECL - not credit impaired**

For financial assets where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining life time of the financial asset) is recognised.

#### **Stage 3: Lifetime ECL - credit impaired**

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

The Company has identified a zero bucket for financial assets that are not overdue.

## **II. Estimation of Expected Credit Loss**

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR.

**Probability of Default (PD)** - The Probability of Default is an estimate of the likelihood of default over a given time horizon. The Company uses historical information where available to determine PD.

**Exposure at Default (EAD)** - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, whether scheduled by contract or otherwise, expected draw downs on committed facilities.

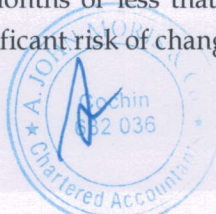
**Loss Given Default (LGD)** - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

### **4.4. Offsetting of financial instruments**

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

### **4.5. Cash and cash equivalents**

Cash and cash equivalents include cash on hand and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.





For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above.

#### 4.6. Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bring the item to the condition necessary for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Advances paid towards the acquisition of fixed assets, outstanding at each reporting date are shown under other non-financial assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income or expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

#### 4.7. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Gains or losses from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit or Loss when the asset is derecognised.

#### 4.8. Input Tax Credit (Goods and Service Tax)

Input Tax Credit is accounted for in the books in the period when the underlying service or supply received is accounted to the extent permitted as per the applicable regulatory laws. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.





#### 4.9. Provisions and Contingent liabilities

Provisions are recognised only when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pretax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed. Contingent liability is disclosed in case of present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligations and the present obligation arising from past events, when no reliable estimate is possible.

#### 4.10. Depreciation and Amortization

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current period are as follows:

Asset	Useful life
Building	30-60 Years
Computers and servers	3-6 Years
Office equipment	5-20 Years
Furniture and fixtures & Electrical equipment's	10-20 Years
Vehicles	8-10 Years

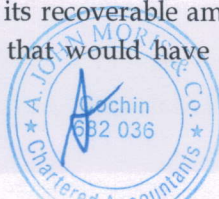
Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Intangible Assets are amortised on a straight-line basis over the estimated useful economic life. Computer Software which is not an integral part of the related hardware is classified as an intangible asset and amortised over a period of six years, being its estimated useful life.

#### 4.11. Impairment of non-financial assets

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset 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 in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on written down value basis over its remaining useful life.

#### 4.12.Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

##### (I) Interest Income

The Company recognises Interest income by applying the effective interest rate (EIR) to the gross carrying amount of a financial asset except for purchased or originated credit-impaired financial assets and other credit-impaired financial assets. For purchased or originated credit-impaired financial assets, the Company applies the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. Such interests, where instalments are overdue in respect of non-performing assets are recognised on realization basis.

The EIR in case of a financial asset is computed

- a) As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- b) By considering all the contractual terms of the financial instrument in estimating the cash flows
- c) Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Interest income on all trading assets and financial assets required to be measured at FVTPL is recognised using the contractual interest rate as net gain on fair value changes.

**Other Income:** In respect of the other heads of income, the Company accounts the same on accrual basis.

##### (II) Recognition of revenue from sale of goods or services

Revenue (other than for Financial Instruments within the scope of Ind AS 109) is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties. The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.





Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Processing fee which is not form part of effective interest rate has been recognised as and when it is accrued.

### (III) Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established. This is established when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

#### 4.13.Finance cost

Finance costs represent Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a) As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b) By considering all the contractual terms of the financial instrument in estimating the cash flows
- c) Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, Rating Fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

#### 4.14.Employee Benefits

##### Defined Contribution Plan

The Company's contribution towards Provident Fund and State Insurance are considered as defined contribution plans, eligible employees and the Company make monthly contributions to the Government administered provident fund scheme and employee state insurance scheme equal to a specified percentage of the eligible employee's salary. The same is charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

##### Defined Benefit Plans

**Short Term Employee Benefits:** All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense)





**Post Employment Benefits:** The employees' gratuity fund scheme represents defined benefit plan. The present value of the obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method and the same recorded in the balance sheet.

#### 4.15. Taxes on Income

Income tax comprises current and deferred income tax.

Current income tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in 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.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax asset is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### 4.16. Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.





#### 4.17. Cash flow statement

Statement of Cash Flows is prepared using the indirect method segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is arrived after adjusting the net profit for the effects of changes during the period in operating receivables and payables transactions of a noncash nature; non-cash items such as depreciation, provisions, deferred taxes and unrealized foreign currency gains and losses, all other items for which the cash effects are investing or financing cash flows.

#### 4.18. Segment Reporting

An operating segment is a component of the Company that engages in the business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by Company's Chief operating decision maker.

The Company's primary business segments are reflected based on the principal business carried out, i.e. financing. The risk and returns of the business of the Company is not associated with geographical segmentation, hence the Company has concluded that the business of lending finance is the only reportable segment.

#### 4.19. Leases

The Company evaluates each contract or arrangement, whether it qualifies as a lease as defined under Ind AS 116, at the inception of the contract or arrangement. A contract is classified as a lease contract, only if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether

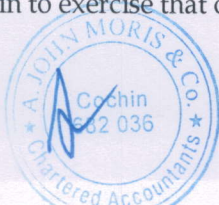
- a) The contract involves the use of identified asset;
- b) The company has substantially gained all of the economic benefits from the use of the asset through the period of lease and
- c) The company has right to direct the use of the asset.

#### The Company as a lessee

The Company has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months, leases with low value and where the contract includes a mutual termination clause allowing either party to terminate the lease at any time without substantive penalty, making the lease non-enforceable beyond the notice period.

Ind AS 116 requires lessees to determine the lease term after consideration of non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The determination of the lease term and the enforceability of the lease contract is based on the substantive rights and obligations of both parties and considers any legal, economic, or practical restrictions on terminating the lease.

The company assesses whether it is reasonably certain to continue the contract. The Company determines the lease term after consideration of any option to extend or terminate the lease, where the Company is reasonably certain to exercise that option, lease term shall be revised accordingly.





Based on the analysis of the agreements, the entity as elected not to adopt lease accounting for the branches.

Where the Company elected to recognise the payments made under Ind AS 116, the Company at the time of initial recognition:

- Measures lease liability at present value of all lease payments discounted using the Company's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is increased by interest on lease liability, reduced by lease payments made and remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.
- Measures 'Right-of-use assets' at present value of all lease payments discounted using the Company's incremental cost of borrowing and any initial direct costs. Subsequently, 'Right-of-use assets' is measured using cost model i.e., at cost less any accumulated depreciation (depreciated on straight line basis over the lease period) and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases' associated with these leases as an expense in Statement of Profit and Loss on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit. The related cash flows are classified as operating activities.

## 5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

### 5.1. Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.





## 5.2. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Fair value note in accounting policy.

However, the Company measures its financial assets and financial liabilities primarily at amortised cost, in accordance with the business model and contractual cash flow characteristics. As such, fair value measurement is not required for accounting purposes, except for disclosures as applicable.

## 5.3. Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

## 5.4. Effective Interest Rate (EIR) method

The Company's EIR methodology recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, probable fluctuations in collateral value as well as expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

## 5.5. Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

## 5.6. Regrouping and Reclassification

Previous years' figures have been regrouped and/or reclassified wherever necessary to conform to the current year's presentation.





Notes forming part of Financial Statements for the period ended March 31, 2025

Note 6 - Cash and Cash Equivalents

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Cash on hand	685.37	722.35
(b) Balance with banks		
- In current accounts	2,960.81	2,999.63
- In fixed deposits (with maturity of less than 3 months)	-	-
<b>Total</b>	<b>3,646.18</b>	<b>3,721.98</b>

Note 7 - Bank Balance Other Than Above

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Balance deposits with maturity more than 3 months	3,884.06	3,086.45
(b) On Earmarked Accounts		
- Unpaid Dividend Account	-	-
- Unclaimed Debenture Account	25.43	-
<b>Total</b>	<b>3,909.49</b>	<b>3,086.45</b>

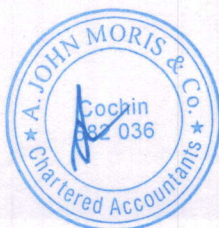
Note 8 - Loans & Advances

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
<b>(A) Loans at Amortized Cost</b>		
(a) Gold Loan	1,10,159.14	1,02,255.18
(b) MSME & Other Receivables	43,943.16	46,080.21
(c) Microfinance Loan	13,282.73	19,264.89
<b>Total (A) - Gross</b>	<b>1,67,385.04</b>	<b>1,67,600.28</b>
Less: Impairment loss allowance	1,774.38	1,608.99
<b>Total (A) - Net</b>	<b>1,65,610.66</b>	<b>1,65,991.29</b>
<b>(B) Secured/Unsecured</b>		
(i) Secured by tangible assets	1,52,421.88	1,48,335.39
(ii) Covered by Bank/Government guarantees	-	-
(iii) Unsecured	14,963.16	19,264.89
<b>Total (B) - Gross</b>	<b>1,67,385.04</b>	<b>1,67,600.28</b>
Less: Impairment loss allowance	1,774.38	1,608.99
<b>Total (B) - Net</b>	<b>1,65,610.66</b>	<b>1,65,991.29</b>
<b>(C) I. Loans in India</b>		
(i) Public Sector	-	-
(ii) Others	1,67,385.04	1,67,600.28
<b>II. Loans Outside India</b>		
(i) Public Sector	-	-
(ii) Others	-	-
<b>Total (C) - Gross</b>	<b>1,67,385.04</b>	<b>1,67,600.28</b>
Less: Impairment loss allowance	1,774.38	1,608.99
<b>Total (C) - Net</b>	<b>1,65,610.66</b>	<b>1,65,991.29</b>

Note:

1. Loan assets are accounted under Amortized cost method as per Ind AS 109, there are no loans measured at FVTPL or FVTOCI or Designated at FVTPL





Notes forming part of Financial Statements for the period ended March 31, 2025

Summary of ECL provisions

(₹ In Lakhs)

Particulars	As at 31st March 2025			
	Stage 1	Stage 2	Stage 3	Total
Gold Loan	0.61	5.21	205.68	211.50
MSME & Other Receivables	19.15	1.21	1,078.10	1,098.46
Microfinance Loan	0.25	2.23	461.95	464.42
Total Closing ECL provision	20.01	8.65	1,745.73	1,774.39

Summary of ECL provisions

(₹ In Lakhs)

Particulars	As at 31st March 2024			
	Stage 1	Stage 2	Stage 3	Total
Gold Loan	0.52	3.14	278.82	282.47
MSME & Other Receivables	-	-	891.73	891.73
Microfinance Loan	0.13	0.77	433.88	434.78
Total Closing ECL provision	0.65	3.91	1,604.43	1,608.99

Note 9 - Other Financial Assets

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Interest accrued on fixed deposits	270.69	180.46
(b) Security Deposits (Assets)	1,421.34	1,476.89
(c) Other Receivables	36.14	32.49
(d) Other Financial Assets	-	2.50
Total	1,728.17	1,692.34

Note 10 - Current Tax Assets (Net)

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Advance tax and tax deducted at source	662.36	1,049.12
Total	662.36	1,049.12

Note 11 - Deferred Tax

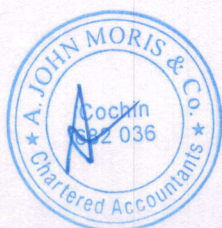
(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) <u>Deferred Tax Assets</u>		
Property, plant and equipments and intangible assets	157.37	169.30
Impairment of financial instruments	446.58	404.95
Business Loss recognised in other equity	578.62	-
Loan Loss recognised in other equity	-	1,131.44
Provision for compensated absences and gratuity	63.92	-
(b) <u>Deferred Tax Liabilities</u>		
Amortisation of expenses & income under effective interest rate method	(153.43)	(98.39)
Deferred Tax Assets (Net) recognised	1,093.05	1,607.29

Note 11.1 - Movement of Deferred Tax

(₹ In Lakhs)

Particulars	Opening balance (as on April 01, 2024)	Recognized in Profit and Loss account	Recognized in Other Equity	Closing balance (as on March 31, 2025)
(a) Property, plant and equipments and intangible assets	169.30	(11.93)	-	157.37
(b) Impairment of financial instruments	404.95	41.63	-	446.58
(c) Business Loss recognised in other equity	-	-	578.62	578.62
(d) Loan Loss recognised in other equity	1,131.44	-	(1,131.44)	-
(e) Provision for compensated absences and gratuity	-	63.92	-	63.92
(f) Amortisation of expenses & income under effective interest rate method	(98.39)	(55.04)	-	(153.43)
Deferred Tax Assets (Net) recognised	1,607.29	38.57	(552.82)	1,093.05





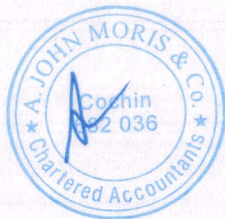
## Note 12 - Property, Plant and Equipments

(₹ In Lakhs)

Particulars	Property			Plant and Equipments					Total
	Land	Building	Capital Work in progress	Computers and data processing units	Electrical Installations and Equipment	Furniture and furnishings	Office Equipments	Motor Vehicles	
<b>Gross carrying amount</b>									
As at 01st April 2023	6,396.33	651.08	555.18	911.29	405.90	4,196.59	1,556.40	88.92	14,761.68
Additions during the year	213.71	-	1,053.12	98.80	38.68	1,214.87	156.69	75.81	2,851.68
Disposals during the year	-	-	-	-	-	-	-	-	-
<b>As at 31st March 2024</b>	<b>6,610.03</b>	<b>651.08</b>	<b>1,608.30</b>	<b>1,010.09</b>	<b>444.58</b>	<b>5,411.46</b>	<b>1,713.09</b>	<b>164.73</b>	<b>17,613.36</b>
As at 01st April 2024	6,610.03	651.08	1,608.30	1,010.09	444.58	5,411.46	1,713.09	164.73	17,613.36
Additions during the year	702.03	1,886.52	78.09	79.27	18.06	98.70	66.17	-	2,928.85
Disposals during the year	266.38	-	1,686.39	-	-	64.87	-	7.60	2,025.24
<b>As at 31st March 2025</b>	<b>7,045.68</b>	<b>2,537.60</b>	<b>-</b>	<b>1,089.36</b>	<b>462.64</b>	<b>5,445.29</b>	<b>1,779.26</b>	<b>157.13</b>	<b>18,516.97</b>
<b>Depreciation</b>									
Accumulated depreciation as at 01st April 2023	-	58.60	-	511.62	158.86	1,307.49	652.21	58.59	2,747.36
Charge for the year	-	56.29	-	170.98	5.23	518.75	116.48	10.78	878.50
<b>Up to 31st March 2024</b>	<b>-</b>	<b>114.88</b>	<b>-</b>	<b>682.60</b>	<b>164.08</b>	<b>1,826.24</b>	<b>768.70</b>	<b>69.36</b>	<b>3,625.87</b>
Accumulated depreciation as at 01st April 2024	-	114.88	-	682.60	164.08	1,826.24	768.70	69.36	3,625.87
Charge for the year	-	95.48	-	143.91	74.44	353.92	134.64	22.72	825.10
<b>Up to 31st March 2025</b>	<b>-</b>	<b>210.36</b>	<b>-</b>	<b>826.51</b>	<b>238.52</b>	<b>2,180.16</b>	<b>903.34</b>	<b>92.08</b>	<b>4,450.97</b>
<b>Net carrying amount</b>									
As at 31st March 2024	6,610.03	536.20	1,608.30	327.49	280.50	3,585.22	944.39	95.37	13,987.50
As at 31st March 2025	7,045.68	2,327.24	-	262.85	224.12	3,265.13	875.93	65.05	14,066.00

## 1. Land Acquired on Satisfaction of Debt

Management had acquired possession of the freehold land in satisfaction of the debts and intends to dispose them in due course, subject to conducive market conditions.



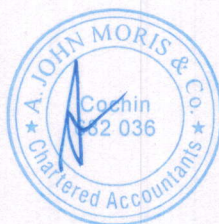


Notes forming part of Financial Statements for the period ended March 31 ,2025

**Note 13 - Other Intangible Assets**

Particulars	Software
<b>Gross carrying amount</b>	
As at 01st April 2023	191.85
Additions during the year	39.92
Disposals during the year	-
<b>As at 31st March 2024</b>	<b>231.77</b>
As at 01st April 2024	231.77
Additions during the year	13.20
Disposals during the year	-
<b>As at 31st March 2025</b>	<b>244.97</b>
<b>Amortization</b>	
Accumulated amortization as at 01st April 2023	100.87
Charge for the year	14.23
<b>Up to 31st March 2024</b>	<b>115.10</b>
Accumulated amortization as at 01st April 2024	115.10
Charge for the year	49.62
<b>Up to 31st March 2025</b>	<b>164.72</b>
<b>Net carrying amount</b>	
As at 31st March 2024	116.67
As at 31st March 2025	80.25

1. The Company has not revalued any of its intangible assets.
2. None of the intangible assets are internally generated.





Notes forming part of Financial Statements for the period ended March 31, 2025

Note 14 - Other Non-Financial Assets

Particulars	(₹ In Lakhs)	
	As at 31st March 2025	As at 31st March 2024
(a) Balances with Government Authorities		
- Input Tax Credit (Inclusive of Accrued ITC)	286.68	189.19
- Income Tax Refund Receivable (AY 2021-22)	191.96	191.96
- Income Tax Refund Receivable (AY 2023-24)	490.86	715.86
- Income Tax Refund Receivable (Other years)	34.55	60.85
(b) Stock of Stationary	0.77	2.63
(c) Prepaid Expenses	874.72	792.00
(d) Other Advances	665.77	619.65
(e) Other Non-Financial Assets	-	-
<b>Total</b>	<b>2,545.30</b>	<b>2,572.14</b>

Note 15 - Trade Payables

Particulars	(₹ In Lakhs)	
	As at 31st March 2025	As at 31st March 2024
(a) Trade Payables		
(i) Total outstanding dues of MSMEs	-	-
(b) From Other Parties		
(i) Total outstanding dues of creditors other than MSMEs	57.48	100.67
<b>Total</b>	<b>57.48</b>	<b>100.67</b>

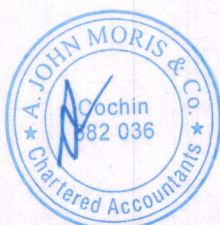
Note 15.1: The disclosure as required under Micro, Small and Medium Enterprises Development Act 2006

Particulars	(₹ In Lakhs)	
	As at 31st March 2025	As at 31st March 2024
(a) Principal Amount due and remaining unpaid as at the year end.	-	-
(b) Interest due thereon and remaining unpaid as at the year end.	-	-
(c) Interest paid by the Company in terms of Section 16 of Micro, Small & Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during the year.	-	-
(d) 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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(e) Interest accrued and remaining unpaid as at the year end.	-	-
(f) Further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Ageing Schedule of Trade Payables

Particulars	(₹ In Lakhs)				
	MSMEs	Others	Disputed - MSME	Disputed - Others	Total
<u>Outstanding for following periods from the due date of payment:</u>					
(i) Less than 1 year	-	57.48	-	-	57.48
(ii) 1 - 2 year	-	-	-	-	-
(iii) 2 - 3 year	-	-	-	-	-
(iv) More than 3 year	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>57.48</b>	<b>-</b>	<b>-</b>	<b>57.48</b>

Dues to Micro, Small and Medium Enterprises have been disclosed to the extent such parties are identified on the basis of information obtained by the company.





Notes forming part of Financial Statements for the period ended March 31, 2025

Note 16 - Debt Securities

		(₹ In Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024	
<b>At Amortised Cost:</b>			
(a) Secured Non-Convertible Debentures - Privately Placed	727.08	727.08	
(b) Secured Non-Convertible Debentures - Public Issue	61,337.49	67,397.02	
<b>Sub-Total</b>	62,064.57	68,124.10	
Less: EIR impact of transaction cost (Public Issue)	(428.02)	(424.41)	
<b>Total A</b>	<b>61,636.55</b>	<b>67,699.69</b>	
(a) Debt Securities in India	61,636.55	67,699.69	
(b) Debt Securities outside India	-	-	
<b>Total B</b>	<b>61,636.55</b>	<b>67,699.69</b>	

16.1 - Secured Non Convertible Debentures - Private Placement

Series wise classification of secured non convertible debentures

		(₹ In Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024	
(a) Non Convertible Debentures 2023 - 24 Series	727.08	727.08	
	727.08	727.08	

Interest wise classification of secured non convertible debentures

		(₹ In Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024	
(a) Non Convertible Debentures - < 12%	727.08	727.08	
	727.08	727.08	

Maturity wise classification of secured non convertible debentures

		(₹ In Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024	
(a) Non Convertible Debentures - 60 months maturity	-	-	
(b) Non Convertible Debentures - 36 months maturity	49.00	49.00	
(c) Non Convertible Debentures - 18 months maturity	678.08	678.08	
	727.08	727.08	

16.2 - Secured Non Convertible Debentures - Public Issue

Series wise classification of secured non convertible debentures

		(₹ In Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024	
(a) Non Convertible Debentures 2023 - 24 Series (Public Issue XI)	9,633.07	-	
(b) Non Convertible Debentures 2023 - 24 Series (Public Issue X)	12,500.00	-	
(c) Non Convertible Debentures 2023 - 24 Series (Public Issue IX)	5,278.58	8,678.38	
(d) Non Convertible Debentures 2022 - 23 Series (Public Issue VIII)	5,523.85	13,612.96	
(e) Non Convertible Debentures 2022 - 23 Series (Public Issue VII)	9,186.66	14,688.09	
(f) Non Convertible Debentures 2021 - 22 Series (Public Issue VI)	6,011.47	8,036.82	
(g) Non Convertible Debentures 2021 - 22 Series (Public Issue V)	4,437.87	6,983.02	
(h) Non Convertible Debentures 2021 - 22 Series (Public Issue IV)	4,003.96	7,053.13	
(i) Non Convertible Debentures 2020 - 21 Series (Public Issue III)	3,938.33	3,938.33	
(j) Non Convertible Debentures 2019 - 20 Series (Public Issue II)	823.70	2,982.19	
(k) Non Convertible Debentures 2018 - 19 Series (Public Issue I)	-	1,424.10	
<b>Sub-Total</b>	61,337.49	67,397.02	
Less: EIR impact of transaction cost (Public Issue)	(428.02)	(424.41)	
	<b>60,909.47</b>	<b>66,972.61</b>	





Notes forming part of Financial Statements for the period ended March 31, 2025

Interest wise classification of secured non convertible debentures

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Non Convertible Debentures - > 12%	-	1,424.10
(b) Non Convertible Debentures - 12%	345.20	599.47
(c) Non Convertible Debentures - > 11.5% to 11.86%	4,416.83	6,321.05
(d) Non Convertible Debentures - >11.25% to 11.5%	363.08	363.08
(e) Non Convertible Debentures - 11% to 11.25%	13,958.03	15,429.93
(f) Non Convertible Debentures - <11%	42,254.35	43,259.39
<b>Sub-Total</b>	<b>61,337.49</b>	<b>67,397.02</b>
Less: EIR impact of transaction cost (Public Issue)	(428.02)	(424.41)
	<b>60,909.47</b>	<b>66,972.61</b>

Maturity wise classification of secured non convertible debentures

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Non Convertible Debentures - 82 months maturity	1,996.30	1,996.30
(b) Non Convertible Debentures - 80 months maturity	1,709.46	1,709.46
(c) Non Convertible Debentures - 78 months maturity	2,136.47	1,076.26
(d) Non Convertible Debentures - 75 months maturity	2,177.35	2,177.35
(e) Non Convertible Debentures - 72 months maturity	-	1,424.10
(f) Non Convertible Debentures - 60 months maturity	28,505.64	27,646.31
(g) Non Convertible Debentures - 36 months maturity	8,688.90	13,040.54
(h) Non Convertible Debentures - 24 months maturity	6,514.84	7,407.60
(i) Non Convertible Debentures - 18 months maturity	1,246.55	3,131.54
(j) Non Convertible Debentures - 16 months maturity	4,199.10	5,310.20
(k) Non Convertible Debentures - 13 months maturity	4,162.88	2,477.36
<b>Sub-Total</b>	<b>61,337.49</b>	<b>67,397.02</b>
Less: EIR impact of transaction cost (Public Issue)	(428.02)	(424.41)
	<b>60,909.47</b>	<b>66,972.61</b>

Note 17 - Borrowings (Other than Debt Securities)

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
<b>At Amortised Cost:</b>		
(i) <b>Term Loans - From Banks</b>		
(a) Term loan (Secured by pari passu floating charge on loan receivables)	10,669.02	11,673.71
(b) Term Loan (Secured by specific charge on vehicles)	38.51	61.11
(ii) <b>Loans Repayable on Demand</b>		
(a) Cash credit / overdraft facilities from banks (Secured)	2,716.22	4,042.43
<b>Sub-Total</b>	<b>13,423.75</b>	<b>15,777.25</b>
Less: EIR impact of transaction cost on Borrowings	(246.86)	(31.77)
<b>Total A</b>	<b>13,176.90</b>	<b>15,745.48</b>
(a) Borrowings (Other than Debt Securities) in India	13,176.90	15,745.48
(b) Borrowings (Other than Debt Securities) outside India	-	-
<b>Total B</b>	<b>13,176.90</b>	<b>15,745.48</b>





*Notes forming part of Financial Statements for the period ended March 31, 2025*

**Details of Security and Terms of Repayment**

**(a) Term loan (Secured by pari passu floating charge on loan receivables) from Banks**

**(i) State Bank of India**

Total Term Loan Sanctioned of Rs 125.00 Cr

Rate of Interest: 1.65% above the 6M MCLR coming to an effective rate of 10.20% revised w.e.f 01.02.2025 changed to 3.10% above 6M MCLR coming to an revised effective rate of 12.00%.

**Terms of Repayment:**

55 monthly installments of ₹.89,30,000/- commencing on 30.04.2022 and last falling due on 30.11.2026 (Term loan of ₹. 50 crore)

35 monthly installments of ₹.69,44,000/- commencing on 25.07.2023 and last falling due on 25.06.2026 (Term loan of ₹. 25 crore)

47 monthly installments of ₹. 1,04,16,667/- commencing on 25.04.2024 and last falling due on 25.03.2028 (Term loan of ₹. 50 crore)

**Primary Security**

Hypothecation of Book Debts, Loan Receivables and other Current Assets on First Pari Passu basis with Debenture Trustees of the Company and other Banks in MBA.

**Collateral**

Exclusive Equitable Mortgage charge over the commercial plot bearing survey number: Sy.no 549,570/3-2,570 /3-3, Situated at door no 5/699, muringoor Thekkummuri, Chalakkudy. 680308, Admeasuring total Area:4.09 Acres,Belonging to KLM Axiva Finvest Limited(Sale Deed No.561/2019).

Exclusive Equitable Mortgage charge over the Commercial Plot bearing Survey Number: Sy. No 379 /1,-2 and 379 /2, situated near Vallakkunnu junction, Oppo. Two Pole Structure No. IIKU/RS/207, R S Road, Vallakkunnu, Irinjalakuda, Thrissur 680683 Admeasuring Total Area: 2.93 Acres, Belonging to KLM Axiva Finvest Limited (Sale Deed No 1291/2022).

Exclusive Equitable Mortgage charge over the Commercial building bearing Survey Number: Re-Survey No. 26/2, situated in Edappally Eranakulam, North Village, Kanayannur Taluk, Ernakulam District, Total Area measuring Total Area:3.24 Ares, Belonging to KLM Axiva Finvest Limited (Sale Deed No. 1854/2019) and commercial building bearing survey Number: Re-Survey No.280, situated in Edappally North Village, Kanayannur Taluq Ernakulam District Admeasuring Total Area: 1.75 Ares, Belonging to Shibu T V (Sale Deed No. 5327 /2014).

Exclusive Equitable Mortgage charge over the Commercial plot bearing Survey Number: Sy. No 1267/9-2, with a commercial building bearing Door No 30/564 of Kothamangalam Municipality, in Kothamangalam Village, Kothamangalam Taluk Ernakulam District, measuring a total of 7.78 Ares, Belonging to KLM Axiva Finvest Limited (Sale Deed No. 836/2022).

Exclusive Charge(Lien) Over the Fixed Deposit of ₹. 21.85 Crs held in the name of the company with SBI

**Guarantors**

1. Shibu Theckumpurath Varghese
2. Biji Shibu

**(ii) Indian Overseas Bank**

Term Loan Sanctioned of ₹. 40.00 Cr

Rate of Interest: 1 year MCLR coming to an effective rate of 11.00% and 12.05% respectively

**Terms of Repayment:**

36 monthly installments of ₹. 55,55,555/- commencing on 01.04.2024 and last falling due on 31.03.2027 (Term loan of ₹. 20 crore)

36 monthly installments of ₹. 55,55,555/- commencing on 06.11.2024 and last falling due on 05.11.2027 (Term loan of ₹. 20 crore)

**Primary Security**

Exclusive first charge by way of assignment/hypothecation of Standard Book Debts/ Standard receivables, current assets..etc.

**Collateral**

30% of the exposure by way of fixed deposits.

**Guarantors**

1. Shibu Theckumpurath Varghese
2. Biji Shibu

**(iii) Dhanlaxmi Bank**

Total Term Loan Sanctioned of ₹. 11.00 Cr

Rate of Interest: 1 year MCLR coming to an effective rate of 11.60%





*Notes forming part of Financial Statements for the period ended March 31, 2025*

Terms of Repayment:

36 monthly installments of ₹. 30,55,556/- commencing on 01.04.2024 and last falling due on 31.03.2027

Primary Security

First ranking pari passu charge with existing secured creditors including debenture trustees on all movable assets including book debts and receivables, cash and bank balances, Loans & advances.

Collateral

Equitable Mortgage charge over of 54.73 Ares (135.18 cents) of dry residential vacant land under Sy no 322/4 of 8.90 ares & Sy No 322/5 of 45.83 ares under TP No 18468, of Valakam Village, Valakam GP, Kunnakkal Desom, Muvattupuzha SRO, Muvattupuzha Taluk, Ernakulam District, Kerala standing in the name of M/s. KLM Axiva Finvest Limited.

Equitable Mortgage charge created over 82.35 Ares (203.40 cents) of dry residential land and a 479.03 sq m residential building standing thereon bearing Door Nos 5-173 & 5-174 under Re Sy no. 470/11-3-3 of 21.22 Ares, Re Sy no. 470/11 of 2.26 Ares, Re Sy 470/11-3-2 of 22.54 Ares, Re Sy 470/11-1-2 of 19.95 Ares, Re Sy 470/11-3 of 3.24 Ares, Re Sy 470/2 of 8.44 Ares and Re Sy 470/15 of 4.70 Ares at Block 32, Ward No. V, TP No. 6822 of Mazhuvannur Village, Mazhuvannur GP, Veettoor Desom, Puthencruz SRO, Kunnathunadu Taluk, Ernakulam (Dist), Kerala standing in the name of M/s. KLM Axiva Finvest Limited.

Equitable Mortgage charge created over 9.82 ares of land (3.33 ares in Sy No 385/2-2-4, 3.67 ares in Sy No 385/2-2-5 and 2.82 ares in Sy No 385/2-2-6) of Koovapady Village, Kunnathunad Taluk, Ernakulam District owned by Mr. Shibu T Varghese, Wholetime Director, M/s. KLM Axiva Finvest Limited.

Guarantors

1. Shibu Theckumpurath Varghese
2. Biji Shibu

**(b) Term Loan (Secured by specific charge on vehicles)**

**(i) Kotak Mahindra Bank**

Term Loan Sanctioned of ₹. 68.96 lakhs

Terms of Repayment:

39 monthly installments of ₹. 1,01,574/- commencing on 05.10.2023 and last falling due on 05.03.2026 (Term loan of ₹. 34.48 lakhs)  
39 monthly installments of ₹. 1,01,574/- commencing on 05.09.2023 and last falling due on 05.02.2026 (Term loan of ₹. 34.48 lakhs)

Primary Security

The loans are secured by hypothecation of respective vehicles against which the loans have been availed

**(c) Loans Repayable on Demand from Banks**

**(i) State Bank of India**

Cash credit Sanctioned - Rs 25.00 Cr

Rate of Interest: 1.65% above the 6M MCLR coming to an effective rate of 10.20% revised w.e.f 01.02.2025 changed to 2.90% above 6M MCLR coming to an revised effective rate of 11.80%.

(Security same as provided for term loan)

**(ii) Dhanlaxmi Bank**

Cash credit Sanctioned - Rs 9.00 Cr

Rate of Interest: 1 year MCLR coming to an effective rate of 11.60%

(Security as mentioned above provided for Dhanlaxmi Bank term loan)

**(iii) South Indian Bank**

Overdraft Sanctioned - Rs 10.00 Cr

Rate of Interest: 1 year MCLR coming to an effective rate of 10.75%

Primary Security

Hypothecation of Book debts, Loan Receivables and other current assets on first pari passu basis with Debenture Trustees of the company and other banks on MBA Asset coverage ratio of not less than 1.50 times to be ensured at all times for SIBs Exposure.





Notes forming part of Financial Statements for the period ended March 31 ,2025

South Indian Bank (contd....)

Collateral

Equitable Mortgage charge created over property measuring to 7.92 ares of land situated under Sy No 1160/6B of village Kothamangalam, Taluk Kothamangalam, District Ernakulam, in the name of M/s KLM Axiva Finvest Limited together with all buildings, existing and / or to be constructed thereon in future.

Equitable Mortgage charge created over property measuring to 9.27 Ares of land situated under Sy No 1160/6A, 1160/6B of village Kothamangalam, Taluk Kothamangalam, District Ernakulam, in the name of M/s KLM Axiva Finvest Limited together with all buildings, existing and/or to be constructed thereon in future.

Equitable Mortgage charge created over property measuring to 8.75 Ares of land situated under Sy No 1159/9 village Kothamangalam, Taluk Kothamangalam, District Ernakulam, in the name of M/s KLM Axiva Finvest Limited together with all buildings, existing and / or to be constructed thereon in future.

Equitable Mortgage charge created over property measuring to 63.94 ares (61.92 Ares + 2.02 Ares) situated under Sy No 571/3-20 (61.92 Ares) and 571/4-4 (2.02 Ares) of village Muringoor Thekkummuri, Taluk Chalakudy, District Thrissur, in the name of M/s KLM Axiva Finvest Limited together with all buildings, existing and / or to be constructed thereon in future.

Equitable Mortgage charge created over property measuring to 22.80 Ares of land situated under old Sy No 269/1C/2 & 269/1B/1 ; Re Sy No : 136/7 of village pattimattom, Taluk Kunnathunadu, District Ernakulam, in the name of M/s KLM Axiva Finvest Limited together with all buildings, existing and / or to be constructed thereon in future.

**Note 18 - Subordinated Liabilities**

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
<b><u>At Amortised Cost:</u></b>		
(a) Subordinated Debts	79,167.41	73,621.22
(b) Tier-1 Capital - Perpetual Debt Instruments	3,538.53	3,538.53
<b>Total A</b>	<b>82,705.94</b>	<b>77,159.75</b>
(a) Subordinated Liabilities in India	82,705.94	77,159.75
(b) Subordinated Liabilities outside India	-	-
<b>Total B</b>	<b>82,705.94</b>	<b>77,159.75</b>

**18.1 - Unsecured Subordinated Debt - Private Placement**

**Series wise classification of unsecured subordinated debt**

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Unsecured Subordinated Debt 2024-25 Series	10,124.56	-
(b) Unsecured Subordinated Debt 2020 - 22 ,2022-23 and 2023-24 Series	67,637.73	60,761.83
(c) Unsecured Subordinated Debt 2019 - 20 Series	996.88	11,593.33
(d) Unsecured Subordinated Debt 2018 - 19 Series	202.42	1,052.98
(e) Unsecured Subordinated Debt 2017 - 18 Series	205.82	213.08
	<b>79,167.41</b>	<b>73,621.22</b>

**Interest wise classification of unsecured subordinated debt**

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Unsecured Subordinated Debt - >12.5%	1,074.26	1,015.26
(b) Unsecured Subordinated Debt - 12.5%	247.61	174.20
(c) Unsecured Subordinated Debt - 12.25%	19.50	388.63
(d) Unsecured Subordinated Debt - 12%	5,932.85	5,160.78
(e) Unsecured Subordinated Debt < 12%	71,893.19	66,882.35
	<b>79,167.41</b>	<b>73,621.22</b>





Notes forming part of Financial Statements for the period ended March 31 ,2025

Maturity wise classification of unsecured subordinated debt

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Unsecured Subordinated Debt - maturity above 5 years	4,288.71	4,265.07
(b) Unsecured Subordinated Debt - maturity upto 5 years	74,878.70	69,356.15
	79,167.41	73,621.22

Note 19 - Other Financial Liabilities

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Interest Accrued But Not Due		
- On Debt Securities	3,546.14	4,193.17
- On Subordinated Debts	2,692.79	2,440.24
- On Perpetual Debt Instruments	41.17	70.11
- On Borrowings (Other than Debt Securities)	76.37	-
(b) Others	-	-
Total	6,356.47	6,703.52

Note 20 - Current Tax Liabilities (Net)

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Income tax provision	-	772.58
Total	-	772.58

Note 21 - Other Non-Financial Liabilities

(₹ In Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Statutory Remittances Accrued But Not Due		
- For Employee Benefits	211.92	184.83
- For GST & Others	253.76	119.22
(b) Provision for Employee Benefits		
- For Gratuity	167.94	183.81
- For Compensated Absenses	86.02	-
(c) Financial Irregularities	38.53	-
(d) Security Deposits (Liability)	259.84	222.79
(e) Expense Payable	230.31	267.08
(f) Other Non-Financial Liabilities	690.10	832.03
Total	1,938.41	1,809.75





Notes forming part of Financial Statements for the period ended March 31, 2025

**Note 22 - Equity Share Capital**

		(₹ In Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024	
<b>Authorised:</b>			
50,00,00,000 (March 31, 2024: 25,00,00,000) equity Shares of ₹ 10/- each	50,000	25,000	
	50,000	25,000	
<b>Issued, Subscribed &amp; Fully Paid Up:</b>			
2,57,94,76,43 (March 31, 2024: 2,05,40,08,57) equity Shares of ₹ 10/- each	25,795	20,540	
	25,795	20,540	

**Note 22.1: Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

Particulars		As at 31st March 2025	As at 31st March 2024
a	<b>Number of Shares</b>		
	At the beginning of the period	2,054.01	1,867.28
	Add: Issue of shares (Bonus & Private Placement)	525.47	186.73
	<b>Outstanding at the end of the period</b>	<b>2,579.48</b>	<b>2,054.01</b>
b	<b>Value of Shares</b>		
	At the beginning of the period	20,540.09	18,672.81
	Add: Issue of shares (Bonus & Private Placement)	5,254.68	1,867.28
	<b>Outstanding at the end of the period</b>	<b>25,794.76</b>	<b>20,540.09</b>

**Note 22.2: Terms/rights attached to equity shares**

- The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The company has allotted 2,05,40,019 fully paid-up bonus shares of Face Value Rs.10/- each pursuant to the Extra-Ordinary General Meeting held on June 21, 2024 of one equity shares for every ten equity shares held as approved by the shareholders. The bonus shares were issued by capitalisation of a sum not exceeding Rs. 20,54,00,190 from securities premium account and free reserves. The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity share holders and shall be entitled to participate in full, in any dividend and corporate action, recommended and declared after the new equity shares are allotted.
- Pursuant to the approval of the shareholders at the Extra-Ordinary General Meeting held on March 07, 2025, the authorised share capital of the Company was increased from Rs. 250,00,00,000 (Rupees Two Fifty Crores only) to Rs. 500,00,00,000 (Rupees Five Hundred Crores only), divided into 50,00,00,000 (Fifty Crore) equity shares of ₹10 each, ranking pari passu with the existing equity shares of the Company.





*Notes forming part of Financial Statements for the period ended March 31, 2025*

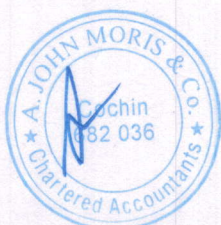
- v The company has allotted 1,12,96,551 fully paid-up bonus shares of Face Value Rs.10/- each pursuant to the Extra-Ordinary General Meeting held on March 07, 2025 of one equity shares for every twenty equity shares held as approved by the shareholders. The bonus shares were issued by capitalisation of a sum not exceeding Rs. 11,29,65,510 from securities premium account and free reserves. The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity share holders and shall be entitled to participate in full, in any dividend and corporate action, recommended and declared after the new equity shares are allotted.
- vi The company has allotted 2,07,10,216 fully paid-up equity shares of Face Value Rs.10/- each at a premium of Rs.5/- pursuant to the Extra-Ordinary General Meeting held on March 07, 2025 on preferential basis through private placement. Equity shares issued and allotted shall rank pari-passu with the existing Equity shares in all respects.

**Note 22.3: Details of shareholders holding more than 5% shares in the company as at the end of the year**

Particulars		As at 31st March 2025	As at 31st March 2024
a	Number of Shares		
	Shibu T Varghese	415.07	349.78
	Biji Shibu	283.35	239.55
	Aleyamma Varghese	133.38	115.48
	Outstanding at the end of the period	831.80	704.82
b	Number of Shares (%)		
	Shibu T Varghese	16.09%	17.03%
	Biji Shibu	10.98%	11.66%
	Aleyamma Varghese	5.17%	5.62%
	Outstanding at the end of the period	32.25%	34.31%

**Note 22.4: Shares held by promoters and promoters group at the end of the year**

Particulars		As at 31st March 2025	As at 31st March 2024
a	Number of Shares		
	Shibu T Varghese	415.07	349.78
	Biji Shibu	283.35	239.55
	Aleyamma Varghese	133.38	115.48
	Elen Elu Shibu	112.75	97.61
	Erin Lizbeth Shibu	76.09	65.87
	Outstanding at the end of the period	1,020.63	868.31
b	Number of Shares (%)		
	Shibu T Varghese	16.09%	17.03%
	Biji Shibu	10.98%	11.66%
	Aleyamma Varghese	5.17%	5.62%
	Elen Elu Shibu	4.37%	4.75%
	Erin Lizbeth Shibu	2.95%	3.21%
	Outstanding at the end of the period	39.57%	42.27%





Notes forming part of Financial Statements for the period ended March 31, 2025

Note 23 - Other Equity

		(₹ In Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024 (Restated)	
<b>(a) Securities Premium</b>			
Opening balance			
Add: Transfer to share premium	1,298.68	3,165.95	
Less: Appropriations made pursuant to share Issue	1,035.51	-	
Closing balance	(1,298.68)	(1,867.28)	
	<b>1,035.51</b>	<b>1,298.68</b>	
<b>(b) Statutory Reserve</b>			
Opening balance			
Add: Additions/(Deductions) during the year	1,538.70	1,078.13	
Closing balance	403.87	460.57	
	<b>1,942.57</b>	<b>1,538.70</b>	
<b>(c) General Reserves</b>			
Opening balance			
Add: Additions/(Deductions) during the year	4.08	4.08	
Closing balance	-	-	
	<b>4.08</b>	<b>4.08</b>	
<b>(d) Revaluation Reserve</b>			
Opening balance			
Add: Additions/(Deductions) during the year	691.24	693.15	
Closing balance	-	(1.91)	
	<b>691.24</b>	<b>691.24</b>	
<b>(e) Retained Earnings</b>			
Opening balance (Refer note 23.1)			
Add: Profit for the year as per Statement of Profit and Loss	3,124.66	1,842.66	
<b>Amount available for appropriation</b>	2,019.36	2,302.87	
Less: Dividend	<b>5,144.02</b>	<b>4,145.53</b>	
Less: Transfer to statutory reserve	(1,026.15)	(560.30)	
Less: Bonus issue of Shares	(403.87)	(460.57)	
Less: DTA recognized in equity (Refer Note 11.1)	(1,884.98)	-	
Closing balance	(552.82)	-	
	<b>1,276.20</b>	<b>3,124.66</b>	
Loan Loss appropriations made during the year			
Opening balance			
Add: Recoveries from Impaired Assets	(3,364.10)	(3,364.10)	
Closing balance	89.45	-	
	<b>(3,274.65)</b>	<b>(3,364.10)</b>	
<b>Total Other Equity</b>	<b>1,674.95</b>	<b>3,293.26</b>	

**Note 23.1: Restatement**

The company restated its financial statements for the year ended 31st March 2024 in accordance with Ind AS 8, following RBI's directive to provide additional provisioning on certain restructured gold loans outstanding as on 31st March 2024, under the Resolution Framework 2.0. (Refer Note 3 - Significant Accounting Policies and Notes on Accounts)





# Statement of changes in Equity for the year ended March 31, 2025

## A. Equity Share Capital

Equity Shares of ₹ 10 each issued, subscribed and fully paid

Particulars	Nos.	Amount ₹ In Lakhs
As at March 31, 2024	2,054.01	20,540.09
Issued during the year	525.47	5,254.68
As at March 31, 2025	2,579.48	25,794.76

## B. Other Equity

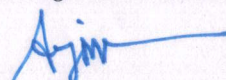
(₹ In Lakhs)

Particulars	Reserves and Surplus							Other comprehensive Income	Total
	Statutory Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Revaluation Reserve	Retained Earnings	Loan Loss Appropriations		
As at March 31, 2024	1,538.70	1,298.68	-	4.08	691.24	3,124.66	(3,364.10)	-	6,657.36
Dividends	-	-	-	-	-	(1,026.15)	-	-	(1,026.15)
Transfer to/from Retained Earnings	403.87	-	-	-	-	(403.87)	-	-	-
Specific Purpose	-	-	-	-	-	-	-	-	-
Other Additions/Deductions during the year	-	-	-	-	-	(2,437.80)	89.45	-	(2,437.80)
Net impact of Securities premium during the year	-	(263.16)	-	-	-	-	-	-	(263.16)
Net impact of assets revalued during the year	-	-	-	-	-	-	-	-	-
Profit for the year (net of taxes)	-	-	-	-	-	2,019.36	-	-	2,019.36
As at March 31, 2025	1,942.57	1,035.51	-	4.08	691.24	1,276.20	(3,274.65)	-	1,674.95

As per our report of even date attached

For and on behalf of the Board of Directors

For A. John Moris & Co.,  
Chartered Accountants  
Firm Registration No.: 007220S



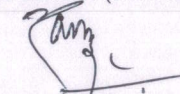
CA. Jobin George  
Partner

Membership No.: 236710  
UDIN: 25236710BMIXWJ3814


Date: 22/05/2025

Place: Ernakulam

Shibu Theckumpurath Varghese  
Whole-time Director (DIN: 02079917)

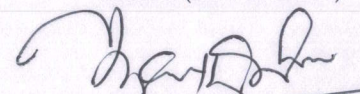


Manoj Raveendran Nair  
Chief Executive Officer



Naveena P Thampi  
Company Secretary

Biji Shibu  
Director (DIN: 06484566)



Thanish Dalee  
Chief Financial Officer





## Nature and purpose of Reserves

### 1 Securities premium

This Reserve represents the amount received in excess of face value of the equity shares. The reserve can be utilised only for the purposes outlined under provisions of the Companies Act, 2013.

### 2 Statutory reserve

Statutory Reserve is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934. It requires every non banking finance institution which is a Company to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. The Company has appropriated 20% of the Profit After Tax to the fund for the year.

### 3 General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of profit for the period at a specified percentage in accordance with applicable regulations. After the introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

### 4 Revaluation reserve


The revaluation reserves represents the gain/ loss attained by the company while revaluing its assets to fair market value.

### 5 Retained earnings

This reserve represents the cumulative profits of the Company, less any transfers to Statutory Reserve, General Reserve, Dividend distribution and Loan Loss Appropriations made during the year.

The accompanying notes are an integral part of the Financial Statements  
In terms of our report attached of even date


For A. John Moris & Co.,  
Chartered Accountants  
Firm Registration No.: 007220S

  
CA. Jobin George  
Partner  
Membership No.: 236710  
UDIN: 25236710BMIXWJ3814


Date: 22/05/2025  
Place: Ernakulam




For and on behalf of the board of directors

  
Shibu Theckumpurath Varghese  
Whole-time Director  
(DIN: 02079917)

  
Manoj Raveendran Nair  
Chief Executive Officer

  
Biji Shibu  
Director  
(DIN: 06484566)

  
Thanish Dalee  
Chief Financial Offi

  
Naveena P Thampi  
Company Secretary



Notes forming part of Financial Statements for the period ended March 31, 2025

**Note 24 - Interest Income**

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
<b>On financial assets measured at amortised cost:</b>		
Interest on Loans		
- Gold Loan	26,133.04	22,055.95
- MSME & Other Loans	4,477.18	5,321.87
- Microfinance Loans	1,966.84	2,904.20
Interest on deposit with banks	608.26	277.05
Interest on IT Refund	61.37	-
Other interest income	-	3.42
<b>Total</b>	<b>33,246.68</b>	<b>30,562.49</b>

**Note 25 - Other Income**

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Commission Income	328.61	469.76
Processing Fee	116.59	161.18
Notice Charge	30.55	20.02
Miscellaneous Income	4.57	2.09
Closing Charges	195.20	167.52
Documentation Charges	36.89	209.25
Penal Charges	72.50	-
Income from other sources	34.14	-
<b>Total</b>	<b>819.05</b>	<b>1,029.83</b>

**Note 26 - Finance Cost**

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
<b>On financial liabilities measured at amortised cost:</b>		
Interest on Borrowings (other than debt securities)	1,488.17	1,066.32
Interest on Subordinate Debt	8,636.77	6,590.20
Interest on Debenture	6,909.14	7,439.34
Interest on PDI	419.32	380.09
Others		
- Interest on delayed payment of income tax	-	0.82
<b>Total</b>	<b>17,453.40</b>	<b>15,476.76</b>

**Note 27 - Impairment on Financial Instruments**

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
<b>On financial assets measured at amortised cost:</b>		
- Impairment on loan assets	165.39	40.60
- Bad debts written off	353.58	-
<b>Total</b>	<b>518.97</b>	<b>40.60</b>

**Note 28 - Employee Benefits Expenses**

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Salaries & Wages	6,621.29	6,266.16
Contributions to provident and other funds	423.23	391.41
Gratuity	1.21	73.05
<b>Total</b>	<b>7,045.72</b>	<b>6,730.63</b>





## Note 29 - Depreciation, Amortisation and Impairment

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Depreciation of tangible assets	825.10	878.50
Amortisation of intangible assets	49.62	14.23
<b>Total</b>	<b>874.72</b>	<b>892.73</b>

## Note 30 - Other Expenses

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Advertisement	484.26	268.91
Audit Expenses	0.23	0.40
Audit Remuneration	13.35	11.50
Bank Charges	94.44	67.53
Business Promotion	239.80	132.34
Celebration Expense	90.63	12.51
Collection Expenses	0.61	1.25
Computer & Software Expenses	85.37	14.39
Corporate social responsibility expenditure	47.90	37.57
Customer Meet expenses	3.33	12.56
Credit Rating Charges	10.74	4.14
Commission Expense	14.64	-
Debenture Trustee Remuneration	2.35	1.21
Discount Given	64.63	120.32
Electricity Charges	181.34	170.64
Fuel Expenses	14.06	15.44
Inaugural Expense	1.11	5.59
Incentive	698.33	770.56
Insurance Charges	59.99	172.28
Internet Charges	42.09	39.32
Legal Expense	30.28	52.86
Loss on Auction Gold	15.45	17.55
Loss on sale of Fixed Assets	32.44	11.55
Marketing Expenses	1.79	4.63
Meeting Expenses	71.87	22.22
Miscellaneous Expense	0.99	1.28
Newspaper & Periodicals	0.75	1.41
Office Expense	236.72	158.18
Postage	43.61	39.89
Printing & Stationery	106.16	105.58
Professional Fee	135.08	65.61
Public Issue	206.03	147.62
Provision for Irregularities	38.53	-
Rates & Taxes	29.15	33.30
Rent	2,150.15	2,140.49
Repairs and Maintenance	37.62	20.76
Repairs and Maintenance-Building	3.55	4.03
ROC Filing Charge	66.72	6.18
Security Service Charges	45.88	14.73
Sitting Fees	12.90	8.10
Staff Training Expense	140.18	91.47
Telephone charges	83.96	83.79
Travelling expenses	411.50	370.16
Input tax written off	124.86	157.97
Vehicle Maintenance	4.88	5.97
Water Charges	11.87	10.40
<b>Total</b>	<b>6,192.13</b>	<b>5,434.18</b>





Notes forming part of Financial Statements for the period ended March 31, 2025

**Note 30.1 - Remuneration to auditors**

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Statutory Audit and Limited Review	12.65	9.20
Taxation, Certification and Other Matters	0.70	2.30
<b>Total</b>	<b>13.35</b>	<b>11.50</b>

**Note 31 - Income Tax**

**The components of income tax expense for the year ended**

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Current tax	-	772.58
Deferred Tax	(38.57)	(58.03)
<b>Total tax expense reported in statement of profit and loss</b>	<b>(38.57)</b>	<b>714.55</b>

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the Company has opted to pay income tax at the rate of 22% (plus surcharge @ 10% and cess @ 4%)

**Note 31.1: Reconciliation of Current tax expense**

(₹ In Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Profit before tax for computation	1,981	3,017
Less: Expenses / provisions deductible in determining taxable profit (Net)	(4,406)	-
Add: Expenses / provisions not deductible in determining taxable profit (Net)	56	52
<b>Adjusted profit/loss before tax for income tax</b>	<b>(2,370)</b>	<b>3,070</b>
Tax using the Company's domestic tax rate (25.168%)	-	773
<b>Current tax expense reported in statement of profit and loss</b>	<b>-</b>	<b>773</b>
<b>Effective income tax rate</b>	<b>-</b>	<b>25.60%</b>

**Note 32 - Earnings per share**

**Basic and Diluted Earnings Per Share computed in accordance with Ind AS 33 "Earnings per share"**

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Face value of equity shares (in ₹) fully paid up	10	10
Net profit for calculation of basic earnings per share (₹ In Lakhs)	2,019	2,303
Weighted average number of equity shares for calculating basic and diluted earning per share (No. In Lakhs)	2,376	2,023
<b>Basic and diluted earnings per share (in ₹)</b>	<b>0.85</b>	<b>1.14</b>

**Note 33 - Related party disclosures**

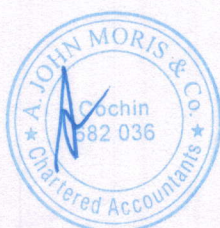
**Names of Related Parties**

**(A) Key Management Personnel**

- 1) Shibu Thekkumpurathu Varghese
- 2) Biji Shibu
- 3) Manoj Raveendran Nair
- 4) Thanish Dalee
- 5) Naveena P Thampi
- 6) Kaippillil Mathew Kuriakose
- 7) Joseph Paul Menacherry
- 8) Abraham Thariyan
- 9) Sreenivasan Thettalil Parameswaran Pillai

**Designation**

- Whole-time Director
- Director
- Chief Executive Officer
- Chief Financial Officer
- Company Secretary
- Independent Director
- Independent Director
- Independent Director
- Director





*Notes forming part of Financial Statements for the period ended March 31, 2025*

**(B) Entities in which KMP / Relatives of KMP can exercise significant influence**

- 1) KLM Tiana Gold & Diamonds Private Limited
- 2) Payyoli Granites Private Limited
- 3) Ente Naadu Nidhi Limited
- 4) Carbomix Polymers (India) Private Limited
- 5) ESAF Financial Holdings Private Limited
- 6) M P Joseph's JGNANA Kendra (OPC) Private Limited
- 7) Astoria Nidhi Limited

**(C) Relatives of Key Management Personnel**

- |                       |   |
|-----------------------|---|
| 1) Elen Elu Shibu     | d/o Shibu Thekkumpurathu Varghese       |
| 2) Erin Lizbeth Shibu | d/o Shibu Thekkumpurathu Varghese       |
| 3) Aleyamma Varghese  | Mother of Shibu Thekkumpurathu Varghese |
| 4) Vithya Mathew      | w/o Thanish Dalee                       |
| 5) Aswathy R          | w/o Manoj Raveendran Nair               |
| 6) Lalgin C Kurian    | h/o Naveena P Thampi                    |

**Related Party transactions during the year:**

(₹ In Lakhs)

Particulars	Related Party		Relatives of Related Party	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Shares subscribed including share premium	250.00	-	-	-
Purchase/ Redemption of listed NCD of the Company	-	-	1.00	-
Purchase/ Redemption of sub-debts of the Company	-	-	1.00	-
Interest paid on listed NCD & sub-debts	-	1.10	0.35	0.48
Bonus Shares issued	913.98	51.00	432.63	22.51
Remuneration paid	336.85	233.33	-	-
Dividend paid	294.67	145.79	139.66	68.56
Sitting Fees	11.40	6.20	-	-

**Balance outstanding as at the year end: Asset/ (Liability)**

(₹ In Lakhs)

Particulars	Related Party		Relatives of Related Party	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Investment in Subsidiary Company	-	-	-	-
Equity shares subscribed	6,984.20	5,893.34	3,262.13	2,793.18
NCD - Listed	-	-	1.00	2.00
Subordinate debt	-	-	2.50	1.50

#Related parties have been identified on the basis of declaration received by the management and other records available.





Notes on Financial Statements for the year ended march 31, 2025

**Note 34 - Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial Assets</b>						
Cash and Cash Equivalents	3,646.17	-	3,646.18	3,721.98	-	3,721.98
Bank Balance Other than above	3,909.49	-	3,909.49	3,086.45	-	3,086.45
Loans	1,42,028.34	25,356.69	1,67,385.03	1,23,868.22	43,732.04	1,67,600.27
- Adjustment on account of EIR/ECL	-	-1,774.38	-1,774.38	-	-1,608.99	-1,608.99
Investments	-	-	-	-	-	-
Other Financial Assets	306.83	1,421.34	1,728.17	212.95	1,479.39	1,692.34
<b>Non-Financial Assets</b>						
Current Tax Assets (Net)	-	-	-	-	-	-
Deffered Tax Assets (Net)	662.36	-	662.36	1,049.12	-	1,049.12
Property, Plant and Equipment	-	1,093.05	1,093.05	-	1,607.29	1,607.29
Other Intangible Assets	-	14,066.00	14,066.00	-	13,987.49	13,987.49
Other Non-Financial Assets	-	80.25	80.25	-	116.67	116.67
	2,545.30	-	2,545.30	189.19	2,382.94	2,572.14
<b>Total Assets</b>	<b>1,53,098.49</b>	<b>40,242.95</b>	<b>1,93,341.45</b>	<b>1,32,127.92</b>	<b>61,696.84</b>	<b>1,93,824.77</b>
<b>LIABILITIES</b>						
<b>Financial Liabilities</b>						
Payables	57.47	-	57.47	100.66	-	100.66
Debt Securities	17,055.02	45,009.54	62,064.56	28,192.60	39,931.50	68,124.10
- Adjustment on account of EIR	-	-428.02	-428.02	-	-424.41	-424.41
Borrowings (Other than Debt Securities)	7,595.51	5,828.23	13,423.74	7,886.57	7,890.68	15,777.24
- Adjustment on account of EIR	-	-246.85	-246.85	-	-31.77	-31.77
Subordinated Liabilities	23,221.63	59,484.31	82,705.94	9,889.83	67,269.92	77,159.75
Other Financial liabilities	1,915.69	4,440.76	6,356.46	2,851.41	3,852.11	6,703.52
<b>Non-Financial Liabilities</b>						
Current Tax Liabilities (Net)	-	-	-	772.58	-	772.58
Other Non-Financial Liabilities	1,938.40	-	1,938.40	1,809.75	-	1,809.75
<b>Total Liabilities</b>	<b>51,783.72</b>	<b>1,14,087.97</b>	<b>1,65,871.70</b>	<b>51,503.40</b>	<b>1,18,488.03</b>	<b>1,69,991.42</b>
<b>Net</b>	<b>1,01,314.77</b>	<b>-73,845.02</b>	<b>27,469.75</b>	<b>80,624.52</b>	<b>-56,791.19</b>	<b>23,833.35</b>



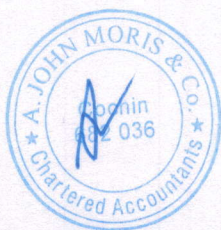


## Note 34.1 - Additional Disclosures

(₹ In Lakhs)

₹ In Lakhs)

Particulars		As at March 31, 2025		As at March 31, 2024 Restated	
Liabilities side :		Amount out-standing	Amount overdue	Amount out-standing	Amount overdue
1. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:					
(a)	Debentures : Secured	61,636.55	-	67,699.69	-
	: Unsecured	-	-	-	-
	(other than falling within the meaning of public deposits)	-	-	-	-
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	10,460.67	-	11,703.05	-
(d)	Inter-corporate loans and borrowing	-	-	-	-
(e)	Commercial Paper	-	-	-	-
(f)	Public Deposits	-	-	-	-
(g)	Other Loans -	-	-	-	-
	Subordinated debt	79,167.41	-	73,621.22	-
	Perpetual Debt Instruments	3,538.53	-	3,538.53	-
	Cash credit / overdraft facilities from banks	2,716.22	-	4,042.43	-
2. Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):					
(a)	In the form of Unsecured debentures	-	-	-	-
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c)	Other public deposits	-	-	-	-
<u>Assets side :</u>		Amount out-standing			
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		As at March 31, 2025		As at March 31, 2024 Restated	
(a)	Secured	1,52,421.88		1,48,335.39	
(b)	Unsecured	14,963.16		19,264.89	
4. Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities					
(i)	Lease assets including lease rentals under sundry debtors :				
	(a) Financial lease	-		-	
	(b) Operating lease	-		-	
(ii)	Stock on hire including hire charges under sundry debtors:				
	(a) Assets on hire	-		-	
	(b) Repossessed Assets	-		-	
(iii)	Other loans counting towards asset financing activities				
	(a) Loans where assets have been	-		-	
	(b) Loans other than (a) above	-		-	
5. Break-up of Investments					
Current Investments :					
1	Quoted :				
(i)	Shares				
	(a) Equity	-		-	
	(b) Preference	-		-	
(ii)	Debentures and Bonds	-		-	
(iii)	Units of mutual funds	-		-	
(iv)	Government Securities	-		-	
(v)	Others (please specify)	-		-	
2	Unquoted :				
(i)	Shares				
	(a) Equity	-		-	
	(b) Preference	-		-	
(ii)	Debentures and Bonds	-		-	
(iii)	Units of mutual funds	-		-	
(iv)	Government Securities	-		-	
(v)	Others (please specify)	-		-	





Notes on Financial Statements for the year ended march 31, 2025  
contd.....

(₹ In Lakhs)

Long Term investments :		As at March 31, 2025	As at March 31, 2024 Restated
1	Quoted :		
(i)	Shares		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government Securities	-	-
(v)	Others (please specify)	-	-
2	Unquoted :		
(i)	Shares		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government Securities	-	-
(v)	Others (please specify)	-	-

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

Category		Amount net of provisions as at March 31, 2025			Amount net of provisions as at March 31, 2024 Restated		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related Parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
2	Other than related parties	1,51,111.92	14,498.74	1,65,610.66	1,47,161.18	18,830.11	1,65,991.29

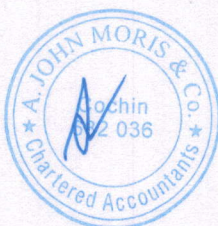
7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category		As at March 31, 2025		As at March 31, 2024	
		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2	Other than related parties	-	-	-	-
Total		-	-	-	-

8. Other information

Particulars		As at March 31, 2025	As at March 31, 2024
(i)	Gross Non-Performing Assets*		
	(a) Related parties	-	-
	(b) Other than related parties	3,323.81	2,753.14
(ii)	Net Non-Performing Assets*		
	(a) Related parties	-	-
	(b) Other than related parties	1,549.43	1,144.16
(iii)	Assets acquired in satisfaction of debt	-	-

\* Stage 3 loan assets under Ind AS





**Notes forming part of Financial Statements for the period ended March 31, 2025**

**Note 34.2 - Disclosure required as per Reserve Bank of India Notification No. DOR (NBFC). CC . PD. No.109/ 22.10.106 /2019-20 dated March 13,2020**

A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 - Financial instruments.

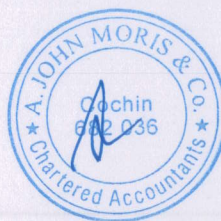
(₹ In Lakhs)

Asset Classification as per RBI Norms (1)	Asset Classification as per IND AS 109 (2)	Gross Carrying Amount as per IND AS (3)	Loss Allowances (Provisions) as required under IND AS 109 (4)	*Loss Allowances (Provisions) on Derecognized Income not forming part of Gross Carrying Amount (5)	Total Loss Allowance (6)	Net carrying Amount (7)=(3)-(4)	Provisions required as per IRACP norms (8)	Difference between IND AS 109 provisions and IRACP norms (9)=(4)-(6)
<b>Performing Assets</b>								
Standard Assets	Zero overdue	1,57,852.20	-	815.50	815.50	1,57,852.20	631.41	184.09
	Stage 1	5,714.55	20.01	6.39	26.41	5,694.54	22.86	-16.46
	Stage 2	494.47	8.65	10.97	19.62	485.82	1.98	8.99
Subtotal		1,64,061.23	28.66	832.86	861.53	1,64,032.57	656.24	176.62
<b>Non-Performing Assets</b>								
Sub Standard	Stage 3	1,228.51	300.52	35.51	336.02	927.99	340.62	-4.60
Doubtful- up to 1 year	Stage 3	838.66	255.16	34.47	289.63	583.50	356.34	-66.71
1 to 3 years	Stage 3	457.87	449.17	80.49	529.66	8.71	410.89	118.77
More than 3 years	Stage 3	798.76	740.88	32.68	773.56	57.88	673.48	100.08
Subtotal for doubtful		2,095.30	1,445.21	147.64	1,592.85	650.09	1,440.71	152.14
Loss	Stage 3	-	-	-	-	-	-	-
Subtotal for NPA		3,323.81	1,745.73	183.15	1,928.87	1,578.08	1,781.33	147.54
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	-	-	-	-	-	-	-
Subtotal		-	-	-	-	-	-	-
<b>Total</b>	<b>Zero overdue</b>	<b>1,57,852.20</b>	<b>-</b>	<b>815.50</b>	<b>815.50</b>	<b>1,57,852.20</b>	<b>631.41</b>	<b>184.09</b>
	<b>Stage 1</b>	<b>5,714.55</b>	<b>20.01</b>	<b>6.39</b>	<b>26.41</b>	<b>5,694.54</b>	<b>22.86</b>	<b>-16.46</b>
	<b>Stage 2</b>	<b>494.47</b>	<b>8.65</b>	<b>10.97</b>	<b>19.62</b>	<b>485.82</b>	<b>1.98</b>	<b>8.99</b>
	<b>Stage 3</b>	<b>3,323.81</b>	<b>1,745.73</b>	<b>183.15</b>	<b>1,928.87</b>	<b>1,578.08</b>	<b>1,781.33</b>	<b>147.54</b>
	<b>Total</b>	<b>1,67,385.04</b>	<b>1,774.39</b>	<b>1,016.01</b>	<b>2,790.40</b>	<b>1,65,610.65</b>	<b>2,437.57</b>	<b>324.16</b>

\*As a matter of prudence and considering the higher credit risk associated with micro finance loans, the company has not recognised the interest receivables for micro finance loans under its gross carrying amount. Also, the same has not been considered while computing Expected Credit Loss (ECL) under the provisioning requirements laid down in Ind AS 109 - Financial Instruments.

However, in accordance with IRACP norms, interest on overdue microfinance loans is considered for provisioning purpose, Since the same is not recognised as part of the gross carrying amount as per Ind AS, the corresponding additional provision has been disclosed separately in column-5 of Note 34.2 for comparative purposes.

As a matter of prudence, the company has maintained provisioning under Expected Credit Loss method (ECL) as per Ind AS, which is higher than the provisioning required under IRACP norms (including standard asset provisioning) hence, the Company has retained a higher provision in the books of account.





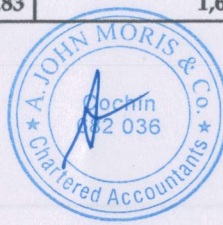
Notes forming part of Financial Statements for the period ended March 31, 2025

**Note 34.3 - Disclosure required as per Reserve Bank of India Notification No. DOR (NBFC). CC . PD. No.109/ 22.10.106 /2019-20 dated March 13,2020**

A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 - Financial instruments prior to restatement.

(₹ In Lakhs)

Asset Classification as per RBI Norms (1)	Asset Classification as per IND AS 109 (2)	Gross Carrying Amount as per IND AS (3)	Loss Allowances (Provisions) as required under IND AS 109 (4)	Net carrying Amount (5)=(3)-(4)	Provisions required as per IRACP norms (6)	Difference between IND AS 109 provisions and IRACP norms (7)=(4)-(6)
<b>Performing Assets</b>						
	Zero overdue	1,68,933.37	-	1,68,933.37	675.73	-675.73
Standard Assets	Stage 1	185.97	0.65	185.32	0.74	-0.09
	Stage 2	223.34	3.91	219.43	0.89	3.02
Subtotal		1,69,342.68	4.56	1,69,338.12	677.37	-672.81
<b>Non-Performing Assets</b>						
Sub Standard	Stage 3	1,108.55	249.61	858.94	110.86	138.76
Doubtful- up to 1 year	Stage 3	391.46	195.73	195.73	78.29	117.44
1 to 3 years	Stage 3	376.21	282.16	94.05	112.86	169.29
More than 3 years	Stage 3	876.93	876.93	-	438.47	438.47
Subtotal for doubtful		1,644.60	1,354.82	289.78	629.62	725.20
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		2,753.15	1,604.43	1,148.72	740.48	863.95
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
<b>Total</b>	Zero overdue	1,68,933.37	-	1,68,933.37	675.73	-675.73
	Stage 1	185.97	0.65	185.32	0.74	-0.09
	Stage 2	223.34	3.91	219.43	0.89	3.02
	Stage 3	2,753.15	1,604.43	1,148.72	740.48	863.95
	<b>Total</b>	1,72,095.83	1,608.99	1,70,486.84	1,417.85	191.14





Notes forming part of Financial Statements for the period ended March 31, 2025

**Note 34.4 Public Disclosure on Liquidity Risk**

**(i) Funding Concentration based on significant counterparty (both deposits and borrowings): As at March 31, 2025**

Sl. No.	Particulars	Nos	Amount (Rs. Lakhs)	% of Total deposits	% of Total Liabilities
1	Number of Significant Counterparties	3	12,405.87	NA	7.48%

**(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits): Not Applicable**

**(iii) Top 10 borrowings (amount in Rs. crore and % of total borrowings):**

1	Amount in Rs. Lakhs	16,275.19
2	% of total borrowings	9.93%

**(iv) Funding Concentration based on significant instrument/product:**

Sl. No.	Particulars	Amount (Rs. Lakhs)	% of Total Liabilities
1	Secured NCD	61,636.55	37.16%
2	Borrowings from Banks & FI's	13,176.90	7.94%
3	Subordinated Liabilities	82,705.94	49.86%
<b>Total</b>		<b>1,57,519.39</b>	<b>94.96%</b>

**(v) Stock Ratios:**

**(a) Commercial papers as a % of total public funds, total liabilities, and total assets: Not Applicable**

**(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities, and total asset: Not Applicable**

**(c) Other short-term liabilities, if any as a % of total public funds, total liabilities, and total assets:**

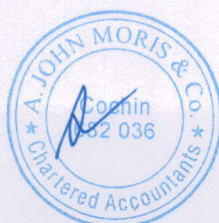
Sl. No.	Particulars	Weightage
1	Other short-term liabilities as % of Total Public funds	33.48%
2	Other short-term liabilities as % of Total Liabilities	31.80%
3	Other short-term liabilities as % of Total Assets	27.28%

**(vi) Institutional set-up for liquidity risk management:**

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk. The Board approves the governance structure, policies, strategy, and the risk tolerance limit for the management of liquidity risk. The Board of Directors approves the constitution of Risk Management Committee (RMC) for the effective supervision and management of various aspects including liquidity risks faced by the company. The meetings of RMC are held at periodically. The Board of Directors also approves constitution of Asset Liability Committee (ALCO), consisting of the Company's top management which functions as the strategic decisionmaking body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and tolerance limits approved by the Board. The role of the ALCO also includes periodic revision of interest rates, diversification of source of funding and its mix, maintenance of enough liquidity and investment of surplus funds. ALCO meetings are held periodically.

**Note:**

- 1) Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
- 2) Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
- 3) Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.
- 4) Public funds are as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.





**Note 35 - Risk Management**

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial lending institution, the Company is exposed to risks that are particular to its lending and the environment within which it operates. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. 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 Management Committee of the Board of Directors constituted is responsible for the overall risk management approach, approving risk management strategies and principles.

The Risk Management Committee shall be responsible for the following:

1. Reviewing the operations of the organization followed by identifying potential threats to the organization and the likelihood of their occurrence, and then taking appropriate actions to address the most likely threats.
2. Identifying the risks an organization is subject to, deciding how to manage it, implementing the management technique, measuring the ongoing effectiveness of management and taking appropriate correction action and provide a framework that enables future activities to take place in a consistent & controlled manner.

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

**I. Credit risk**

Credit risk is the possibility of loss due to the failure of any counterparty abiding by the terms and conditions of any financial contract obligations resulting in financial loss to the Company. The Company's main income generating activity is lending to customers and therefore credit risk is a principal risk. Credit risk mainly arises from loans and advances.

The Company addresses credit risk through following processes:

1. Through a rigorous loan approval and collateral appraisal process, as well as a strong NPA monitoring and collection strategy.
2. Minimise losses due to defaults or untimely payments by borrowers
3. Credit risk on Gold loan is considerably reduced as collateral is in the form of Gold ornaments which can be easily liquidated and adequate margin of 25% or more is retained while disbursing the loan.

**Classification of financial assets under various stages**

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1: unimpaired and without significant increase in credit risk since initial recognition on which a 12 month allowance for ECL is recognised;

Stage 2: a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised;

Stage 3: objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes 90 days past due (DPD) on its contractual payments. All financial assets are deemed to have suffered a significant increase in credit risk when they are 30 DPD and are accordingly transferred from stage 1 to stage 2.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).





**Exposure at Default (EAD)**

The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, whether scheduled by contract or otherwise.

**Probability of default (PD)**

The Probability of Default is an estimate of the likelihood of default over a given time horizon.

To calculate the ECL for a Stage 1 and Stage 2, the Company assesses whether any abnormal reasons occurred for a possible default.

To calculate the ECL for Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available, expertise of the management team to determine PD.

**Loss Given Default (LGD)**

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset. In estimating LGD, the company reviews macro-economic developments taking place in the economy.

**II. Liquidity risk**

Liquidity risk is the non-availability of cash to pay a liability that falls due. A company is deemed to be financially sound if it is in a position to carry on its business smoothly and meet all the obligations – both long term as well as short term – without strain. Liquidity Risk arises largely due to maturity mismatch associated with assets and liabilities of the Company. Liquidity risk stems from the inability of the Company to fund increase in assets, manage unplanned changes in funding sources and meet financial commitments when required.

Company has implemented liquidity management policy for reducing the risk relating to liquidity issues. Currently the policies relating to liquidity are as follows:

1. The Company is maintaining high capital adequacy ratio over and above limits prescribed by regulators.
2. The Company ensures to keep liquidity to cover unexpected repayment obligation.
3. Promoting fund infusion by way of Non-Convertible debentures and subordinated debts so that due date for interest and maturity can be pre known.
4. Funding from long terms sources and lending as short term loans.
5. Reducing the percentage of unsecured lending so that repayment up to a level is not affected.

**Asset Liability Management (ALM)**

The table below shows the maturity pattern of significant financial assets and financial liabilities. In the case of loans, contracted tenor of gold loan is maximum of 12 months. However, on account of high incidence of prepayment before contracted maturity, the below maturity profile has been prepared by the management on the basis of historical pattern of repayments. In case of loans other than gold loan, the maturity profile is based on contracted maturity.





### III. Market risk

Market risk refers to potential losses arising from the movement in market values of interest rates in the Company's line of business. The objective of market risk management is to avoid excessive exposure of our earnings to loss.

#### Interest rate risk

Interest rate risk is the risk where changes in the market interest rates might adversely affect the Company's financial condition. The interest rate risks are viewed from earning perspective and economic value perspective, respectively. Over the last several years, the Government of India has substantially deregulated the financial sector. As a result, interest rates are now primarily determined by the market, which has increased the interest rate risk exposure.

The results of the Company's operations are substantially dependent upon the level of the net interest margins. Interest rates are sensitive to many factors beyond the Company's control, including the RBI's monetary policies, domestic and international economic and political conditions and other factors. Rise in inflation, and consequent changes in the bank rates, repo rates and reserve repo rates by the RBI has led to an increase in interest rates on loans provided by banks and financial institutions.

In order to manage interest rate risk, the company seek to optimize borrowing profile between short-term and long-term loans and the company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. The Company has Board Approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

### IV. Operational risk

Operational risk is broadly defined as the risk of direct or indirect loss due to the failure of systems, people or processes, or due to certain other external events. The Company has instituted a series of checks and balances, including an operating manual, and both internal and external audit reviews. Any loss on account of failure by employees to comply with defined appraisal mechanism is recovered out of their variable incentive. The Company also has detailed guidelines on movement and security measures of cash or gold. 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. Company also have a strong internal audit department which checks the level of operational compliances of branches.

### V. Price risk

In recent years the company have become a gold loan NBFC. The variations in market price of gold can affect the business of the company. Gold price is affected by large number of macro economic scenarios and not predictable. Any sharp decrease in price can adversely affect the business of the company.





Notes on Financial Statements for the year ended march 31, 2025

**Maturity pattern of assets and liabilities as on March 31, 2025:**

(₹ In Lakhs)

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 / 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Not sensitive to ALM*	Total
Deposits	-	-	-	-	-	-	3,909.49	-	-	-	-	3,909.49
Advances	11,618.69	137.16	478.80	1,922.85	1,637.47	20,636.71	1,05,596.68	23,489.67	1,855.10	11.92	-1,774.38	1,65,610.65
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings												
a) Debt Securities	678.08	-	-	-	-	6,122.48	10,254.46	35,188.41	8,316.31	1,504.82	-428.02	61,636.54
b) Borrowings (other than debt securities)	57.59	55.56	293.46	406.61	406.61	1,219.83	5,155.86	5,828.24	-	-	-246.86	13,176.89
c) Subordinated liabilities	651.98	48.12	173.81	1,250.62	1,215.85	5,850.88	14,030.37	34,463.76	20,506.68	4,513.87	-	82,705.94
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-	-

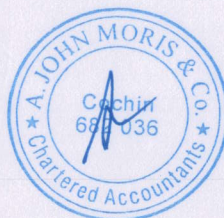
\* represents adjustments on account of EIR/ECL

**Maturity pattern of assets and liabilities as on March 31, 2024:**

(₹ In Lakhs)

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 / 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Not sensitive to ALM*	Total
Deposits	-	-	-	-	-	-	3,086.45	-	-	-	-	3,086.45
Advances	4,977.89	308.42	647.54	3,337.16	4,331.89	17,878.79	92,386.53	26,249.09	6,886.23	10,596.29	-1,608.99	1,65,990.84
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings												
a) Debt Securities	-	1,358.17	1,613.54	-	-	7,596.76	17,624.13	23,913.92	14,021.28	1,996.30	-424.41	67,699.69
b) Borrowings (other than debt securities)	57.58	-	262.91	320.50	320.52	961.65	5,963.42	6,375.35	1,515.33	-	-31.77	15,745.49
c) Subordinated liabilities	543.99	146.29	216.47	717.10	900.50	1,029.69	6,335.79	44,297.17	17,658.57	5,314.18	-	77,159.75
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-	-

\* represents adjustments on account of EIR/ECL





**Notes forming part of Financial Statements for the period ended March 31, 2025**

**Note 36 - Capital**

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and interest rate. The Company monitors its capital to risk-weighted assets ratio (CRAR) on a regular basis through its Assets Liability Management Committee (ALCO).

(₹ In Lakhs except for %)			
Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024 Restated
1	CRAR (%)	23.90%	20.41%
2	CRAR - Tier I Capital (%)	15.79%	13.47%
3	CRAR - Tier II Capital (%)	8.11%	6.94%
4	Amount of subordinated debt raised as Tier - II capital	14,571.85	12,478.33
5	Amount raised by issue of perpetual debt instruments	3,538.53	3,538.53

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, Perpetual Debt Instrument, statutory reserve and retained earnings including current year profit. The other component of regulatory capital is other Tier 2 Capital Instruments.

**Note 37 - Investments**

(₹ In Lakhs)			
Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India	-	-
	(b) Outside India	-	-
	(ii) Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	-	-
	(b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	Less : Write off / write back of excess provisions during the		
	(iii) year	-	-
	(iv) Closing balance	-	-

**Note 38 - Ratings assigned by Credit rating Agencies**

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Bank Loans - Cash Credit/overdraft	ACUITE BBB / Stable	CARE BBB-/Stable; IND BBB-/Stable; BWR BBB-/ Stable
2	Non Convertible Debentures - Public issue	IND BBB-/Stable ACUITE BBB / Stable CARE BBB-/ Stable	CARE BBB-/Stable; IND BBB-/Stable;

**Note 39 - Provisions and Contingencies**

(₹ In Lakhs)			
Sl. No.	Break up of Provisions and Contingencies shown under the head Expenses in the Statement of Profit and Loss	As at March 31, 2025	As at March 31, 2024
1	Provisions for depreciation on Investment	-	-
2	Provision towards NPA (Expected Credit Loss)	1,745.73	1,604.43
3	Provision made towards Income Tax	-	772.58
4	Other Provision and Contingencies (with details)*	292.49	-
5	Provision for Standard Assets	28.66	4.56

\*Other Provision and Contingencies being provided for Gratuity, Compensated Absences and for Financial Irregularities (Refer Note - 21)





## Note 40 - Concentration of Advances

(₹ In Lakhs except for %)

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024 Restated
1	Total Advances to twenty largest borrowers	15,779.14	17,100.25
2	Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	9.43%	10.30%

## Note 41 - Concentration of Exposures

(₹ In Lakhs except for %)

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024 Restated
1	Total Exposures to twenty largest borrowers/customers	15,779.14	17,100.25
2	Percentage of Exposures to twenty largest borrowers/Customers to Total Exposures of the NBFC on borrowers/Customers.	9.43%	10.30%

## Note 42 - Concentration of NPAs

(₹ In Lakhs except for %)

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024 Restated
1	Total Exposures to top four NPA accounts	241.36	161.98

## Note 43 - Sector wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		As at March 31, 2025	As at March 31, 2024 Restated
1	Agriculture & allied activities	-	-
2	MSME	2.47%	2.07%
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans (vehicle loan)	-	-
7	Other loans	-	-
	a) Gold Loans	1.04%	0.54%
	b) Microfinance Loans	8.27%	6.43%

## Note 44 - Movement of NPAs

(₹ In Lakhs except for %)

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	Net NPAs* to Net Advances (%)	0.93%	0.67%
(ii)	Movement of NPAs* (Gross)		
	(a) Opening balance	2,753.14	2,692.14
	(b) Net additions during the year	570.66	61.01
	(c) Closing balance	3,323.81	2,753.14
(iii)	Movement of Net NPAs*		
	(a) Opening balance	1,144.16	1,123.75
	(b) Net additions during the year	405.27	20.41
	(c) Closing balance	1,549.43	1,144.16
(iv)	Movement of provisions for NPAs* (excluding Provisions on Standard Assets)		
	(a) Opening balance	1,604.43	1,501.58
	(b) Provisions made during the year	141.30	102.85
	(c) Write-off/ write-back of excess provisions	-	-
	(d) Closing balance	1,745.73	1,604.43

\* Stage 3 loan assets under Ind AS.

## Note 45 - Customer complaints

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024 Restated
1	No. of complaints pending as at the beginning of the year	Nil	Nil
2	No. of complaints received during the year	84	45
3	No. of complaints redressed during the year	84	45
4	No. of complaints pending as at the end of the year	Nil	Nil





## Note 46 - Top Five grounds of complaints received

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Number of complaints pending beyond 30 days
<b>31, March 2025</b>					
Staff Misconduct	-	9	80%	-	-
Auction	-	11	175%	-	-
Interest Issue	-	7	250%	-	-
Technical Issue	-	20	1900%	-	-
Investment Interest	-	-	-	-	-
Others	-	37	12.12%	-	-
<b>Total</b>		<b>84</b>			
<b>31, March 2024</b>					
Staff Misconduct	-	5	400%	-	-
Auction	-	4	300%	-	-
Interest Issue	-	2	-	-	-
Technical Issue	-	1	100%	-	-
Investment Interest	-	-	-	-	-
Others	-	33	-	-	-
<b>Total</b>		<b>45</b>			

**Note 47 - Reporting of Fraud; Pursuant to Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024, dated 15/07/2024**

(₹ In Lakhs except for %)

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Amount related to fraud reported	52.26	164.59

## Note 48 - Percentage of Loans granted against collateral of gold jewellery to total assets

(₹ In Lakhs except for %)

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024 Restated
1	Gold Loans granted against collateral of gold jewellery	1,10,159.14	1,02,255.18
2	Total Assets of the Company	1,93,341.45	1,93,824.78
3	Percentage of Gold Loans to Total Assets	56.98%	52.76%

## Note 49 - Details on drawn down from reserves

The disclosure pertaining to drawn down from Reserves has been disclosed shown in Other Equity (Refer Note - 23)

## Note 50 - Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no impact in the profit and loss on account of prior period items on the current year profit and loss. Also Refer Significant Accounting Policies - Note 3

## Note 51 - Overseas Assets

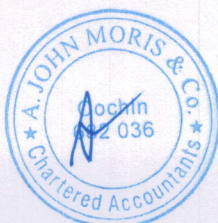
(₹ In Lakhs except for %)

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	NA	-	-

## Note 52 - Off-balance Sheet SPVs sponsored

(₹ In Lakhs except for %)

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	NA	-	-





Notes forming part of Financial Statements for the period ended March 31, 2025

Note 53 - Direct Assignments reduced from Gold Loan Portfolio

Master Direction - Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021

(₹ In Lakhs except for %)

Particulars	As at March 31, 2025	As at March 31, 2024 Restated
Gold loan under AUM	1,13,058.80	1,03,853.24
Less: Assigned Portfolio	(2,899.66)	(1,598.06)
Gold loan (Net)	1,10,159.14	1,02,255.18

a. The Company has not transferred any non performing assets

b. The Company has not acquired any Stressed loans or Special Mention Accounts

Note 54 - Details of the Auctions conducted with respect to Gold Loan

Year Ended	Number of Loan Accounts	Amount due as on the date of auction ₹ In Lakhs	Value Fetched ₹ In Lakhs
31-03-2025	9,940	7,501.53	7,486.09
31-03-2024	8,922	6,914.10	6,896.55

Note 55 - Derivative Transactions

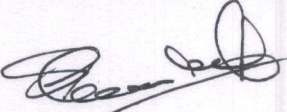
The company does not engage in any derivative transactions, hence the quantitative and qualitative disclosures regarding the same is NA

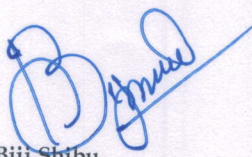
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

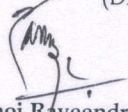
For and on behalf of the board of directors

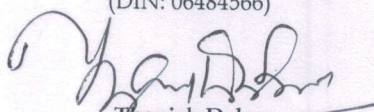
For A. John Moris & Co.,  
Chartered Accountants  
Firm Registration No.: 007220S

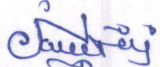
  
Shibu Theckumpurath Varghese  
Whole-time Director  
(DIN: 02079917)

  
Biji Shibu  
Director  
(DIN: 06484566)

  
CA. Jobin George  
Partner  
Membership No.: 236710  
UDIN: 25236710BMIXWJ3814  
Date: 22/05/2025  
Place: Ernakulam

  
Manoj Raveendran Nair  
Chief Executive Officer

  
Thanish Dalee  
Chief Financial Officer

  
Naveena P Thampi  
Company Secretary

